



## **SUBCONTRACTOR AGREEMENT**

This Subcontract Agreement is made on this the \_\_\_\_\_ day of \_\_\_\_\_, in the year of \_\_\_\_\_, by and between \_\_\_\_\_ (the Subcontractor), and Process Service Group LLC (the Contactor).

**Process Service Group LLC requires a copy of your general contractor's license.**

- 1. Subcontractor Work.** Except as otherwise specified below, the Subcontractor hereby agrees to obtain all applicable permits, licenses and approvals and to furnish, at its sole cost and expense, all labor, materials, tools, equipment and supervision necessary to fully perform and in every respect complete the scope of work.
- 2. Completion of Work.** The Subcontractor agrees to begin the Subcontract Work as soon as is possible following its receipt of notice from the Contractor and will thereafter diligently proceed to complete the Subcontract Work in a timely manner and as rapidly as the Contractor may judge that the progress of the structure will permit. Subcontractor shall keep and maintain on the project a sufficient number of properly qualified workers and a sufficient quantity of materials, equipment and supplies to efficiently perform the Subcontract Work as required without delay. Should Subcontractor cause delay in the progress or completion of the project, the damages resulting, therefrom, including liquidated damages assessed by Owner and attributable thereto, shall be the obligation of Subcontractor. Without limiting the generality of the foregoing, Subcontractor shall be solely responsible for providing and insuring, at its sole cost and expense, all materials, supplies and equipment necessary to complete the Subcontract Work. In no event shall Contractor be responsible for providing, replacing or insuring any such materials, supplies or equipment; provided, however, that Contractor shall become responsible for insuring materials provided by Subcontractor once such materials have become permanently affixed to the improvement to which the Subcontract Work relates.
- 3. Taxes.** The Subcontractor assumes exclusive liability for all contributions, taxes or payments to be made because of employees of the Subcontractor by the federal and state unemployment compensation acts, social security acts or any amendments thereto, and by all other or future acts, local, state or federal, requiring the payment of similar contributions or taxes and for all local and state sales and use tax.
- 4. Licenses, Taxes and Permits.** Subcontractor agrees to comply with all public laws, codes (including, without limitation, all applicable building codes), regulations and ordinances in effect where the work under this Agreement is to be performed, and to pay all fees, licenses, permits and expenses required by such compliance, and also, to the extent that Contractor is or may be held liable therefor, to pay all taxes and contributions imposed or required by any law relating to the employees of Subcontractor and to the performance of said work and completion of this subcontract.

Subcontractor shall acquire and maintain all licenses and permits required in order to perform the work under this subcontract. Nothing herein shall be construed so as to permit or allow the Subcontractor to deviate from any plans or scope or work delivered in connection with the Subcontract Work and, to the extent that the Subcontract Work contains standards or specifications more stringent than applicable laws, codes, regulations or ordinances, Subcontractor shall perform the Subcontract Work in compliance with the more stringent standard and/or specifications..

5. **Defective Workmanship or Materials**. No payment made under this Agreement shall be construed as an acceptance of any defective work or improper materials, and Subcontractor agrees to guarantee and does hereby guarantee its work under this Agreement against all defects of workmanship and/or materials. Subcontractor shall remedy any defects in the Subcontract Work and pay for any damage to other work resulting from a defect in Subcontractor's workmanship and/or materials used in its work which are discovered within a period of one (1) year from the date of final acceptance by the Owner of Contractor's work on the Project Site; provided, however, that Subcontractor's warranty of its work and materials and corresponding duty to remedy any defects and related damages shall extend for a period of two (2) years from the date of final acceptance by the Owner of the Contractor's work on the Project Site in the case of latent defects. For purposes of the preceding sentence, the term "latent defects" shall mean all defects in workmanship and/or materials that would not ordinarily be discovered upon a general visual inspection of the Project Site. Without limiting the generality of the foregoing, a defect that, upon completion of the Contractor's work on the Project Site, would not be visible without removing, uncovering, or otherwise altering (permanently or temporarily) the Project Site shall be treated as a "latent defect".
6. **Special or Additional Provisions**. Subcontractor agrees to fully comply with the Occupational Safety and Health Act of 1970 and any and all regulations issued pursuant thereto. Subcontractor as a term and condition of this Agreement shall keep and save the Contractor harmless from any claims or charges of any kind by reason of Subcontractor failing to fully comply with the act and regulations and agrees to reimburse the Contractor for any fines, damages or expenses of any kind incurred by the Contractor by reason of the Subcontractor's failure to comply.
7. **Indemnification**: The Work performed by the Subcontractor shall be at the risk of the Subcontractor exclusively. To the fullest extent permitted by law, Sub contractor shall indemnify, defend (at Subcontractor's sole expense) and hold harmless Contractor, affiliated companies of Contractor, their partners, joint ventures, representatives, members, designees, officers, directors, employees, agents, successors, and assigns ("Indemnified Parties"), from and against any and all claims for bodily injury, death or damage to property, demands, damages, actions, causes of action, suits, losses, judgments, obligations and any liabilities, costs and expenses (including but not limited to investigative and repair costs, attorneys' fees and costs, and consultants' fees and costs) ("Claims") which arise or are in any way connected with the Work performed, Materials furnished, or services provided under this Agreement by Subcontractor or its agents. These indemnity and defense obligations shall apply to any acts or omissions, negligent or willful misconduct of Subcontractor, its employees or agents, whether active or passive. Said indemnity and defense obligations shall further apply, whether or not said claims arise out of the concurrent act, omission, or negligence of the Indemnified Parties, whether active or passive. Subcontractor shall not be obligated to indemnify and defend Contractor or Owner for claims found to be due to the sole negligence or willful misconduct of Indemnified Parties.

Subcontractor's indemnification and defense obligations hereunder shall extend to Claims occurring after this Agreement is terminated as well as while it is in force, and shall continue until it is finally adjudicated that any and all actions against the Indemnified Parties for such matters which are indemnified hereunder are fully and finally barred by applicable Laws.

8. **Insurance:** Upon execution of this Agreement, and prior to the Subcontractor's commencing any work or services with regard to the Project, the Subcontractor shall carry:

**Commercial General Liability Insurance** on ISO form CG 00 0110 01 (or a substitute form providing equivalent coverage) and the Subcontractor shall provide the contractor with a Certificate of Insurance and Additional Insured Endorsement on ISO form CG 20 10 11 85 (or a substitute form providing equivalent coverage) or on the combination of ISO forms CG 20 10 10 01 and CG 20 37 10 01 (or substitute forms providing equivalent coverage) naming the Contractor and the Owner as Additional Insureds thereunder. Additional insured coverage shall apply as primary insurance with respect to any other insurance afforded to Owner and Contractor. The coverage available to the Contractor and Owner, as Additional Insureds, shall not be less than \$1 million on dollars Each Occurrence, \$2 million General Aggregate (subject to a per project general aggregate provision applicable to the project), \$2 million Products/Completed Operations Aggregate and \$1 million Personal and Advertising Injury limits. Such insurance shall cover liability arising from premises, operations, independent contractors, products-completed operations, personal and advertising injury, and liability assumed under an insured contract (including the tort liability of another assumed in a business contract). There shall be no endorsement or modification of the Commercial General Liability form arising from pollution, explosion, collapse, underground property damage or work performed by subcontractors. All coverage shall be placed with an insurance company duly admitted in the State of Alabama and shall be reasonably acceptable to Contractor. All Subcontractor insurance carriers must maintain an A.M. Best rating of "A-" or better. Coverage shall be afforded to the Additional Insureds whether or not a claim is in litigation.

The insurance coverage required under paragraph one shall be of sufficient type, scope, and duration to ensure coverage for the Contractor or Owner for liability related to any manifestation date within the applicable statutes of limitation and/ or repose which pertain to any work performed by or on behalf of the Contractor or Owner in relation to the Project. \*Subcontractor agrees to maintain the above insurance for the benefit of Contractor and Owner for a period of ten years, or the expiration of the Statute of Limitations. Each Certificate of Insurance shall provide that the insurer must give the Contractor or at least 30 days' prior written notice of cancellation and termination of the Contractor's coverage thereunder. Not less than two weeks prior to the expiration, cancellation or termination of any such policy, the Subcontractor shall supply the Contractor with a new and replacement Certificate of Insurance and Additional Insured endorsement as proof of renewal of said original policy. Said new and replacement endorsements shall be similarly endorsed in favor of Contractor and Owner as set forth above.

Additionally, and prior to commencement of the Work, the Subcontractor shall provide the Contractor with a Certificate of Insurance showing liability insurance coverage for the Subcontractor or and any employees, agents, or Sub-Subcontractors of the Subcontractor for any Workers' Compensation, Employer's Liability and Automobile Liability. In the event any of these policies are terminated, Certificates of Insurance showing replacement coverage shall be provided to Contractor. Coverages shall be no less than the following:

**Workers' Compensation and Employers' Liability Insurance:** As required by law and affording thirty (30) days written notice to Contractor prior to cancellation or non-renewal, providing coverage of not less than \$1,000,000 for bodily injury caused by accident and \$1, 000,000 for bodily injury by disease.

**Business Auto Liability Insurance:** Written in the amount of not less than \$1,000,000 each accident.

**Waiver of Subrogation: Subcontractor shall obtain from each of its insurers a waiver of subrogation on Commercial General Liability in favor of Contractor and Owner with respect to Losses arising out of or in connection with the Work.**

9. **Governing Law:** This Agreement shall be governed and construed in accordance with the laws of the State of Alabama.

10. Waiver of Jury Trial by Contractor and Sub-contractor. **THE CONTRACTOR AND THE SUBCONTRACTOR DESIRE TO AVOID THE ADDITIONAL TIME AND EXPENSE RELATED TO A JURY TRIAL OF ANY DISPUTES OR CONTROVERSIES ARISING OUT OF OR RELATING TO THEIR RIGHTS AND RESPONSIBILITIES TO EACH OTHER WHETHER THE SAME BE IN CONTRACT OR TORT AND WHETHER THE SAME MIGHT ARISE OUT OF STATUTES OR OTHERWISE. THEREFORE, IT IS MUTUALLY AGREED BY AND BETWEEN THE CONTRACTOR AND THE SUBCONTRACTOR AND FOR THEIR SUCCESSORS AND ASSIGNS, THAT THEY SHALL AND HEREBY DO WAIVE TRIAL BY JURY OF ANY CLAIM, COUNTERCLAIM, OR THIRD-PARTY CLAIM INCLUDING ANY AND ALL CLAIMS OF INJURY OR DAMAGE BROUGHT BY EITHER PARTY AGAINST THE OTHER ARISING OUT OF OR IN ANY WAY CONNECTED WITH THIS AGREEMENT BETWEEN THE CONTRACTOR AND THE SUBCONTRACTOR.**

**THE PARTIES ACKNOWLEDGE AND AGREE THAT THIS WAIVER IS KNOWINGLY, FREELY AND VOLUNTARILY GIVEN, IT IS DESIRED BY BOTH PARTIES AND IS IN THE BEST INTEREST OR BOTH PARTIES AND AGREE THAT THE PARTIES DO HAVE EQUAL BARGAINING POWER.**

11. **Severability:** The partial or complete invalidity of any one or more provisions of this Agreement shall not invalidate the entire Agreement.

IN WITNESS WHEREOF, the parties hereto have executed this agreement the date and year first above written.

**CONTRACTOR:** Process Service Group, LLC.

PSG Rep:

Date:            /            /

---

**SUBCONTRACTOR:**

(Company Name)

Sub Rep:

Title:

Date:            /            /

---

**PROCESS SERVICE GROUP LLC**

PO Box 160, Fayette, AL 35555 | (334) 212-6000

