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**SUBCONTRACTOR AGREEMENT** *for*

**OAKMEADOWS**

1019 + 1041 N. 12th Avenue  
Block 1, Lot 14 + Lot 15

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Please read the following document thoroughly. Included is the construction plan for this project for you to use to estimate the cost of the work to be performed. Additional information can be found on our website at [www.ironwoodd.com](http://www.ironwoodd.com).

Sign and deliver the following documents to Ironwood Development before starting any work on the job site listed above. If you have any questions please email Ironwood Development at [info@ironwoodd.com](mailto:info@ironwoodd.com) or call Julien at 406-581-9999.

- Sign and date **SUBCONTRACTOR AGREEMENT**
- Include **BID** and/or **SCOPE OF WORK**
- Include **SUBCONTRACTOR CERTIFICATE** with the appropriate insurance requirements listed in Section 13 of the Subcontractor Agreement
- Include **SUBCONTRACTOR WARRANTY** or **GUARANTEE OF WORK** as listed in Section 9 of the Subcontractor Agreement

**MAIL TO:**

Ironwood Development  
2110 Sourdough Rd.  
Bozeman, MT 59715

or

**EMAIL TO:**

[info@ironwoodd.com](mailto:info@ironwoodd.com)



**SUBCONTRACTOR AGREEMENT** for **OAKMEADOWS**  
1019 + 1041 N. 12th Avenue  
Block 1, Lot 14 + Lot 15

This **SUBCONTRACTOR AGREEMENT** ("Subcontract") is made and entered into on \_\_\_\_\_, \_\_\_\_\_ by and between Ironwood Inc. ("Contractor") and \_\_\_\_\_ ("Subcontractor"), as follows:

**1. SCOPE OF WORK**

Subcontractor agrees to furnish all labor, materials, tools, equipment and services necessary for performance of the work as described below and as further detailed in the plans and specifications (see attached provided):

**2. APPROVAL OF WORK**

All work shall be performed in a good and workmanlike manner, in accordance with industry standards, the approved plans, and satisfactory to the City of Bozeman building inspectors and Contractor.

**3. DEBRIS AND CLEAN UP**

Subcontractor is responsible for leaving the job site in "broom-clean" condition both inside and outside of the structure. All garbage, scrap materials, remnants, etc. will be disposed of into the dumpster or dump trailer provided by the General Contractor. All dumpster related fees will be paid for by the General Contractor. Should Subcontractor fail to perform this work, Contractor will do it and back charge Subcontractor accordingly for any associated costs. Provided, however, that Subcontractor shall first be given a reasonable time to preform any clean up or disposal work following notice from Contractor.

**4. TAXES, INSURANCE, PERMITS AND LICENSES**

Subcontractor shall take out and pay for Workers' Compensation insurance as required by the State of Montana. Subcontractor shall pay all sales taxes, excise taxes, old age benefit and unemployment compensation taxes on labor and material furnished under this Subcontract. Subcontractor shall make health and welfare and pension payments in accordance with any applicable union contract. Subcontractor shall obtain and comply with any permits or licenses necessary for the performance of its work under this Subcontract.

**5. PRICE AND PAYMENT**

Contractor shall pay Subcontractor for its performance of this Subcontract the sum of \$\_\_\_\_\_. Invoices for completed work submitted by the 25th day of a month will be paid by the 10th day of the following month. Additional payment details (if applicable):

**6. EXTRA WORK**

Should changes in the work occur, Subcontractor shall, in a timely manner, submit to Contractor, in writing, the associated cost or credit related to the change. No claims for extra work beyond the scope of this Subcontract will be honored without prior written approval by Contractor. In the event Contractor directs Subcontractor to make minor changes to the scope of work without a written change order the Subcontractor is entitled to reasonable compensation.

**7. TIME AND COMPLETION**

Time is of the essence of this Subcontract. Subcontractor shall start and complete its work under this Subcontract in accordance with such reasonable schedules set forth by Contractor. If Subcontractor should neglect to prosecute the

work diligently and properly, or fail to perform any provision of this Subcontract, Contractor, after three (3) days written notice to Subcontractor may, without prejudice to any other remedy Contractor may have, make good such deficiencies and deduct the cost thereof from payment then or thereafter due Subcontractor. Subcontractor will not interrupt or delay its work for Contractor because of any dispute with Contractor, but will continue to work diligently to completion unless otherwise notified by Contractor in writing. Notwithstanding the foregoing, the Contractor and Subcontractor agree to cooperate with each other with respect to the establishment of a reasonable schedule for Subcontractors work.

#### **8. DEFAULTS AND TERMINATION**

In the event Subcontractor interferes with the general progress of the general contract by negligence or delay, or Subcontractor abandons this Subcontract or fails or refuses to furnish labor and materials at and when required under the terms of this Subcontract, Contractor may at its election take over said Subcontract, complete the same or cause the same to be completed and charge all sums of money so expended for the completion of this Subcontract against Subcontractor, and Subcontractor agrees to reimburse Contractor for any loss sustained thereby. Subcontractor will be given a reasonable time following written notice from the Contractor to cure before Contractor takes over Subcontractors work.

Contractor may also terminate Subcontractor work at any time and for any reason. In the event the Contractor terminated this Subcontract, Subcontractor shall discontinue placing orders for materials and make reasonable effort to discontinue all existing orders. Subcontractor shall not be entitled to any additional compensation or damages from the date of such termination. Subcontractor shall be entitled to reasonable compensation for their work up to the date of termination.

#### **9. GUARANTEE OF WORK**

If, within one (1) year after final acceptance of the work by Contractor, any latent or patent defect should appear in materials or workmanship, Subcontractor shall promptly repair such defects at its cost and shall leave the work as intended by the specifications. This guarantee period of one (1) year is to apply to all portions of the work on which guarantee periods of longer duration have not been specified. If, any latent defect should appear in Subcontractor's work more that one (1) year after final acceptance of Subcontractor's work, Subcontractor shall promptly repair such defect(s) at its cost and shall leave the work as intended by the specifications.

#### **10. LIENS**

Subcontractor shall indemnify and hold harmless and protect the Owner and/or Contractor against all laborer', material men's and mechanic's liens, upon the building or premises on which the work is located, arising out of labor or materials furnished under this Subcontract. Subcontractor agrees to provide Contractor with a properly executed Waiver of Lien, if requested at time of payment. A signed and notarized Final Waiver of Lien will be required prior to the issuance of final payment.

#### **11. ASSIGNMENT AND SUBCONTRACTING**

This Subcontract may not be assigned or subcontracted, in full or in part, by Subcontractor without first obtaining the written consent of Contractor. Subcontractor shall not be relieved of its full responsibility for completion of the work because of the subletting of any portion of the work. All obligations of Subcontractor, including all insurance requirements, shall be binding on their subcontractor, insofar as they are applicable to the work sublet. Contractor shall not withhold its consent to an assignment or a subcontract unreasonably.

#### **12. INDEMNITY**

To the fullest extent of the law, Subcontractor agrees to defend, indemnify, and hold Contractor harmless and, if requested by Contractor, their consultants, agents and employees of any of them, from and against any and all claims, suits, losses or liability, including attorney's fees and litigation expenses, for or on account of injury to or death of persons, including Subcontractor's employees, Subcontractor's subcontractors or their employees, or damage to or destruction of property, or any bond obtained for same, caused, in whole or in part, by any act or omission, or alleged act or omission, of Subcontractor, its employees or agents, but only to the extent that the "bodily injury" or "property damage" is caused by Subcontractor's negligence or by the negligence of those acting on the behalf of Subcontractor (collectively referred as "Claims").

Subcontractor's indemnification and defense obligations hereunder shall extend to Claims occurring after this Subcontract 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.

### 13. **INSURANCE REQUIREMENTS**

Subcontractor shall purchase and maintain insurance as required to protect Ironwood, Inc. from claims set forth below which may arise out of or result from operations of the Subcontractor under this Agreement, whether such claims arise during performance or subsequent to completion of the operations under the Agreement and whether such operations be by Subcontractor or by anyone directly or indirectly employed by Subcontractor or by anyone for whose acts the Subcontractor may be liable. Insurance shall be purchased from a company licensed to do business in Montana (with an "A" rated or better classification), and shall be written for not less than the limits of liability specified below. The types of claims, required coverage and minimum limits of liability are as follows:

A. Claims under Workers Compensation, disability benefit and other similar employee benefit act; claims for damages because of bodily injury, occupational sickness or disease or death of employees. Minimum insurance coverage shall include:

- i. Workers Compensation Statutory
- ii. Employer's Liability
  - Each Accident \$1,000,000
  - Disease – Policy Limit \$1,000,000
  - Disease – Each Employee \$1,000,000

Workers Compensation coverage must extend to every employee, including all owners and officers of a closely held corporation and/or individuals operating as a sole proprietor or partnership, if they will be working on site.

B. Commercial General Liability - Claims for damages because of bodily injury or property damage; Insurance shall include:

- i. Premises – Operations
- ii. Products – Completed Operations
- iii. Blanket Contractual – As will cover the provisions of the Agreement
- iv. Broad Form Property Damage
- v. Personal Injury
- vi. No Exclusion for Blanket Explosion, Collapse, and Underground Property Damage
- vii. Operations of Independent Contractors
- viii. No exclusion for injury to subcontractor employees
- ix. No exclusion for residential or multi-family work
- x. Minimum Policy Limits:
  - General Aggregate \$2,000,000
  - Products/Completed Operations \$2,000,000
  - Personal Injury \$1,000,000
  - Each Occurrence \$1,000,000
- xi. Per Project Aggregate Limit Endorsement

Subcontractor shall add Ironwood, Inc. as an Additional Insured for both ongoing and products/completed operations using forms CG2010 and CG2037 or equivalent. Subcontractor's insurance policy shall be considered primary insurance, without recourse to or contribution from any similar insurance carried by IRONWOOD, Inc. The Subcontractor shall deliver to Ironwood, Inc. certificates of insurance evidencing compliance with this insurance provision prior to the commencement of work. Subcontractor shall maintain coverage and additional insured status for one year past substantial completion or to the end of the warranty period, whichever is greater.

- Provide copy of additional insured endorsement with products and completed operations;

- List name of project on certificate;
- List Ironwood, Inc. as additional insured on certificate.

C. Commercial Automobile Liability - Claims for damages because of bodily injury or death of any person, or any property damage arising out of the ownership or use of any motor vehicle. Insurance coverage shall include comprehensive Automobile Liability insurance including owned, hired and non-owned vehicles with limits of \$1,000,000 or greater, combined single limit for each occurrence for bodily injury and death, or property damage.

With all lines of insurance, the Subcontractor is required to provide to Ironwood, Inc. 30 days written notice if the Subcontractor' policy is canceled.

#### **14. SAFETY**

Subcontractor acknowledges and represents that it/he/she has made an on-site inspection of the Premises and the work area so as to be familiar with all conditions, which may affect the safety and health of its employees as well as others acting on behalf of Subcontractor. Subcontractor and all of its employees shall follow all applicable safety and health laws and requirements pertaining to its work and the conduct thereof, but not limited to, compliance with all applicable laws, ordinances, rules, regulations, and orders issued by a public authority, whether federal, state or local, including OSHA, MSHA, and any safety measures required by Contractor. Contractor reserves the right, but not the obligation, to inspect the safety work performance of Subcontractor and to ascertain its compliance with the applicable safety provisions. Notwithstanding the foregoing, Subcontractor, as an independent contractor, is solely responsible for controlling the manner and means by which it performs the work pursuant to this Subcontract. Unless otherwise agreed to by the parties in writing, Subcontractor shall provide all safety equipment, materials, tools and personal protection equipment necessary to perform the work in a safe and workmanlike manner. Subcontractor shall immediately report to Contractor all accidents, occupational injuries, and illness involving its employees or those of its Subcontractors, relating to the work or which cause any injury to a third party or which cause damage to the property of Contractor or a third party. Subcontractor shall promptly furnish to Contractor copies of any worker's compensation report of injury or illness forms filed by any of its employees and, when requested, assist Contractor in any investigation it may conduct of any such accident, injury or illness.

#### **15. DISPUTE RESOLUTION**

While the parties are both entering into this Subcontract in good faith, the parties understand that conflicts in any relationship can arise. Traditional methods of dispute resolution involving a legal action filed in court are often lengthy and costly, and rarely provide an efficient means for actually solving the problem. Therefore, the parties agree that it is best to settle any dispute arising under this Subcontract outside of the court room. Accordingly, this section sets out the remedies available to each party should a problem develop under this Subcontract and both parties specifically acknowledge that the terms of this section requiring mediation and arbitration are in the parties' best interests. Additionally, the parties specifically acknowledge the fact that under this Subcontract both parties waive their right to file an action in court and waive their right to a trial by jury for any dispute that may arise under the terms of this Subcontract. Any dispute that arises between the parties shall be immediately submitted to mediation. The parties shall select a single mediator who is knowledgeable about construction matters. The mediation session shall be held within 20 days after it is demanded by either side. If mediation fails, arbitration shall be conducted, each party to select an arbitrator and the two so selected to appoint a third arbitrator who shall chair the arbitration committee. The dispute will be heard expeditiously and informally, and the decision of the committee shall be final and binding. The parties shall share equally the cost of the mediation or arbitration as incurred. However, the prevailing party in any arbitration or court proceeding related to this Subcontract shall be entitled to payment of reasonable attorney's fees, costs, and expenses, including costs of mediation and arbitration.

#### **16. VENUE AND JURISDICTION**

This Subcontract is entered into by the parties in Gallatin County, Montana, and the laws of Montana shall govern. Any mediation, arbitration or court action arising from this Subcontract shall be filed and proceed in Gallatin County, Montana.

#### **17. ENTIRE CONTRACT**

This Subcontract represents the entire agreement between Contractor and Subcontractor, and supersedes any prior oral or written agreements or representations.

***This Subcontract is accepted:***

By: \_\_\_\_\_

Print Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Address: \_\_\_\_\_

\_\_\_\_\_

Phone: \_\_\_\_\_ Fax: \_\_\_\_\_

E-mail: \_\_\_\_\_

Montana Contractor License #: \_\_\_\_\_

Federal Tax ID# or SSN# if sole proprietor: \_\_\_\_\_



**Ironwood Inc.**  
2110 Sourdough Rd.  
Bozeman, MT 59715  
Phone: (406) 581-9999  
Email: info@ironwoodd.com

By: \_\_\_\_\_ Julien Morice - President

Date: \_\_\_\_\_