



SUBCONTRACT AGREEMENT

_____ (“Subcontractor”) is hereby authorized by **BluSKY Restoration Contractors, Inc. (Blu SKY)** to mobilize and commence the following Scope Of Work. Subcontractor represents that they are experienced and qualified to perform the referenced subcontract work. Subcontractor shall complete the work below:

Scope Of Work

{ } Attachment A: Subcontractor’s Proposal , but only to the extent of the scope of work, price, inclusions, and exclusions is incorporated by reference. All other Terms and Conditions are expressly excluded.

Subcontractor agrees to furnish all materials, labor, transportation, tools, equipment, knowledge, skills, supervision, incidentals, and insurance required to perform the scope of work in a professional manner free of defects. The scope of work is ALL INCLUSIVE, therefore, any additions required to complete the work are included in this Subcontract Agreement, including everything necessary to pass inspection by Owner, BluSKY, and the governing body with jurisdiction. There will be no change orders for work which could have been discovered by subcontractor prior to signing Subcontract Agreement and/or which should have been reasonably known to exist by a qualified subcontractor in this trade. Subcontractor must be present for all inspections that pertain to subcontract work. Subcontractor will perform daily site clean-up related to his work or that of his workers. Subcontractor will be fined \$25.00/day for failing to clean jobsite.

Subcontract Amount: \$ _____ **Project No:** _____ **Project Name:** _____
Start Date: _____ **Completion Date:** _____ **Liquidated Damages \$** _____

BluSKY Restoration Contractors
Signed: _____
Name: _____
Title: _____
Address: **9767 E.Easter Avenue**
Centennial, CO 80112
Date: _____

Subcontractor: _____
Signed: _____
Name: _____
Title: _____
Address: _____
Date: _____

TERMS & CONDITIONS

Invoicing and Payment: Upon Completion of the Subcontract Work, Subcontractor shall submit an invoice to Blu SKY along with a notarized lien release and that upon receipt of payment Subcontractor and all laborers, materialmen, and suppliers waive their lien rights to Subcontract Work. Blu SKY may withhold 10 percent retainage on Subcontract Work and will release such payment when the project has been completed & accepted by Owner, and when BluSKY receives final payment from Owner. **Payment terms are the first Friday following Net 45 days from our receipt of Subcontractor's Invoice, including progress draws, if and only if the work is complete at the time of receipt. In addition, this is a pay when paid contract, meaning Subcontractor will be paid only after Blu SKY receives payment for Subcontract Work.**

Performance Time and Liquidated Damages for Delay: Subcontractor shall be liable for any damages for delay sustained by Blu SKY caused directly or indirectly by Subcontractor, including but not limited to damages, liquidated or otherwise, for which Blu SKY is liable to Owner and Blu SKY'S overhead and expenses related to managing and supervising the prime Contract Work during such periods of delay. Blu SKY shall not be liable to Subcontractor for delay to Subcontractor's Work for any reason whatsoever. Should Subcontractor be delayed in his Work by Blu SKY, then Blu SKY shall owe Subcontractor therefore only an extension of time for completion equal to the delay caused, and then only if written claim for delay is made to Blu SKY within forty-eight (48) hours from the time of the beginning of the delay.

Changes & Change Orders: The Subcontractor may be asked by Blu SKY, without invalidating the Subcontractor Agreement, to make changes in the Subcontract Work within the general scope of this Subcontract consisting of additions, deletions or other revisions to the Subcontract Work. Subcontractor, prior to the commencement of such changed or revised Work, shall promptly submit to Blu SKY any Proposed Change Order for adjustment to the Subcontract Price or Performance Schedule because of such changed or revised work. All Change Orders shall be in writing, signed and authorized by Blu SKY & no Additional Work shall be performed by Subcontractor that is not provided under this Agreement without a written and executed Change Order, signed by both the Subcontractor and Blu SKY. Subcontractor shall incur all cost associated for such additional Work that was performed without a written and executed Change Order.

Indemnification: To the fullest extent permitted by law, the Subcontractor agrees to indemnify and hold harmless Blu SKY and the Owner and all their agents and employees from and against all claims, damages, losses and expenses, including but not limited to attorney's fees, arising out of or resulting from the performance, or failure in performance of the Subcontractor's Work under this Subcontract, provided that any such claim, damage, loss or expense is: (i) attributable to bodily injury, sickness, disease, or death, or to injury to or destruction of tangible property (other than the work itself), including the loss of use resulting therefrom; and (ii) to the extent is caused by the negligence, breach of contract, willful misconduct or other legal fault of Subcontractor or any one directly or indirectly employed by him or anyone for whose acts he may be liable. Such obligations shall not be construed to negate, abridge, or otherwise reduce any other right or obligation of indemnity, which would otherwise exist as to any party or person, described in this provision. In any and all claims against Blu SKY or any of its agents or employees by an employee of the Subcontractor, anyone directly or indirectly employed by him or any for whose acts he may be liable, the indemnification obligation under this paragraph shall not be limited in any way by any limitation on the amount or type of damages, compensation or benefits payable by or for the Subcontractor under Worker's Compensation Acts, Disability Benefits Acts, or other Employee Benefit Acts.

Insurance: Prior to starting Work, the Subcontractor shall procure and maintain in force, Worker's Compensation Insurance, Employers Liability Insurance, Comprehensive General Liability Insurance with contractual coverage and Automobile Liability Insurance. Subcontractor will not be paid for work complete until such documentation is furnished. If Subcontractor fails to provide insurance certificates, then Blu SKY will deduct insurance expenses from such payments. Review of the Certificate's of Insurance by BLUSKY shall not relieve or decrease the liability of the Subcontractor hereunder. BluSKY shall be named as Additional Insured and Certificate Holder on Certificate. Subcontractor also waives their rights to subrogation against BluSKY and agrees to indemnify and hold Blu SKY harmless from all actions of Subcontractor. Unless otherwise provided in this subcontract, the Subcontractor's Comprehensive General and Automobile Liability Insurance, as required shall be written for not less than the limits of liability as follows:

- Contractor's Comprehensive General Liability, General Aggregate: Not less than \$1,000,000.00, naming Blu SKY as additional insured.
- Workmen's Compensation Insurance, not less than \$500,000 for each occurrence, for all employees of Subcontractor.
- Auto Liability Insurance, Not less than \$ 500,000.00 per occurrence.
- **BluSKY shall be named as Additional Insured on CGL policy and Subcontractor waives all rights to subrogation with respect to all.**

Warranty: The Subcontractor represents and warrants that it shall perform all Subcontract Work in a workmanlike manner; it shall perform the Subcontract Work in full compliance with all government ordinances, codes, rules, and/or statutes; and that it shall exercise care and skill in performing the Subcontract Work consistent with the highest standards in the industry. Subcontractor further agrees to reimburse Owner and/or BluSKY for all costs and damages incurred as a result of Subcontractor's breach of any warranty given herein. Subcontractor shall warranty workmanship and materials for a period of one-year. One-year warranty shall start upon Owner's final written acceptance of Work under the Prime Contract between Owner and BluSKY.

Execution & Additional Obligations of Subcontractor:

- A. Subcontractor shall supervise and direct the Subcontractor's Work and shall cooperate with Blu SKY in scheduling and performing the Subcontractor's Work to avoid conflict, delay in or interference with the Work of Blu SKY, other subcontractors or Owner's own forces.
- B. Subcontractor shall promptly submit Samples, Submittals, Shop Drawings, and Product Data when required by Blu SKY or the Owner with reasonable promptness and in required sequence outlined by Blu SKY or Owner as to cause no delay in the Work.
- C. Subcontractor shall submit a Schedule of Values allocated to various parts of the Subcontractor's Work, aggregating the Subcontract Agreement Sum. Schedule of Values shall be approved by Blu SKY prior to Subcontractor making any applications for payment. The Subcontractor's shall submit applications for payment based on the Schedule of Values.
- D. Periodic progress reports on the Work of this Subcontractor shall be provided to Blu SKY regarding information on the status of materials, equipment which may be used in the course of preparation of the Work, Subcontractor's workforce on the job, and other information that maybe requested by Blu SKY regarding the Subcontractor's Work.
- E. Subcontractor agrees that Blu SKY or the Owner each have the authority to reject the Work of the Subcontractor that does not conform with Blu SKY'S Contract with the Owner. Blu SKY or the Owner's decisions on matters relating to aesthetic effects shall be final and binding on the Subcontractor.
- F. If Subcontractor finds a discrepancy in the Scope of Work, Drawings, Specifications and other contract documents, Subcontractor shall request a written clarification from Blu SKY. If Subcontractor does not notify Blu SKY in writing and continues with Work, Subcontractor shall incur all costs associated with such Work.
- G. No smoking is allowed on Blu SKY jobsites. A \$25.00 fine per incident shall be imposed on Subcontractor for violating this policy.
- H. Comply with all safety regulations of the Federal, State and municipal authorities, and particularly, agrees to comply with all requirements to the Occupations Safety and Health Act of 1970, and all regulations promulgated by the U.S. Department of Labor under the terms thereof.
- I. Subcontractor shall be responsible for the inspection of portions of the work already performed to determine that such portions are in proper condition to receive subsequent work. Commencement of subcontractor's work constitutes acceptance of same.

Dispute Resolution: Any controversy or claim arising out of or relating to this Agreement shall be resolved by arbitration in accordance with the Construction Industry Arbitration Rules of the American Arbitration Association, and judgment upon the award may be entered in any court having jurisdiction. Prevailing party shall be entitled to reasonable attorney's fees and other legal costs.

Entire Agreement: This Agreement contains the entire Agreement of the parties. All prior agreements respecting the subject matter hereof are of no force or effect. All modifications to this Agreement shall be in writing signed by both parties, there are no verbal agreements to this Subcontract Agreement.