



SUBCONTRACT

This Subcontract (this "Subcontract" or "Agreement") is made as of the _____ day of _____, 20_____, between JH Strickland Construction, LLC ("Contractor") and _____ ("Subcontractor") relating to the construction of improvements on the following construction project: _____ (the "Project").

WHEREAS, Subcontractor understands and agrees that Contractor has entered into a general contract (as at any time amended, the "General Contract") with _____ (the "Owner") dated _____ for construction of and/or modifications to the Project; and whereas, Contractor wishes to enter into this Agreement with Subcontractor with reference to a portion of that work; now therefore, for good and valuable consideration, the receipt and sufficiency is hereby acknowledged, the Parties hereto agree as follows:

1. Contract Documents. The "Contract Documents" consist of this Subcontract, the terms and conditions of the General Contract addressing the work to be done, the drawings, plans, and specifications of the Architect, and all addenda and modifications to any of the foregoing. The Contract Documents are as fully a part of this Subcontract as if attached to this Subcontract or repeated in their entirety herein. Subcontractor acknowledges that it has read the Contract Documents, including the General Contract, together with all plans and specifications related thereto, and is familiar therewith and agrees to comply with and perform all provisions thereof applicable to the Work being performed hereunder by the Subcontractor. Subcontractor shall conform to and abide by any additional drawings, specifications, or explanations furnished by the Architect to illustrate the Work to be done. If a change in cost results, change order provisions shall prevail.

2. Scope of Work. Subcontractor shall furnish all labor, materials, small tools, and equipment and shall perform all work necessary to complete its portion of the work set forth in the Contract Documents and all work incidental thereto as set forth in the attached scope of work at Exhibit A (the "Work").

3. Contract Amount. Contractor shall pay Subcontractor the total sum of: \$ _____ (the "Subcontract Price"), subject to additions and deductions as herein provided, payable as the Work progresses, based upon project milestones as set forth in Exhibit B for timely completion of the Work in a satisfactory and workmanlike manner. No payment made under this Agreement shall be conclusive evidence of the performance of this Agreement either in whole or in part, and no payment shall be construed to be an acceptance of defective Work or improper materials.

4. Payment Conditions. Contractor may withhold payment until the Subcontractor has furnished Contractor with suitable evidence that it has paid in full the costs of all labor, materials, and supplies used in the Work through the date of the estimate. Partial and/or final lien waivers will be required before payment will be released. All assignment of proceeds under this Subcontract will be subject to the following trust: All monies received by the Subcontractor as payment under this Subcontract will be held in trust for the purpose of paying the cost incurred in the performance of this Subcontract. All payments received will be applied first to the payment of Subcontractor's own subcontractors, suppliers, laborers, and material men before using any part thereof for any other purposes. Final payment shall be made within thirty (30) days after completion of the Work. Notwithstanding anything contained herein to the contrary, save and except when the failure to receive payment is the result of default by Contractor in the performance of its obligations hereunder unrelated to Subcontractor's performance of the Subcontract, all payments by Contractor to Subcontractor under the Subcontract, including without limitation, progress payments, full payment or partial release of retainage, payment for change orders and final payment, are expressly and unequivocally contingent upon and subject to Owner's acceptance of all Subcontract Work and Contractor's receipt of payment from Owner for the Subcontract Work. Subcontractor expressly acknowledges that it relies on payment under the Subcontract on the creditworthiness of Owner, and not that of Contractor. It is expressly understood that any other basis for such non-payment by Owner, including the bankruptcy or insolvency of Owner, will not excuse this condition precedent to payment from Contractor to Subcontractor. Subcontractor further agrees that Owner's acceptance of the Subcontract Work and Owner's payment to Contractor for the Subcontract Work are express, independent conditions precedent to any obligation of Contractor to make any payments to Subcontractor and are not merely expressions of the time or manner of such payments.

5. Permits. Subcontractor shall procure, at Subcontractor's own expense, all permits and licenses required by the Contract Documents and by State and Local laws for performance of the Work.

6. Time. Time is of the essence for this Agreement. Subcontractor shall begin work as soon as instructed by Contractor and shall carry on the work promptly, efficiently, and at a speed that will not cause delay in the progress of Contractor's work or in other branches of the work carried on by other subcontractors. Any damages for delay caused by the Subcontractor shall be deducted by Contractor from the Subcontract Price as liquidated damages and not as a penalty, subject, however, to the option of Contractor to terminate this Subcontract for default as herein elsewhere provided.



7. Cleanup. Subcontractor shall at all times keep the premises free from accumulations of waste, materials, or rubbish caused by its employees or work. At the completion of the work daily, the Subcontractor shall remove all its rubbish from and about the building and grounds and all its tools, scaffolding, and surplus materials, and Subcontractor shall leave its work "broom clean" or its equivalent unless more exactly specified. In case of dispute, Contractor may remove the rubbish and charge the cost to the Subcontractor.

8. Changes in the Work. Subcontractor shall make all alterations, furnish the material for, and perform all extra work, or omit any work Contractor or the Owner may require without nullifying this Subcontract and at a reasonable addition to, or reduction from, the Subcontract Price, pro rata to the same. No changes are to be made except upon written notice from Contractor, and Contractor shall not be held liable to the Subcontractor for any extra labor, materials, or equipment furnished without such written order. The amount by which the Subcontract Price is to be increased or reduced, whichever the case may be, shall be stated in such written order.

9. Correction of Work. Subcontractor shall provide safe and sufficient facilities at all times for inspection of the Work by Contractor and its authorized representatives. Subcontractor shall promptly correct the Work properly rejected by Contractor or failing to conform to the requirements of this Agreement, whether discovered before or after completion of Subcontractor's Work, until the expiration of the one-year period (or the maximum amount of time required by law if longer than one (1) year) referenced below. Costs of correcting such rejected Work, including additional testing and inspections and compensation for the Architect's services and expenses, if any, made necessary thereby, shall be subject to reimbursement by Subcontractor to Contractor. If, within one (1) year (or the maximum amount of time required by law if longer than one (1) year) after the date of the completion of Subcontractor's Work or designated portion thereof, any of the Work is found to be not in accordance with the requirements of this Agreement, Subcontractor shall correct it promptly after receipt of written notice from Contractor to do so unless Contractor has previously given Subcontractor a written acceptance of such condition. Contractor shall give such notice promptly after discovery of the condition.

10. Labor and Materials. Subcontractor shall supervise and direct the Work, using Subcontractor's best skill and attention in accordance with the terms and conditions of this Agreement. Subcontractor shall be solely responsible for and have control over construction means, methods, techniques, sequences and procedures, and for coordinating all portions of the Work under this Agreement to the extent that this Agreement does not provide instructions concerning these matters. If this Agreement gives instructions concerning construction means, methods, techniques, sequences or procedures, Subcontractor shall be fully and solely responsible complying with such instructions and for the jobsite safety thereof unless Subcontractor gives timely written notice to Contractor, including supporting documentation showing that such means, methods, techniques, sequences or procedures are not safe. Subcontractor shall be responsible to Contractor for acts and omissions of Subcontractor's employees, sub- subcontractors and their agents and employees, and other persons or entities performing portions of the Work for or on behalf of Subcontractor or any of its sub-subcontractors. The Subcontractor shall at all times supply adequate tools, appliances, and equipment, a sufficient number of properly skilled workmen and a sufficient amount of materials and supplies of proper quality to efficiently and promptly prosecute the work and shall promptly pay for all material purchased and shall pay all workmen in a timely manner. Subcontractor shall deliver, handle, store and install materials in accordance with manufacturers' instructions.

11. Hold Harmless. Subcontractor shall turn the work over to Contractor in good condition and free and clear of all claims, encumbrances, or liens and shall protect and save harmless and indemnify Contractor from all claims, encumbrances, and liens growing out of Subcontractor's performance of this Subcontract, and the Subcontractor will at its own cost and expense (including, without limitation, attorney's fees) defend all suits to establish such claims and pay any such claim or lien so established. The Subcontractor shall, upon request by Contractor, provide a written list to Contractor of all persons or entities furnishing labor or materials to the Subcontractor, which list shall state the amounts due to each such person or entities and shall include such other details as Contractor may request.

12. Warranty of Work. Subcontractor warrants to Contractor that (1) materials and equipment furnished under this Agreement will be of good quality and new unless otherwise required or expressly permitted under this Agreement, and (2) for a period of one (1) year (or the maximum amount of time required by law if longer than one (1) year) from the date of completion of Subcontractor's Work, that the Work will be free from defects not inherent in the quality required or permitted under this Agreement, and that the Work will conform with the requirements of this Agreement. Work not conforming to these requirements, including substitutions not properly approved and authorized, shall be considered defective. Subcontractor shall repair any defects during said period at Subcontractor's cost and expense immediately after being notified of any such defect or defects by Contractor. Subcontractor shall also repair or replace to Contractor's satisfaction all work of third parties damaged or destroyed in repairing Subcontractor's Work.



13. Insurance. Subcontractor hereby agrees to save, indemnify, and hold harmless Contractor and its employees against: all liability, claims, judgments, suits, or demands for damages to persons or property occasioned in whole or in part by the Subcontractor or its agents or employees or that arise out of, result from, or relate to Subcontractor's performance of the work under this Agreement ("Claims"). Subcontractor's duty to indemnify Contractor shall arise at the time written notice of a Claim is first provided to Contractor regardless of whether the claimant has filed suit on its Claim. Subcontractor shall defend all suits brought against Contractor on account of any such accidents and shall reimburse Contractor for any expenses (including, without limitation, reasonable attorney's fees) sustained by Contractor by reason of such accidents. Subcontractor shall carry (i) commercial general liability insurance covering all operations by or on behalf of Subcontractor or on an occurrence basis against claims for personal injury and property damage with limits of at least \$ _____; (ii) such employer's liability or workmen's compensation insurance as may be necessary to insure the liability of the parties hereto for any injuries to the Subcontractor's employees; (iii) automobile liability insurance covering liability for any auto used in the performance of the Work; and (iv) all insurance required by the law of the place where the work is to be done. Prior to commencing the Work, the Subcontractor shall furnish Contractor with satisfactory evidence that such insurance has been obtained and paid for and that it will continue in force until the completion of the work, and if the Subcontractor should subcontract any of this work to a third party, Subcontractor shall see that third party shall do likewise. Contractor shall be named as primary additional insured on a primary basis on the standard ISO form or its equivalent with no modifications limiting coverage per Form CG2010-11/85 or its equivalent. A copy of the endorsement shall be attached to the certificate. The Subcontractor shall waive all rights of subrogation.

14. Taxes. Subcontractor accepts exclusive liability for any and all sales tax or use tax which may be assessed against materials, equipment, or labor used in its part of the work. Subcontractor assumes exclusive liability for all contributions, taxes, or payments required to be made because of employees of the Subcontractor by the Federal and State Unemployment Compensation Act's, Social Security Acts or any amendments thereto, and by all other or future Acts, State or Federal, requiring the payment of similar contributions or taxes, and for all sale and use tax.

15. Default. Should Subcontractor at any time breach this Subcontract, including but not limited to failure to prosecute its work with promptness, diligence, and efficiency, or to perform any of the requirements hereof, Contractor may, upon 24-hours notice proceed as follows: (a) provide such materials, supplies, equipment, and labor as may be necessary to complete the work; pay for the same; and deduct the amount so paid from any money then or thereafter due Subcontractor, or (b) terminate this Subcontract, enter upon the premises, and take possession for use in completing the work of all the materials, supplies, tools, equipment, and appliances of the Subcontractor thereon and complete the work, or have same completed by others, and be liable to the Subcontractor for no further payment under this Subcontract until final payment of the Subcontract Price is due and then only to the extent the remaining Subcontract Price to be paid exceeds the expense of Contractor in finishing the work or causing the work to be finished. If the amount expended by Contractor in completing the Work exceeds the unpaid balance of the Subcontract Price, the Subcontractor shall pay Contractor such excess. Should Subcontractor, at any time, fail to pay for all labor, materials, or supplies used by the Subcontractor in the work when due, Contractor may, at its option, pay for same and charge to the Subcontractor; or may, in Contractor's discretion and with consent of the Subcontractor, pay at any time claims for labor, materials, and supplies used in the work. Should Subcontractor default in any of the provisions of this Subcontract and should Contractor employ an attorney to enforce any provision hereof or to collect damages for breach of this Subcontract, Subcontractor shall pay Contractor such reasonable attorney's fees as Contractor may expend therein. As against obligations herein contained, the Subcontractor waives all rights of exemption.

16. Termination for Convenience. This Agreement may be terminated by Contractor for convenience upon ten days prior written notice to Subcontractor. This right to terminate shall be in addition to any other right of Contractor to terminate this Agreement as provided herein. In the event of a termination for convenience by Contractor, the amounts due to Subcontractor by Contractor shall be limited to the Work actually performed and material supplied prior to the effective date of termination for convenience as determined by Contractor in its sole discretion, less any amounts already paid by Contractor to Subcontractor for the Work performed or materials supplied. Subcontractor shall not be entitled to any payments for any Work that has been performed after the effective date of termination for convenience.

17. Sub-subcontractors. The term "sub-subcontractor" shall mean a person or entity engaged by Subcontractor to perform a portion of the Work. Unless otherwise stated in this Agreement, Subcontractor, shall furnish in writing to Contractor along with Subcontractor's quote for the Work, the names of the sub-subcontractors, if any, for each of the principal portions of the Work. Subcontractor shall not contract with any sub-subcontractor to whom Contractor has made reasonable and timely objection. Subcontractor shall not be required to contract with anyone to whom Subcontractor has made reasonable objection unless expressly required pursuant to the terms of this Agreement. Contracts between Subcontractor and sub-subcontractors shall require each sub-subcontractor, to the extent of the Work to be performed by the sub-subcontractor, to be bound to Subcontractor by the terms of this Agreement, and to assume toward Subcontractor all the obligations and responsibilities,



including the responsibility for safety of the sub-subcontractor's portion of the Work, which Subcontractor, by this Agreement, assumes toward Contractor.

18. Entire Agreement; Modifications. This Subcontract contains the entire agreement between the parties and supersedes all prior and contemporaneous oral and written agreements and discussions, and no additions or modifications hereto may be made unless in writing and signed by both parties hereto.

19. Assignment. The Subcontractor shall not sublet, assign or transfer this Subcontract, or any part thereof, without the written consent of Contractor.

20. Safety; Damage Protection. Safety on this project is of primary importance. Subcontractor shall comply with all Local, State, and Federal safety requirements as necessary in meeting its legal requirements. Subcontractor shall erect and maintain, as required by existing conditions and progress of the Work, all reasonable safeguards including posting warning signs against hazards. Subcontractor is responsible for receiving, unloading, storing, protecting from damage, and securing from theft all materials, equipment, and appurtenances furnished (installed or stored) as required by its scope of work from the start of project until the project's completion and acceptance by Contractor.

21. Governing law; dispute resolution. This Subcontract shall be governed by and construed in accordance with the laws of the State of Georgia. Every controversy or claim arising out of or relating to this Agreement or the breach thereof (a "Dispute") shall be resolved exclusively by final and binding arbitration conducted by the American Arbitration Association ("Arbitration") and not in a court of law. Such Arbitration shall be before a single arbitrator and conducted in accordance with the Commercial Rules of arbitration of the American Arbitration Association, and judgment upon the award rendered by the arbitrator may be entered in any court having jurisdiction thereof. The arbitrator shall in any such proceeding award reasonable attorneys' fees and costs to the prevailing party. A condition precedent to proceeding with the Arbitration shall be (i) non-binding settlement meeting to be conducted within 14 days of notice of a Dispute, and (ii) mediation before a licensed professional mediator to be agreed upon by the parties. Notwithstanding the foregoing, if emergent injunctive relief is necessary, a Party may seek judicial relief in a court of law only for the purpose of acquiring and enforcement of an injunction.

22. Severability, Interpretation. In the event any provision of this Agreement is declared invalid, illegal or unenforceable, such provision shall survive to the extent it is not so declared, and the validity and enforceability of the other provisions shall not be affected or impaired thereby. This Agreement shall not be construed or interpreted in a manner adverse to any party on the grounds that such party was responsible for drafting any portion of it.

23. Signatures; Counterparts. This Agreement may be signed in multiple counterparts, each of which will be deemed an original. Facsimile or electronically scanned signatures shall be deemed original signatures for all purposes.

24. Notices. Any notices required or permitted to be given under this Agreement shall be made in writing and sent by email or Certified Mail to Contractor at:

J.H. Strickland Construction, Inc.
heath@jhstrickland.com
P.O. Box 686
Hahira, GA 31632

Subcontractor:
Email:
Mailing address:

or such other addresses as either shall give to the other in writing for this purpose.

IN WITNESS WHEREOF, the parties hereto have hereunto set their seals the day and year first above written:

J.H. STRICKLAND CONSTRUCTION, LLC

SUBCONTRACTOR

By: _____
Print Name: _____
Its: _____

By: _____
Print Name: _____
Its: _____