

## **The Gallick Corporation** **RULES OF ALL PROJECTS**

All trade-contractors, suppliers & their company employees must read and adhere to all of these rules or be subject to a back charge for each violation.

### **The following actions are absolutely forbidden on the Owner's property at all times.**

- Use of Alcohol, Illegal Drugs, or Weapons, and no Hunting – do not ask Owner.
- No Smoking from project curb on or throughout Owner's property lines.
- Loud Music
- Use of profanity or insulting language

### **Professionalism is required when on the Owner's property**

- Courtesy to the Owner and all other workers
- Wear appropriate attire on the project, including but not limited to, shirts and work boots.
- Do not direct technical or contractual questions to the Owner, ask first The Gallick Corporation Representative on site or phone the office or phone your supervisor first.
- Direct all your questions about the work to The Gallick Corporation Project Manager or the designated employee. Do not involve or ask the Owner.
- Never use Owner's personal property, toilet, appliances, tools, supplies or radios or tvs.
- Never enter the Owner's quarters that are not directly and immediately tied to current job phase.

### **Clean up and Safety**

- Clean up continually and keep organized and leave your work area neat at days end.
- Maintain and leave your work area safe at all times.
- Use portable toilets, most projects will have toilets provided by The Gallick Corporation.
- There shall be absolutely no debris of any sort left on the jobsite.

### **Security of the Owner's Property**

- The last person to leave must lock up the house.
- If there is any problem locking the house, you are required to contact The Gallick Corporation Manger/office before you leave the house.

### **Parking of Vehicles**

- You are responsible to protect the Owner's property against damage.
- Parking on the street is recommended when practical. If vehicle leaks, protective measures are to be addressed at all times.

**SUBCONTRACT AGREEMENT**

**General Contractor:** The Gallick Corporation  
111-C Carpenter Drive, Sterling, Virginia 20164  
phone 703-787-0313 fax 703-787-9569

**Subcontractor Information**

Owners Name \_\_\_\_\_

Company Name \_\_\_\_\_

Address \_\_\_\_\_

\_\_\_\_\_

Phone \_\_\_\_\_ fax \_\_\_\_\_

License Number \_\_\_\_\_ State Issued \_\_\_\_\_

Workers Compensation Policy Number \_\_\_\_\_

w/c Policy Term Dates \_\_\_\_\_

General Liability Policy Number \_\_\_\_\_

g/l Policy Term Dates \_\_\_\_\_

Auto Policy Number \_\_\_\_\_

Auto Policy Term Dates \_\_\_\_\_

Insurance Agent Name and Telephone

\_\_\_\_\_

**I. PARTIES**

This **Master** Subcontract (hereinafter referred to as "Agreement") is being

entered into on the \_\_\_\_ day of \_\_\_\_\_, 20\_\_, and is between

\_\_\_\_\_, (hereinafter referred to as "Contractor");

and \_\_\_\_\_, (hereinafter referred to as "Subcontractor"). By signing this Agreement, Subcontractor warrants that he is fully experienced, properly licensed, and insured to perform the type of work described in this Agreement, and that he is an independent contractor and not an agent or employee of the Contractor.

Subcontractor's business is a: \_\_ Sole Proprietorship; \_\_ Partnership; \_\_ Corporation

Subcontractor's Federal Tax I.D.# or S.S.#: \_\_\_\_\_

**II. SUBCONTRACTOR RESPONSIBILITIES**

Subcontractor will furnish all labor, equipment, tools, materials, transportation, supervision, and all other items required for safe operations to complete the following work which will comply with the latest edition of all applicable building codes and the Contract. Subcontractor will not use The Gallick Corporation's, tools, equipment, supplies, or personnel. Subcontractor is responsible for the instruction and supervision of his own crews; Subcontractors shall not leave a crew on The Gallick Corporation job site unless the assigned crew has exact instruction of what their work is to be.

**III. GENERAL SCOPE OF WORK DESCRIPTION AND SUBCONTRACT AMOUNT**

The Scope of Work, specific description of the work, subcontract amounts, project schedule and draw schedule for each project under this agreement shall be attached hereto and incorporated herein as a Scope of Work Exhibit.

\_\_\_\_\_  
Contractor      Subcontractor

## **LUMP SUM SUBCONTRACT AMOUNT AND INVOICE SUBMITTALS:**

Subcontractor is required to submit in writing to Contractor a progressive invoice for the work complete to date in accordance with Exhibit A. All invoices are to be written and submitted within (15) fifteen days of phase completion. Invoices submitted after the 15 days will extend the payment procedure at the discretion of Contractor.

Progress and final payment lien waivers and releases in conformance with the Release of Lien forms attached hereto, shall be furnished by Subcontractor with each payment application by Contractor. Payment shall be made by Contractor to Subcontractor within thirty (30) days of Contractor's receiving payment for said work from Owner.

Subcontractor shall provide Contractor with a list of its Subcontractors on the projects, including the name, address, phone number, scope of work, work schedule, subcontract amount and payments made. Said list shall be provided as updated with each payment request and lien waiver.

## **III. GENERAL CONDITIONS FOR THE SUBCONTRACT AGREEMENT ABOVE**

### **A. EXCLUSIONS FROM SUBCONTRACTOR'S SCOPE OF WORK**

Labor and materials for work on projects that are not included by Subcontractor shall be set forth in each Scope of Work Exhibit.

### **B. CONTRACT DOCUMENTS**

Subcontractor will perform its work in accordance with all Contract Documents, which are identified as follows:

- This Construction Agreement, and with regard to each project:
- Plans
- Specifications
- Addenda
- Miscellaneous

Subcontractor is required to walk through Contractor's Project site to determine the location and best application of project products.

Upon commencement of work on any project, Subcontractor warrants that he has been furnished all Contract Documents referred to above and has thoroughly familiarized himself with all Contract Documents and the existing site conditions.

The intent of the Contract Documents and this Agreement is to obtain a complete and professional job. Subcontractor agrees that the Scope of Work covered by this Agreement and the Scope of Work Exhibit shall include all labor and materials that are both specified and reasonably implied by the Contract Documents.

**C. PERMITS, INSPECTIONS AND CODE VIOLATIONS**

It is the Subcontractor's responsibility to obtain all permits and inspection for his work, exception would be of concealed existing conditions. Subcontractor is required to walk through Contractors Project site to determine the location and best application of project products. Subcontractor warrants that he has thoroughly included in his proposal all relevant labor and materials for a complete install and approved permits.

The Gallick Corporation will make effort to coordinate the inspection dates of The Gallick Corporation and the Subcontractors inspections for the purpose of having a Gallick Corporation representative on site for inspections.

If Subcontractor's inspection is not passed or approved by county it will be Subcontractor's responsibility to assign his own personnel to be at the project site during the re-inspection, to include waiting for inspector to arrive.

Subcontractor agrees to assume responsibility for compliance with all applicable federal and state laws with regard to health, safety and accident prevention and rules, regulations and standards promulgated thereunder relating to the work to be performed by Subcontractor.

Subcontractor agrees to indemnify, hold harmless and defend Contractor and Homeowner from any claims, causes of action, liability, damages or penalties including costs and attorney's fees incurred arising out of or in conjunction with Subcontractor, its Sub-Subcontractors, agents, officers, directors, trustees or employee's acts or omissions, the violation of or noncompliance with any the aforesaid laws, rules, regulations and standards in any forum relating to the performance of the Subcontractor on any project or regarding this Contract.

**D. WORK COMMENCEMENT AND COMPLETION TIME**

Work shall commence on \_(identify)\_\_\_\_\_ and take approximately \_\_ (identify)\_\_\_ calendar days to complete. TIME IS OF THE ESSENCE in all aspects of Subcontractor's performance.

Subcontractor shall perform his work in accordance with the schedule of

the Contractor.

**E. WORK SCHEDULES**

Schedules are only authorized by Contractor. Subcontractor is not authorized to give the Homeowner a schedule for the sub-phases. Subcontractors are to instruct Homeowner to contact Contractor with all scheduling questions. Subcontractor is to discuss with Contractor the schedule, date changes or additional days, Contractor will verify and notify Homeowner of dates. The initial work schedule shall be incorporated in the Scope of Work Exhibit and shall be amended only by written change order signed by both parties.

**F. CHANGES IN THE WORK**

Only the Contractor shall have the right to order changes in the scope of Subcontractor's work (both additions and deletions). These changes shall be made in writing and signed by both Subcontractor and Contractor prior to commencement of any Change Order work by Subcontractor. Change Orders shall be in conformance with the attached form Change Order.

Inspect the existing conditions before you start work. Alert Project Manager to any problems with the substrate you are working. Unless defects are pointed out prior to beginning work, you will be responsible for the cost of any rework necessary to correct defects.

If the change will effect your assigned phase, You are to stop your work and contact the Project Manager, If Project Manager is not available, do not continue. The Homeowner can not authorize changes. Direct the Homeowner to The Gallick Corporation and if the change will directly effect the current phase, you are to stop the project to obtain Contractor change order.

**G. BACK CHARGES AND PROTECTION OF THE WORK**

Contractor has the right to deduct from progress payments due to Subcontractor the cost of repairing damage caused by Subcontractor or the cost of repairing/replacing Subcontractor's defective work if Subcontractor fails to take significant steps toward correcting this damage or non-conforming or defective work within 2 days after receiving notice from Contractor. Subcontractor agrees to be responsible for protecting all of its work in progress.

Contractor has the right to deduct from payments due to Subcontractor for any violations of this contract to include (for each offense):

Smoking on property	\$150.00
Not Cleaning up work area	\$150.00

Not leaving area locked up and or Subcontractor enters without authorized reason into Homeowners living quarters that are not job site related could result in immediate termination of Subcontractors contract.

Contractor has the right at his discretion to halt and or terminate Subcontractor from the job site while allocations of violations are being reviewed.

## **H. INDEMNIFICATION**

All work performed by Subcontractor pursuant to this Agreement shall be done at the sole risk of the Subcontractor. Subcontractor (and its agents) shall at all times indemnify, protect, defend, and hold harmless Contractor and Owner from all loss and damage, and against all lawsuits, arbitrations, mechanic's liens, legal actions, legal or administrative proceedings, claims, debts, demands, awards, fines, judgments, damages, interest, attorney's fees, and any costs and expenses in any forum which are directly or indirectly caused or contributed to, or claimed to be caused or contributed to by any act or omission, breach, fault or negligence, whether passive or active, of Subcontractor or his agents, employees, or lower-tier subcontractors, subsidiaries, employees, agents, assigns, officers, directors, members or invitees in connection with or incidental to the work under this Agreement and Exhibits attached hereto.

## **I. SUBCONTRACTOR'S INSURANCE**

Before commencing work on the project, Subcontractor and its Subcontractors of every tier will supply to Contractor duly issued Certificates of Insurance, naming Contractor as a certificate holder, showing in force the following insurance for comprehensive general liability in occurrence form, automobile liability, and worker's compensation:

- Comprehensive general liability (in occurrence form) with limits of not less than \$1,000,000.00 per occurrence;
- Automobile liability in comprehensive form with coverage for owned, hired, and non-owned automobiles;
- Worker's compensation insurance

All insurance binders must contain a clause indicating that certificate holders be given a minimum of 30 days written notice prior to cancellation of Subcontractor's insurance. Subcontractor must furnish the insurance binder referred to above as an express condition precedent to the Contractor's duty to make any progress payments to Subcontractor pursuant to this Agreement.

Subcontractor's insurance shall not be the primary insurance and neither

Contractor's nor Owner's insurance shall be called on to contribute to a loss caused in whole or part by the negligence of Subcontractor.

Should Subcontractor not carry worker's compensation insurance coverage to protect its principals from work-related injuries fully release and shall hold harmless, indemnify and defend Contractor and Owner from any injuries that may occur to the Subcontractor and/ or its principals during the course of this project. In no way does this provision affect the absolute duty of every Subcontractor to provide worker's compensation insurance coverage to each and every one of his employees according to the provisions of this Agreement and all applicable state and federal laws.

Subcontractor, its Agents, Employees and its Subcontractors fully release, and shall hold harmless, indemnify and defend Contractor from any injuries that may occur to the Subcontractor, its Agents, Employees and its Subcontractors during the course of this project. In no way does this provision affect the absolute duty of every Subcontractor to provide worker's compensation insurance coverage to each and every one of his employees according to the provisions of this Agreement and all applicable state and federal laws.

The Gallick Corporation requires both Subcontractor and its Subcontractors to carry workers compensation for their principals personally, Employees, and Agents for the entire term of the working relationship.

In consideration of the mutual promises contained herein, the parties agree as follows: If Subcontractor does not have workers compensation coverage Contractor will deduct 20% of all Subcontractor labor fees. If Subcontractor does not have general liability coverage Contractor will deduct 20% of all Subcontractor invoices. If Subcontractor does not have auto coverage Contractor will deduct 20% of all Subcontractor invoices.

**J. CLEANUP**

Subcontractor will continuously clean up its work areas, and keep them in a safe, sanitary condition, and remove all of its debris on a periodic basis. End of day the areas are to be broom swept and without any debris.

**K. NO SMOKING**

Smoking is prohibited on the entire the job site to include from the road curb and all perimeters of the Homeowner's yard.

\_\_\_\_\_  
Contractor      Subcontractor

**L. EXPRESS WARRANTY**

At the request of Contractor, Subcontractor will promptly replace or repair any work, equipment, or materials that fail to function properly for a period of one year after completion of the project, or any longer period imposed by State or Federal law, whichever time period is longer, at Subcontractor’s own expense. Subcontractor will also repair any surrounding parts of the structure that are damaged due to any failure in Subcontractor’s work during the warranty period stated herein.

**M. LAWS, REGULATIONS, AND SAFETY**

Subcontractor and its employees and representatives shall at all times comply with all applicable laws, ordinances, rules and regulations, whether federal, state, or municipal, particularly those relating to wages, hours, working conditions, safe operations, all applicable union contributions, and the payment of all taxes.

Subcontractor will comply with all statutes and regulations that establish safety requirements (including, but not limited to those of OSHA and any state agency regulating job-site safety). By signing this Agreement, Subcontractor knowingly and willingly accepts full responsibility for the safe operation of all of its activities and the protection of other persons and property during the course of this project.

Subcontractor is to furnish all warranty information and operation manuals relating to its work on the project to Contractor.

**N. SUBCONTRACTOR DEFAULT**

If Subcontractor fails to diligently complete work under this Agreement or fails in any way to perform in accordance with all the terms and conditions of this Agreement, then Contractor may, without prejudicing any other rights he may have, give a 72-hour Notice to Subcontractor to cure his default. If Subcontractor does not cure his default within 72 hours of receiving notice, then Contractor may immediately terminate this Agreement for cause by giving Subcontractor notice of termination of this Agreement.

Contractor will deduct the cost to resolve any deficiencies in the work or defaults and Contractor will then have no duty to pay Subcontractor any remaining funds due until the project has been completed. If the cost to complete Subcontractor’s work and the amount of funds paid to Subcontractor to date exceeds the contract amount of this Agreement, Subcontractor will then be responsible for immediately paying this difference to Contractor. Subcontractor is responsible for paying all of

Contractor's attorney's fees and court costs in connection with the enforcement of this clause.

**O. ASSIGNMENT**

Any assignment of any part of this contract is prohibited and void without the prior written consent of Contractor.

**P. DISPUTE RESOLUTION AND ATTORNEY'S FEES**

Any controversy or claim arising out of or related to this Agreement involving an amount less than \$5,000 (or the maximum limit of the Small Claims Court) must be heard in the Small Claims Division of the General District Court of Loudoun County, VA. Upon written notice of either party, any dispute over the dollar limit of the Small Claims Court arising out of this Agreement shall be submitted to an experienced private construction mediator who shall be mutually selected by the parties to conduct mediation. The mediator shall also be either a licensed attorney or retired judge who is familiar with construction law. If the parties can not mutually agree on a mediator within 30 days of written demand for mediation, then the mediator shall be assigned by the McCammon Group and all rules of mediation in any event shall be governed by the rules and procedures set forth by the McCammon Group or its mediator. All mediation costs shall be mutually split between the parties. In the event that mediation is unsuccessful or in the event that one or both parties refuse to engage in mediation after sixty (60) days from the initial notice of mediation, the parties shall be free to litigate the matter in the General District or Circuit Court of Loudoun County, VA.

Subcontractor agrees to contractually make this provision bind and "flow down" to all lower-tier Subcontractors. This Agreement is not assignable.

The prevailing party in any legal proceeding related to this Agreement shall be entitled to payment of its reasonable attorney's fees and costs incurred, and shall be entitled to post-judgment interest at the legal rate.

**Q. ENTIRE AGREEMENT, SEVERABILITY, AND MODIFICATION**

This Agreement represents and contains the entire agreement and understanding between the parties. Prior discussions or verbal representations by Contractor or Subcontractor that are not contained in this Agreement are not a part of this Agreement. In the event that any provision of this Agreement is at any time held by a Court to be invalid or unenforceable, the parties agree that all other provisions of this Agreement will remain in full force and effect. Any future modification of

this Agreement should be made in writing and executed by Subcontractor and Contractor.

**R. ADDITIONAL LEGAL NOTICES REQUIRED BY STATE OR FEDERAL LAW**

See page(s) attached: Yes\_\_\_\_; No\_\_\_\_

**S. ADDITIONAL TERMS AND CONDITIONS**

Job Site Rules Of All Projects shall be attached hereto or included in the Scope of Work Exhibit, or may be later incorporated by written change order.

I have read, I understand, and I agree to all of the terms and conditions contained in the Agreement above, and I have full authority to enter into this Agreement, fully binding the party that I represent. I further agree that electronic signature or by facsimile shall be considered an original signature.

\_\_\_\_\_  
DATE    CONTRACTOR'S SIGNATURE

\_\_\_\_\_  
DATE    SUBCONTRACTOR'S SIGNATURE