

CONTRACTOR AGREEMENT

Cost Code:

ARTICLE I: WORK TO BE PERFORMED

1.1 This contract made the of , by and between REGAS CONTRACTING, LC, General Contractors, Stafford, Texas, and , hereinafter known as the Sub-Contractor.

PROJECT:

1.2 That Sub-Contractor hereby agrees, with the General Contractor, to furnish all labor, material, supervision, tools, equipment, appurtenances, fees, permits, taxes & insurance to provide, install & complete in a workman like manner, to the satisfaction of the General Contractor, their Superintendent, the Owner and their representatives, the following scope of work as defined below. The scope of work provided below is to help clarify the work included. The scope of work should not be considered a limitation of this Sub-contractor's work, but a guide for clarification of agreements for the above stated project as defined by the plans and specifications. Each Sub-Contractor is considered an expert in their field and Regas Contracting, LC considers each Sub-Contractor's proposal to include all material, labor, etc. for a complete project. Work that is currently shown, and that which can reasonably be anticipated to be included for this project is included. No exclusion from limitations in plans and specifications shall be reason for omitting the appurtenances or accessories necessary to complete this work. In accordance with plans (see Attachment "A", enumeration of drawings), specifications, invitation to bid, bid form, instruction to bidders, summary of work, general conditions, supplementary conditions, soils, report/geotechnical report, applicable codes, all applicable addendums, including but not limited to:

Scope:

NOTE: ALL WORK TO BE PERFORMED PER PLANS AND SPECIFICATIONS ; SEE ATTACHMENT "B" FOR SUPPLIERS LIST AND PAYMENT REQUIREMENTS .

1.3 In consideration of the faithful performance of every provision of this contract to the satisfaction of the General Contractor, who will pay the Sub -Contractor the total sum of:

dollars
(Amount written in words. This Governs.)

1.4 The Sub-Contractor represents that prior to accepting this contractor agreement, he has examined carefully all of the contract documents, acquainted himself with the surface and subsurface conditions of the site, available labor supply, available material and supply, and all other conditions relevant to the work, and made all investigations essential to a full understanding of any difficulties which may be encountered in performing the work. The Sub-Contractor assumes full and complete responsibility and risk in connection with the work.

1.5 The Sub-Contractor's work shall comply with all applicable laws, ordinances, building codes, and requirements of federal, state and local government authorities having jurisdiction of the facility being constructed, including those of the utility companies and shall give all notices and obtain all licenses and permits required.

1.6 The Sub-Contractor shall obtain and pay for all licenses, certificates, inspections and other approvals required for his portion of the work, both temporary and permanent.

1.7 Sub-Contractor shall not sublet, assign or transfer this contract or any part thereof without Contractor's written consent. Sub-Contractor shall not assign, collateralize, pledge or in any other way encumber the proceeds of this Sub-Contract without Contractor's written consent.

ARTICLE 2: TIME OF COMMENCEMENT AND COMPLETION

2.1 The Sub-Contractor shall execute the work rapidly, continuously and uninterruptedly and shall complete the work as follows:

All work to be completed in calendar days

2.2 The Sub-Contractor, in agreeing to complete the work within the time mentioned has taken into consideration and made allowances for the ordinary delay and hindrances incident to such work, whether growing out of delay of common carriers, delays in securing materials to workmen, changes, omissions, alterations, or otherwise, and is aware of the fact that the General Contractor in his contract with the Owner is required to finish the entire work within a specified time and failure to do so renders them liable to the Owner.

2.3 If the Sub-Contractor fails to comply or becomes disabled from complying with the provisions herein as to the character and time of performance, and the failure is not corrected within forty-eight (48) hours after written request by the General Contractor to the Sub-Contractor, then the General Contractor may, without any other right or remedy, take over and complete the performance of this contract, at the expense of the Sub-Contractor, or the General Contractor may, without taking over the work, furnish the necessary materials and/or employ the workmen necessary to remedy the situation, at the expense of the Sub-Contractor.

ARTICLE 3: PAYMENTS

3.1 Payments to be made in monthly installments of 90% of the value of the work completed, leaving a balance of 10% of the value of completed work at all times unpaid, which balance shall be paid thirty (30) days following acceptance of the work of the General Contractor by the Owner. The above payments shall be subject to additions and deductions as herein provided. Prior to submission of first invoice, the Sub-Contractor will present a complete listing of material suppliers and the amounts owed to each so that General Contractor can monitor and verify payments by Sub-Contractor to insure that progress payments are being made to these material suppliers. The General Contractor has the option to joint check Sub-Contractor and their Suppliers.

3.2 The Sub-Contractor shall file its payment application with the General Contractor showing work completed during the current calendar month and payment of such application, provided same shall be found to be correct by the General Contractor, shall be due net 30 or when the General Contractor receives payment from the Owner for said work. Applications for payment will be accompanied with lien releases and paid invoices from Sub-Contractor suppliers and Sub-Contractors showing that goods and services provided during the previous pay period have been paid in full by the Sub-Contractor. No payment will be made to the Sub-Contractor until this documentation is presented for review and verification by the General Contractor.

3.3 The General Contractor shall have the right to withhold from payments due the Sub-Contractor such sums as necessary to protect the Owner against any loss or damage which may result from negligence or unsatisfactory work by the Sub-Contractor, failure by the Sub-Contractor to perform his obligations, including failure to maintain satisfactory progress of the work, or claims against the Sub-Contractor or the Owner relating to the Sub-Contractor's performance of work. In addition, the General Contractor may withhold payments from the Sub-Contractor for damages by the Sub-Contractor to others, failure of the Sub-Contractor to make proper payments to his material suppliers and where there is reasonable evidence indicating a probable filing of any claim against the Owner or General Contractor. If the Sub-Contractor fails to take prompt and adequate action to bring the work on schedule or to correct the deficiencies in the work, or to perform any of his obligations, the General Contractor has the right to perform such work or cure any default by the Sub-Contractor as the Owner deems necessary, and to back charge the cost thereof against payment due the Sub-Contractor.

3.4 In default or incompleteness within the stated time herein, the Sub-Contractor shall pay to General Contractor, as liquidated damages, and not as a penalty, the sum of two hundred dollars per day for each and every day required to finish it's work in addition to and beyond the total elapsed time herein allowed for such completion, after due allowances are made for delays beyond the Sub-Contractor's control, the said amount being agreed upon as the reasonable value of the damage to the General Contractor.

ARTICLE 4: EXTRAS

4.1 The agreement and each of the contract documents are complimentary as they shall be interpreted so what is required by one shall be as binding as if required by all. Should the Sub-Contractor observe any conflicts within the contract documents, he shall bring them to the General Contractor's attention for decision and revision as soon as possible after originally observed. In the event of duplications or conflicts of contract documents after this contract has been executed, the most expensive method of work, materials and equipment shall be construed as the requirement with a credit for all costs saved accruing to the General Contractor in the event the least expensive method of work is directed. A duplication of work is not intended by the contract documents and any duplication specified shall not become a basis for extra cost to the Owner.

4.2 The Sub-Contractor shall secure written instructions from the General Contractor before proceeding with work affected by omissions and discrepancies in the contract.

4.3 Any extra work or costs beyond the scope of this contract amount must be authorized and verified in writing by a project manager or an officer of Regas Contracting, L.C. at the home office located at 12811 Royal Dr., Suite 116, Stafford, TX 77477. Field superintendents are specifically

Contact Name

Phone

Mobile

Fax

Sub. Contr.

Gen. Contr.

CONTRACTOR AGREEMENT

not authorized to sign for or approve any extra work or cost.

- 5.1 The Sub-Contractor shall purchase and maintain insurance of the following types of coverage and limits of liability:
- 1) Commercial General Liability (CGL)
 - a.) CGL with limits of insurance of not less than \$1,000,000 Each Occurrence, \$2,000,000 Products/Completed Operations Aggregate, \$1,000,000 Personal & Advertising Injury, \$100,000 Fire Damage Limit (any one fire), \$5,000 Medical Expense (any one person) and \$2,000,000 General Annual Aggregate. If the CGL coverage contains a General Aggregate Limit, such General Aggregate shall apply separately to each project.
 - b.) CGL coverage shall be written on ISO Occurrence form CG 00 01 1093 or a substitute form providing equivalent coverage and shall cover liability arising from premises, operations, independent contractors, products-completed operations, and personal and advertising injury.
 - c.) General Contractor, Owner and all other parties required of the General Contractor, shall be included as insureds on the CGL, using ISO Additional Insured Endorsement CG 20 10 11 85 or CG 20 10 10 01 AND CG 20 37 10 01 or CG 20 33 10 01 AND CG 20 37 10 01 or an endorsement providing equivalent coverage to the additional insureds. This insurance for the additional insureds shall be as broad as the coverage provided for the named insured subcontractor. It shall apply as primary and non-contributory insurance before any other insurance or self-insurance, including any deductible, maintained by, or provided to, the additional insured.
 - d.) Sub-Contractor shall maintain CGL coverage for itself and all additional insureds for the duration of the project and maintain Completed Operations coverage for itself and each additional insured for at least 3 years after completion of the Work.
 - 2) Automobile Liability
 - a.) Business Auto Liability with limits of at least \$1,000,000 each accident.
 - b.) Business Auto coverage must include coverage for liability arising out of all owned, leased, hired and non-owned automobiles.
 - c.) General Contractor, Owner and all of their respective agents, officers and employees, shall be included as additional insureds on the auto policy.
 - 3) Commercial Umbrella
 - a.) Umbrella limits must be at least \$1,000,000.
 - b.) Umbrella coverage must include as insureds all entities that are additional insureds on the CGL.
 - c.) Umbrella coverage for such additional insureds shall apply as primary and non-contributory insurance before any other insurance or self-insurance, including any deductible, maintained by, or provided to, the additional insured other than the CGL, Auto Liability and Employers Liability coverages maintained by the Sub-Contractor.
 - 4) Workers Compensation and Employers Liability
 - a.) Employers Liability insurance limits of at least \$500,000 each accident for bodily injury by accident and \$500,000 each employee for injury by disease.
 - b.) Where applicable, U.S. Longshore and Harborworkers Compensation Act Endorsement shall be attached to the policy.
 - c.) Where applicable, the Maritime Coverage endorsement shall be attached to the Policy.
 - 5) Waiver of Subrogation
Sub-Contractor waives all rights against General Contractor, Owner and all of their respective agents, officers and employees for recovery of damages to the extent these damages are covered by commercial general liability, commercial umbrella liability, business auto liability or workers compensation and employers liability insurance maintained per requirements stated above.
 - 6) Notification of Cancellation, Non-Renewal or Material Change in Coverage
Sub-Contractor's General Liability, Automobile Liability, Umbrella Liability and Worker's Compensation policies shall be endorsed to state that Contractor will be notified at least 30 days in advance in the event of cancellation, non-renewal or material change in coverage of said policies and the subcontractor will replace "will endeavor" with "must notify" in their Certificate of Insurance.
 - 7) Certificates of Insurance
Sub-Contractor shall provide General Contractor with valid certificates of insurance prior to commencement of work verifying said insurance requirements have been met. Attached to each certificate of insurance shall be a copy of the Additional Insured Endorsement that is part of the Sub-Contractor's Commercial General Liability Policy.
 - 8) Other
If Sub-Contractor is unable to provide proof of insurance in the above stated amounts, both parties agree that the General Contractor will withhold 10% of the contract amount.
General Contractor is not responsible for the loss of Sub-Contractors materials, supplies, tools, equipment, etc. by theft, vandalism or act of God.
- 5.2 INDEMNITY
SUB-CONTRACTOR AGREES TO ASSUME ENTIRE RESPONSIBILITY AND LIABILITY FOR ANY CLAIM OR ACTIONS BASED ON OR ARISING OUT OF INJURIES, INCLUDING DEATH, TO PERSONS OR DAMAGES TO OR DESTRUCTION OF PROPERTY, SUSTAINED OR ALLEGED TO HAVE BEEN SUSTAINED IN CONNECTION WITH OR TO HAVE ARISEN OUT OF OR INCIDENTAL TO THE PERFORMANCE OF THIS CONTRACT BY SUB-CONTRACTOR, ITS AGENTS AND EMPLOYEES, AND ITS SUBCONTRACTORS, THEIR AGENTS AND EMPLOYEES, REGARDLESS OF WHETHER SUCH CLAIMS OR ACTIONS ARE FOUNDED IN WHOLE OR IN PART UPON THE ALLEGED NEGLIGENCE OF SUB-CONTRACTOR OR ANYONE FOR WHOSE ACTS IT MAY BE LIABLE REGARDLESS OF WHETHER IT IS CAUSED IN PART BY A PARTY INDEMNIFIED HEREUNDER, SUB-CONTRACTOR FURTHER AGREES TO INDEMNIFY AND HOLD HARMLESS GENERAL CONTRACTOR, OWNER, ARCHITECT, ITS REPRESENTATIVES, AND THE EMPLOYEES, AGENTS, INVITEES AND LICENSEES THEREOF IN RESPECT OF ANY SUCH MATTERS AND AGREES TO DEFEND ANY CLAIM OR SUIT OR ACTION BROUGHT AGAINST GENERAL CONTRACTOR, OWNER, ARCHITECT, ITS REPRESENTATIVE, AND EMPLOYEES, AGENTS, INVITEES, AND LICENSEES THEREOF.
- SUB-CONTRACTOR, ALSO AGREES TO INDEMNIFY, DEFEND AND HOLD HARMLESS GENERAL CONTRACTOR, OWNER, ARCHITECT, ITS REPRESENTATIVE OR ITS EMPLOYEES, AGENTS, INVITEES, OR LICENSEES THEREOF FROM AND AGAINST ANY AND ALL LOSS, DAMAGE, EXPENSE, CLAIMS, SUITS OR LIABILITY WHICH SUB-CONTRACTOR OR ANY OF ITS EMPLOYEES, AND ITS SUBCONTRACTORS AND EMPLOYEES, MAY SUSTAIN OR INCUR FROM THE PERFORMANCE OF THIS CONTRACT, OR FOR OR BY REASON OF ANY INJURY TO OR DEATH OF ANY PERSON OR PERSONS OR DAMAGE TO ANY PROPERTY, ARISING OUT OF THE PERFORMANCE OF THIS CONTRACT, OF ANY CLAIMED INADEQUATE OR INSUFFICIENT SAFEGUARDS OR SAFETY DEVICES.
- 6.1 All guarantees or warranties of equipment or materials furnished to the General Contractor of the Sub-Contractors by any manufacturer or supplier of any equipment or materials furnished a guarantee or warranty for a period in excess of one (1) year from the date of acceptance, the Sub-Contractor's guarantee shall be deemed to extend for a like period as to such equipment or material.
- 7.1 The Sub-Contractor shall at all times, and at a minimum at the end of each day, keep the building and premises free from debris and rubbish caused by it's operations and upon completion have the work area free and clear from all obstructions and hindrances. Whenever, in the opinion of the General Contractor, the building and premises are not free and clear from such debris, rubbish, obstructions and hindrances, it is agreed by both parties that the sum of two-hundred dollars will be deducted from the contract amount to cover the cost the General Contractor may incur to complete this clean up. This is applicable to each occurrence of the Sub-Contractor not meeting the requirements of Article 7.
- 8.1 This contract is terminated if and when the prime contract is terminated. The General Contractor shall promptly notify the Sub-Contractor of any such termination.

Contact Name

Phone

Mobile

Fax

Sub. Contr. _____

Gen. Contr. _____

CONTRACTOR AGREEMENT

8.2 If at any time there shall be filed by or against the Sub-Contractor in any court, a petition of bankruptcy or insolvency, or for reorganization, or for the appointment of a receiver or trustee of all or a portion of the contractor's property, and within thirty (30) days therefrom, the contractor fails to secure a discharge thereof, or if the contractor makes an assignment from the benefit of creditors or petitions for or enters into an agreement with its creditors, or if the contractor fails to prosecute the work properly, or fails to complete the work, or to make prompt payment for materials or labor without limitation, fails to perform any provisions of this contract, then the General Contractor by giving forty-eight (48) hours prior written notice of any such default to the Sub-Contractor and without prejudice to any other remedy it may have, may terminate this contract. In such case, the Sub-Contractor shall not be entitled to receive any further payment until the work is finished.

If the unpaid balance of the contract sum shall exceed (1) the expense of completing the work including compensation for additional managerial and administrative services, plus (2) the General Contractor's losses and damages because of the Sub Contractor's default, such excess shall be paid to the Sub-Contractor. If such expense, plus the General Contractor's Losses and damages shall exceed such unpaid balance, the Sub-Contractor shall pay the difference to the General Contractor promptly on demand.

ARTICLE 9: SUB-CONTRACTOR'S RIGHT TO TERMINATE

9.1 Should the work be stopped by a public authority or by the act of neglect of the Owner for a period of three (3) months or more, through no fault of the Sub-Contractor, or should the General Contractor fail to pay the Sub-Contractor any approved payment within thirty (30) days after it is due, then the Sub-Contractor, upon seven (7) days written notice to the General Contractor, may stop the work or terminate the contract and recover from the General Contractor payment for all work executed and reasonable profits. The General Contractor shall have the right, however, to pay the Sub-Contractor's invoice, or approved portion thereof, during the seven-day period following written notice and, in such event, the contract shall not be terminated.

ARTICLE 10: DESCRIPTION OF SUB-CONTRACTOR AND AGREEMENT

10.1 Sub-Contractor is experienced in scope of work as defined in Article 1.2 for commercial construction and owns or will obtain the necessary tools at Sub-Contractor's expense to complete work.

10.2 Sub-Contractor and Regas Contracting, LC agree that Sub-Contractor is not an employee of Regas Contracting, LC. Sub-Contractor agrees that none of Sub-Contractor's agents, laborers or Sub-Contractors is employees of Regas Contracting, LC. By entering this contract, Sub-Contractor and Regas Contracting, LC wish to establish their clear intent that Sub-Contractor is an independent contractor and is not an employee for state law purposes. Sub-Contractor understands that Regas Contracting, LC will file the proper 1099 or other forms with the Internal Revenue Service reporting all monies paid to Sub-Contractor by Regas Contracting, LC for a tax year. Sub-Contractor agrees that he will hold Regas Contracting, LC harmless for any liability for withholding taxes, social security, State or Federal income taxes or unemployment insurance.

10.3 Sub-Contractor does hereby agree that he shall be solely responsible for any employees selected by him to perform the work and all claims are waived against Regas Contracting, LC for employees liability compensation for personal injury under the laws of the United States or the State of Texas.

10.4 Sub-Contractor shall furnish Workman's Compensation insurance and current insurance certificates shall be on file with Regas Contracting, LC when all payments are made or cost of insurance will be deducted from each check.

10.5 In the event of breach of any of the terms or conditions hereof, this contract may be terminated by Regas Contracting, LC on forty-eight (48) hours' notice to Sub-Contractor.

10.6 In the event Sub-Contractor does not perform the work under the terms of this contract in a good workman-like manner, Regas Contracting, LC shall not be liable for any payment until the work is brought up to standard and completed by Sub-Contractor.

10.7 Sub-Contractor shall be responsible for any and all charges resulting from poor workmanship and will be charged to his account.

10.8 Any and all work having to be completed or repaired by Regas Contracting, LC due to poor workmanship by Sub-Contractor shall be charged to Sub-Contractor's account.

10.9 Sub-Contractor shall achieve the completion of their punch list items in two (2) calendar days after receipt of list.

ARTICLE 11: TERMINATION OF CONTRACT STATEMENT

11.1 The following list of offenses is considered termination of contract offenses. A violation by yourself or any of your employees will be treated as a serious offense and subject you to immediate termination of contract.

11.2 Not showing up as promised, unexcused/excessive tardiness, not complying with job completeness schedule, intoxication at work or drinking before job or at lunch and coming back to work or bringing alcoholic beverages on job, failure to comply with safety rules or OSHA requirements, carelessness/poor workmanship, abusive or threatening language to supervision, possession of narcotics or drugs or controlled substances such as cocaine, marijuana, etc., possession of firearms or other weapons, fighting, theft, falsifying Sub-Contractor evaluation information or draw requests, willful damage to company property.

ARTICLE 12: ATTORNEY'S FEES

12.1 If Subcontractor defaults in the performance of any obligation, the Subcontractor agrees to reimburse the General Contractor for all costs incurred due to such default(s) and enforcement of the terms or obligations under this Contractor Agreement, including the payment of reasonable attorney's fees.

ARTICLE 13: GOVERNING LAW

13.1 The validity of this Contractor Agreement and of any of its terms or provisions, as well as the rights and duties of the parties hereinunder, shall be governed by the laws of the State of Texas.

EXECUTED THIS OF ,

CONTRACTOR

SUBCONTRACTOR

REGAS CONTRACTING, LC

Randall W. Regas, President

Signature - Title

Federal ID #/Social Security #

Insurance Company

Agent's Name

Phone Number

Contact Name

Phone

Mobile

Fax

ATTACHMENT "C"

SAFETY REQUIREMENTS

Regas Contracting, LC, wants our employees and Subcontractors to have a safe working environment. Safety is our first priority. Regas Contracting, LC hires a third Party Inspection company that will visit job sites unannounced. They will do safety inspections just as a OSHA Inspector would this is for the protection of REGAS Contracting, LC and the Subcontractor to prevent safety accidents and OSHA Violations fees. You will receive a copy of the Safety Audit if your company is in violation immediately. The OSHA ruling no. 1910.1200 paragraph (g) referred to as (SDS) "Safety Data Sheets" under 2013 Globally Harmonized System of Classification and Labeling of Chemicals (GHS) and Hazard Communication Stand (HCS) update. The Attachment "C" must be signed prior to mobilizing to the job site. This implementation is part of "Regas Contracting, LC" Safety Plan and Hazard Communication Plan.

Project:

Sub-Contractor:

1. Personal Protective Equipment - Strictly Enforced - OSHA (1926 Subpart E)
2. Must wear hard hats at all times. - OSHA (1926.100) - "CASCO o CASA" - "Hard Hat or go HOME"
3. Turn in your "Safety Data Sheet Manual" to the Project Superintendent when you mobilize on to the jobsite. When your demobilize you may pick it up. - OSHA (1910.1200)
4. Your Safety Plan Binder - must be on trucks or electronic access. OSHA (1910.12)
5. Subcontractor to ensure employees are adequately trained and competent to their work. OSHA (1926.503)
6. Participate in tailgate safety meetings, hazard assessments or job safety analysis and work-site safety-inspections. (OSHA 29 CFR 1926)
7. Conduct pre-job safety inspection including equipment. (OSHA 1926.1412)
8. Report any spills, injuries, property damage incident as well as any near misses to Project Superintendent. OSHA (1904 SUBPART C&D)
9. Follow safety rules and regulations accordance with General Contractor, Owner Client and OSHA Safety Rules. OSHA (1926.20)
10. Utilize applicable safety practices and process. OSHA(1926.21)
11. All on-site personnel must always wear shirts at all times. OSHA (1926 100)
12. Appropriate Safety footwear must be worn at all times. No OPEN TOE Shoes. OSHA (1926.100)
13. There will be no alcoholic beverages on the job site. (General Duty Clause)
14. Platforms/Decks/Scaffold must be assembled according to OSHA Standards. OSHA (1926.451 and 1926.250)
15. Electrical cords must meet OSHA standards - No damaged or frayed cords. OSHA (1926.416)
16. Clean-up at the end of each day, keep the building and premises free from debris and rubbish caused by it's operations and upon completion have the work area free and clear from all obstructions and hindrances. Reference Article 7. OSHA (1926.416)
17. Subcontractors that receive two continuous violations on Safety Audits will be subject to be charged \$250.00 per Safety Audit and will be subject to review during bid evaluations. Safety Audits will be sent to your Safety Officer.

Signature

Print Name

Title

Date