# Sub-Contractor Agreement

This Agreement is entered into on       by and between       ("Sub Contractor") and IntePros Incorporated ("IntePros").

1. Consulting Services

a. From time to time, on an as-needed basis, the Sub Contractor agrees to provide such information technology services as are identified to the Sub Contractor by IntePros. Such services shall be provided directly to the IntePros' client and / or clients ("Client"). IntePros shall act as an agent / broker for the Client and the Sub Contractor to facilitate and arrange services hereunder. Such services, and those employees, staff and personnel ("Personnel") of the Sub Contractor designated to provide such services, shall be described in greater detail on Work Schedules to be attached hereto in the form of Work Schedule - Corp-to-Corp.

b. All work performed and services provided hereunder shall be under the direction and to the satisfaction of the Client, without instructions or supervision from IntePros. Neither IntePros nor the Client shall provide training, tools, equipment or other materials to the Sub Contractor.

c. The Sub Contractor shall not be prohibited, except to the extent that it would be inconsistent with the requirements of this Agreement, in any way, from performing any services for any other individual or company during the period of this Agreement. At any time, IntePros may arrange for other Sub Contractors or IntePros' own employees to provide the same or similar services to the Client.

2. Payment / Billing

Payment to the Sub Contractor shall be postmarked within 15 calendar days (net 15) of receipt by IntePros of a completed Time Sheet and the Sub Contractor's weekly invoice, only for hours actually worked, at an hourly rate as indicated on the Work Schedule without reduction for income tax withholdings or other employee deductions. The Sub Contractor and its Personnel shall receive no other compensation or benefits for services provided hereunder. In order to be paid, the Sub Contractor must submit to IntePros an invoice with backup Time Sheets signed by an authorized representative of the Client. The difference between amounts paid to the Sub Contractor by IntePros and the amounts billed to the Client(s) by IntePros shall compensate IntePros for its services in identifying the Sub Contractor and the Client, arranging interviews and other services and performing administrative functions provided hereunder. The Sub Contractor agrees that it shall not disclose the Sub Contractor's rate of pay to the Client or to the Client's customer(s) or co-workers.

1. Term

The Sub Contractor's services hereunder shall be provided only on an as needed basis without any commitment as to minimum use by IntePros or the Client. The Sub Contractor acknowledges and agrees that this Agreement and / or any Work Schedule may be terminated at any time by IntePros upon any breach of this Agreement and at any time, if the Client or IntePros so desires, with or without cause. The Sub Contractor may terminate this Agreement subject to completion of any outstanding Work Schedules upon 10 business days prior notice to IntePros. Failure to provide ten business days notice, prior to the completion of any current work schedule, will result in forfeiting a sum equivalent of ten business days payment to the Sub Contractor in addition to any other damages incurred by IntePros as a result of leaving a contract early.

1. Confidential Information / Intellectual Property

a. The Sub Contractor acknowledges that in the course of the Sub Contractor's providing services hereunder, the Sub Contractor may

be provided with or have access to confidential information belonging to IntePros, the Client or other

bparties. Confidential information includes any and all information which any party may consider proprietary or otherwise wish to keep confidential including, but not limited to, customer lists, computer programs, schematics, source code, object code, cost or profit figures and projections, credit information, current, future or proposed products or services, plans and technology, business forecasts, financial records, accounting records, and technical information included in or on tracings, flow charts, drawings, field notes, calculations, specification and engineering data. The Sub Contractor agrees to hold in strict confidence all confidential information which the Sub Contractor uses or to which the Sub Contractor gains access during the course of providing services hereunder and not to use, reproduce, publish, disclose or otherwise make known to any person or entity any confidential information, except to the extent required in the performance of the Sub Contractor's services to the Client hereunder.

b. The Sub Contractor agrees not to disclose, indirectly or directly any information or data, the disclosure of which would constitute a violation of any obligation to, or infringe upon the rights of, any third party.

c. The Sub Contractor agrees that any inventions, works of authorship or other intellectual property, including, but not limited to, source code and documentation, conceived, developed, or originated by the Sub Contractor or under the Sub Contractor's direction during the Sub Contractor's provision of services to the Client hereunder shall be the sole and complete property of the Client. The Sub Contractor hereby assigns and conveys the Sub Contractor's entire right, title and interest to any and all resulting copyrights, patents and trade secrets to the Client or to its customer, as the case may be. The Sub Contractor agrees to execute all applications or registrations for patents and copyrights, and any other instruments deemed necessary or helpful for the Client to secure and enforce its rights. The Sub Contractor shall make no charge or claim for additional compensation or any other consideration for signing such documents. The Sub Contractor further agrees to disclose, promptly and without prior request, to the Client all such inventions, works or authorship and other intellectual property.

d. Upon the termination or completion of services to any Client, the Sub Contractor agrees to immediately return to the Client all information, data and any other materials supplied by or obtained from the Client in the course of the Sub Contractor's work, along with all copies thereof in the Sub Contractor's possession and control.

e. The Sub Contractor acknowledges and agrees that the disclosure of any confidential information or any other violation of the terms of Section 4 of this Agreement would cause immediate and irreparable injury, loss and damage to IntePros and to the Clients and / or their customers and that an adequate remedy at law of such injury, loss and damage may not exist and that, in the event of such disclosure or threatened disclosure, IntePros, the Clients and / or their customers shall be entitled to institute and prosecute proceedings in a court of competent jurisdiction to obtain temporary and / or permanent injunctive relief to enforce a provision of this Agreement, without the necessity of proof of actual damage or loss.

f. The Sub Contractor and its employees shall not disclose any Consultant's rate of pay to any third party, including without limitation, any Client, customer or co-worker. Any such disclosure may result in the Consulting Company and / or its Consultants immediate termination.

5. Competition For Clients

Except as provided by this Agreement or as may be consented to by IntePros in writing, the Sub Contractor and it’s employee’s agrees as a condition of this Agreement and the introduction of the Sub Contractor to the Client that the Sub Contractor and it’s employee’s will not solicit or accept an offer of employment with, or otherwise directly or indirectly provide services to the Client or its affiliates until the expiration of twelve months after termination of this Agreement without payment to IntePros of a finder's fee in the amount of $50,000. The Sub Contractor and its employee’s shall immediately notify IntePros if the Client or any affiliate solicits the Sub Contractor and its employee’s with an offer of direct or indirect employment.

1. Representations and Warranties of the Sub Contractor

a. The Sub Contractor shall be solely responsible to pay, when due, salaries, wages and other forms of compensation or reimbursement and all applicable federal, state and local withholding taxes and unemployment taxes, as well as social security, state disability insurance and all other payroll charges payable to, or on behalf of, its Personnel providing services hereunder. The Sub Contractor shall indemnify and hold IntePros and the Client harmless from and against, and in respect of, any and all Losses (as defined below) arising out of claims from the Personnel of the Sub Contractor.

b. The Sub Contractor is a corporation duly organized, validly existing and in good standing under the laws of the State of       and has the full power and authority to own or lease its properties and to carry on its business as it is now being conducted, and is qualified to conduct business as a foreign corporation in all jurisdictions in which the nature of the business contemplated by this Agreement requires such qualification. The Sub Contractor has been engaged in the business of providing information technology services and maintains books and records in the ordinary course of its business reflecting such activities. The Sub Contractor's federal tax identification number is set forth on the signature page of this Agreement. The board of directors of the Sub Contractor has taken all actions required by applicable law, the articles of incorporation or bylaws of the Companies or otherwise, to authorize the transactions contemplated by this Agreement.

c. The Sub Contractor shall maintain the following policies of insurance covering all Personnel of the Sub Contractor performing services under this Agreement.

(i) Workers' Compensation and Employers' Liability Insurance as prescribed by law,

(ii) Comprehensive General Liability (Bodily Injury and Property Damage) Insurance, in an amount not less than $1,000,000 per occurrence, naming IntePros and the Client as additional insured, and

d. The Sub Contractor warrants that all services provided hereunder shall be of the highest professional standards, quality and workmanship and shall be provided using the Sub Contractor's skill and judgment in the means and manner that are most suitable to perform the work contemplated hereunder. While on the site of the Client's business, the Sub Contractor and its Personnel shall abide by the Client's applicable rules and regulations at all times.

e. All information provided by the Sub Contractor to IntePros or upon which IntePros has relied; including, without limitation, resumes, interviews and references, is complete, true and correct in all material respects. There is no fact which materially and adversely affects the ability of the Sub Contractor to provide the services contemplated hereunder which has not been expressly and fully set forth to IntePros.

1. Indemnity

a. The Sub Contractor is solely and entirely responsible and liable for the services provided to the Client hereunder and IntePros shall have no liability of any kind for such services. The Sub Contractor shall be solely responsible to determine the scope and requirements of each project from the Client prior to undertaking any work hereunder. No undertaking by IntePros to describe or list the requirement of the Client shall result in any liability for IntePros to the Sub Contractor hereunder. The Sub Contractor shall indemnify and hold IntePros harmless from and against, and in respect of, any and all liabilities, losses, damages, settlements, claims, costs and expenses, including, but not limited to, reasonable attorneys' fees, any and all actions, suits, proceedings, demands, assessments or judgments, costs and expenses incidental to the foregoing ("Losses") arising out of the provision of services by the Sub Contractor to the Client under this Agreement.

b. The Sub Contractor agrees that in the event IntePros is assessed or reassessed by any applicable federal, state or other authority, or that any claim is made against IntePros respecting any failure by IntePros to deduct or withhold payments made to the Sub Contractor any amounts required to be deducted or withheld by law, the Sub Contractor shall pay to IntePros the amount of money that may be required by the applicable authority to be paid by IntePros to fully satisfy any claim made by the authority against IntePros.

1. Worker Classification

Sub Contractor acknowledges that they fully understand and have complied with the IRS worker classification “Right to Control Test” of determining independent contractor qualification (Exhibit D). Additionally, Sub Contractor acknowledges that they maintain Independent Contractor compliance based on **Form SS-8** **(Determination** **of Worker Status)** three factors of

1. **Behavior Control Factors, b. Financial Control c. Factors Relationship to Parties Factors**

IntePros or its authorized representative shall have the right to conduct an audit or review of the Sub Contractor’s records to verify the Sub Contractor’s compliance with the provisions of this agreement, including but not limited to, classification of Personnel, payment of wages and compliance with all payroll taxes. The Sub Contractor shall retain all records relevant to this agreement as required by applicable law after termination of this Agreement.

The Sub Contractor has advised its Personnel of the terms of this Agreement and obtained the written agreement of its Personnel that:

(i) All personnel supplied through Sub Contractor must be W-2 employees of Sub Contractor.

(ii) Personnel are not employees of IntePros or the Client, and must provide proof of W-2 payment to all it’s Personnel such as 1) Copy of employer tax payment or pay stub or 2) CPA letter attesting to the fact that worker (s) are compensated via W-2 wages.

(iii) The parties agree that Personnel are employees of the Sub Contractor for all purposes under this agreement and that the Sub Contractor is solely responsible for the timely payment of all applicable wages, benefits, and other compensation to Personnel and for the withholding and payment of all applicable taxes and charges to be withheld from the compensation of its Personnel and for the timely payment of all applicable taxes and charges to the appropriate government agencies. Such taxes and charges include, but are not limited to federal income tax withholding, state and local payroll taxes, unemployment taxes, Social Security and Medicare tax requirements. The Sub Contractor shall be solely responsible and liable for applicable workers compensation benefits, premiums, and other similar charges. Personnel of the Sub Contractor are NOT entitled to any compensation, benefits or rights provided by IntePros or the Client including, without limitation, coverage under any workers compensation, welfare, medical, dental, life or disability insurance plans, pension plans or any other fringe benefits.

(iv) Personnel of the Sub Contractor will comply with the provisions of Sections 4 and 5 of the Agreement.

1. Miscellaneous

This Agreement constitutes the entire agreement between the parties with respect to the matters contained herein and supersedes any and all prior and contemporaneous agreements, negotiations, correspondence, undertakings and communications of the parties, oral or written, with respect to that subject matter.

a. The obligations contained in Section 4 and 5 of this Agreement shall be binding upon not only the Sub Contractor, but also upon the Sub Contractor's Personnel.

b. The Sub Contractor may not, without the express written permission of IntePros, assign or pledge any rights or obligations hereunder and may not subcontract its obligations hereunder to others.

c. No amendment or modification of this Agreement shall be valid unless evidenced by a written instrument executed by the parties hereto. No waiver by IntePros of any provision or condition of this Agreement shall be deemed a waiver of any similar or dissimilar provision or condition at the same time or any prior or subsequent time.

d. The provisions of this Agreement and the covenants herein contained shall be construed independently of each other, it being the express intent of the parties hereto that the obligation of, and restrictions on, the parties as provided herein shall be enforced and given effect to the fullest extent legally permissible.

e. This Agreement shall be governed by and construed in accordance with the laws of the State in which the services are provided hereunder.

f. Any and all disputes, controversies and claims arising out of or relating to this Agreement or concerning the respective rights or obligation hereunder of the parties hereto shall be settled and determined by arbitration before the Commercial Panel of the American Arbitration Association in accordance with the Commercial Arbitration Rules. The arbitrators shall have the power to award specific performance or injunctive relief and reasonable attorneys' fees and expenses to any party in any such arbitration. However, in any arbitration proceeding arising under this Agreement, the arbitrators shall not have the power to change, modify or alter any express condition, term or provision hereof, and to that extent the scope of their authority is limited. The arbitration award shall be final and binding upon the parties and judgment thereon may be entered in any court having jurisdiction thereof.

1. Misrepresentation of Personnel

With no exception, the Sub Contractor , it’s employee’s and any other person presented to or introduced, directly or indirectly, to IntePros by the Sub Contractor, agree as a condition of this Agreement that they will not misrepresent any one person for another at any time. Should the Sub Contractor, it’s employees and any other person presented to or introduced, directly or indirectly, to IntePros misrepresent one person for another, the Sub Contractor shall compensate IntePros a fee in the amount of a minimum of $100,000.00 or if greater, the total cost incurred by IntePros as a result of any cost and / or damages incurred as a result of misrepresenting one person for another.

Further, the individual whose resume is presented or referred to IntePros by the Sub Contractor must be the same individual who performs all parts of the interview process and must also be the same individual who performs all required work. If it is determined that the individual was not the same person at any point, the Sub Contractor shall compensate IntePros a fee in the amount of a minimum of $100,000.00 or if greater, the total cost incurred by IntePros as a result of any cost and / or damages incurred as a result of misrepresenting one person for another.

The obligations of this Agreement shall survive the Sub Contractor's employment by or assignment to IntePros' Client.

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

|  |  |
| --- | --- |
| **Sub Contractor** | **IntePros Incorporated** |
| Legal Corporate Name |  |
| *Corporate Officer Signature* | *Corporate Officer Signature* |
| *Printed Name/Title* | *Printed Name/Title* |
| *Date* | Date |
| *Federal Identification Number* |  |

# Sub-Contractor Work Schedule

Description of Work:

Consultant Name:

Client:

Work Location:

Expected Start Date:

Expected End Date:

Pay Rate:       *CONFIDENTIAL*

Overtime Pay Rate:       *CONFIDENTIAL*

Client Project Manager:

Client Project Manager Phone:

IntePros Contact:

IntePros Contact Phone:

By signing this Work Schedule, the Consultant acknowledges that he/she has read and agrees to the terms and conditions set forth in “Sub Contractor Agreement."

ACCEPTED BY:

|  |  |
| --- | --- |
| **Sub Contractor** | **IntePros Incorporated** |
| Legal Corporate Name |  |
| *Corporate Officer Signature* | *Corporate Officer Signature* |
| *Printed Name/Title* | *Printed Name/Title* |
| *Date* | Date |
| *Federal Identification Number* |  |

# Sub-Contractor Confidentiality Agreement

1. Sub Contractor Employee (hereinafter "Employee") acknowledges that in the course of his or her providing services hereunder, Employee may be provided with or have access to Confidential Information belonging to the Company, Client or other parties. Confidential Information includes any and all information which any party may consider proprietary or otherwise wish to keep confidential including without limitation, customer lists, computer programs, schematics, source code, object code, cost or profit figures and projections, credit information, current, future or proposed products or services, plans and technology, business forecasts, financial records, accounting records, and technical information included in or on tracings, flow charts, drawings, field notes, calculations, specification and engineering data. Employee agrees to hold in strict confidence all Confidential Information which Employee uses or to which Employee gains access during the course of its providing services hereunder and not to use, reproduce, publish, disclose or otherwise make known to any person or entity any Confidential Information, except to the extent required in the performance of Employee's services to Client hereunder.

2. Employee agrees not to disclose, indirectly or directly, to the Company or any Client, any information or data, the disclosure of which would constitute a violation of any obligation to, or infringe the rights of any third party.

3. Employee agrees that any inventions, works of authorship or other intellectual property, including, but not limited to, source code and documentation, conceived, developed, originated, fixed or reduced to practice by Employee or under Employee's direction during Employee's property.

a. Upon the termination or completion of services to any Client, Employee agrees immediately to return to Client all information, data and any other materials supplied by or obtained from Client in the course of Employee's work, along with all copies thereof in Employee's possession and control.

b. Employee acknowledges and agrees that the disclosure of any Confidential Information or any other violation of the terms of this Section 4 of this Agreement would cause immediate and irreparable injury, loss and damage to the Company, the Clients and/or their customers and that an adequate remedy at law of such injury, loss and damage may not exist, and that in the event of such disclosure or threatened disclosure, the Company, the Clients and/or their customers shall be entitled to institute and prosecute proceedings in a court of competent jurisdiction to obtain temporary and/or permanent injunctive relief to enforce a provision of this Agreement, without the necessity of proof of actual damage or loss.

ACCEPTED BY:

|  |  |
| --- | --- |
| **Sub Contractor Employee** | |
| Sub Contractor | Printed Name |
| *Employee Signature* | *Date* |

# Sub-Contractor Employee Compliance Agreement

Sub Contractor Employee (hereinafter "Employee") acknowledges that he or she has reviewed and understands the terms of the entire Agreement between IntePros and his or her employer,

Additionally, Sub Contractor Employee understands he or she is bound by all terms of this agreement specifically to Section 3 (listed below under **Term)** , Section 5 (listed below under **Competition for Clients)** and Section 8 (listed below under **Worker Classification)** any violation of these terms will result in losses and damages to IntePros.

**Term**

The Sub Contractor may terminate this Agreement subject to completion of any outstanding Work Schedules upon 10 business days prior notice to IntePros. Failure to provide ten days notice, prior to the completion of any current work schedule, will result in forfeiting a sum equivalent of two weeks payment to the Sub Contractor in addition to any other damages incurred by IntePros as a result of leaving a contract early.

**Competition For Clients**

Except as provided by this Agreement or as may be consented to by IntePros in writing, the Sub Contractor and it’s employee’s agrees as a condition of this Agreement and the introduction of the Sub Contractor to the Client that the Sub Contractor and it’s employee’s will not solicit or accept an offer of employment with, or otherwise directly or indirectly provide services to the Client or its affiliates until the expiration of twelve months after termination of this Agreement without payment to IntePros of a finder's fee in the amount of $50,000. The Sub Contractor and its employee’s shall immediately notify IntePros if the Client or any affiliate solicits the Sub Contractor and its employee’s with an offer of direct or indirect employment.

**Worker Classification**

Sub Contractor Personnel are not employees of IntePros or the Client, and must provide proof of W-2 payment to all its Personnel such as 1) Copy of employer tax payment or pay stub or 2) CPA letter attesting to the fact that worker (s) are compensated via W-2 wages. Personnel of the Sub Contractor are NOT entitled to any compensation, benefits or rights provided by IntePros or the Client including, without limitation, coverage under any workers compensation, welfare, medical, dental, life or disability insurance plans, pension plans or any other fringe benefits.

I have read and understand the terms of this agreement.

Accepted By:

Sub Contractor Employee

Printed name

Date:

# IRS Sub-Contractor Guidelines

**IRS Independent Contractor Guidelines:**

The IRS formerly used what has become known as the "Twenty Factor" or “Right to Control” test. Under pressure from Congress and from representatives of labor and business, it has recently attempted to simplify and refine the test, consolidating the twenty factors into eleven main tests, and organizing them into three main groups: behavioral control, financial control, and the type of relationship of the parties. Those factors appear below.

**Behavioral Control**

Facts that show whether the business has a right to direct and control how the worker does the task for which the worker is hired include the type and degree of—

* *Instructions the business gives the worker*. An employee is generally subject to the business' instructions about when, where, and how to work. All of the following are examples of types of instructions about how to do work:
  + When and where to do the work
  + What tools or equipment to use
  + What workers to hire or to assist with the work
  + Where to purchase supplies and services
  + What work must be performed by a specified individual
  + What order or sequence to follow.

The amount of instruction needed varies among different jobs. Even if no instructions are given, sufficient behavioral control may exist if the employer has the right to control how the work results are achieved. A business may lack the knowledge to instruct some highly specialized professionals; in other cases, the task may require little or no instruction. The key consideration is whether the business has retained the right to control the details of a worker's performance or instead has given up that right.

* *Training the business gives the worker*. An employee may be trained to perform services in a particular manner. Independent contractors ordinarily use their own methods.

**Financial Control**

Facts that show whether the business has a right to control the business aspects of the worker's job include:

* *The extent to which the worker has unreimbursed business expenses*. Independent contractors are more likely to have unreimbursed expenses than are employees. Fixed ongoing costs that are incurred regardless of whether work is currently being performed are especially important. However, employees may also incur unreimbursed expenses in connection with the services they perform for their business.
* *The extent of the worker's investment*. An employee usually has no investment in the work other than his or her own time. An independent contractor often has a significant investment in the facilities he or she uses in performing services for someone else. However, a significant investment is not necessary for independent contractor status.
* *The extent to which the worker makes services available to the relevant market*. An independent contractor is generally free to seek out business opportunities. Independent contractors often advertise, maintain a visible business location, and are available to work in the relevant market.
* *How the business pays the worker*. An employee is generally guaranteed a regular wage amount for an hourly, weekly, or other period of time. This usually indicates that a worker is an employee, even when the wage or salary is supplemented by a commission. An independent contractor is usually paid by a flat fee for the job. However, it is common in some professions, such as law, to pay independent contractors hourly.
* *The extent to which the worker can realize a profit or loss*. Since an employer usually provides employees a workplace, tools, materials, equipment, and supplies needed for the work, and generally pays the costs of doing business, employees do not have an opportunity to make a profit or loss. An independent contractor can make a profit or loss.

**Type of Relationship**

Facts that show the parties' type of relationship include:

* *Written contracts describing the relationship the parties intended to create*. This is probably the least important of the criteria, since what really matters is the nature of the underlying work relationship, not what the parties choose to call it. However, in close cases, the written contract can make a difference.
* *Whether the business provides the worker with employee-type benefits, such as insurance, a pension plan, vacation pay, or sick pay*. The power to grant benefits carries with it the power to take them away, which is a power generally exercised by employers over employees. A true independent contractor will finance his or her own benefits out of the overall profits of the enterprise.
* *The permanency of the relationship*. If the company engages a worker with the expectation that the relationship will continue indefinitely, rather than for a specific project or period, this is generally considered evidence that the intent was to create an employer-employee relationship.
* *The extent to which services performed by the worker are a key aspect of the regular business of the company*. If a worker provides services that are a key aspect of the company's regular business activity, it is more likely that the company will have the right to direct and control his or her activities. For example, if a law firm hires an attorney, it is likely that it will present the attorney's work as its own and would have the right to control or direct that work. This would indicate an employer-employee relationship.