



# ***Subcontractor Management Manual***

***RBG Home Improvements, LLC***

318 E. King Street  
Malvern, PA 19355  
610-251-0133

[www.rbghomeimprovements.com](http://www.rbghomeimprovements.com)  
PAOAGHC Reg. #: PA 057327

# Welcome to Our Team

You have been selected to be a vital part of our construction team because you and your employees have what it takes to meet our standard of excellence. We want to take this opportunity to welcome you to our construction team.

Building quality homes on time and within budget requires a tremendous amount of cooperation and team effort. Building a record of on-time delivery of high-quality homes is the cornerstone of our growth strategy. To establish and maintain our position as a leader in the industry, we have developed several procedures designed to help us work together more effectively and efficiently.

These simple procedures and policies have been developed in an effort to see our company and yours deliver the materials and manpower on time and with level of quality that satisfies our customer.

Please take a few minutes to familiarize yourself with the contents of this manual. If you require additional copies or portions of the manual for your employees, please contact our office or you can print them off our website.

We at RBG Home Improvements, LLC have a sincere interest in ensuring a mutually beneficial relationship. If there is anything we can do to improve product quality, productivity or just make things go more smoothly, please don't hesitate to let us know. We thank you for your interest and response.

*Jeff Morrison*  
Operations President

## Mission Statement

Our goal is to exceed customer expectations by constructing a superior custom home delivered on time and within budget. We strive to listen to each customer and together with our strategic alliances, deliver on what we have heard.

# Company Policy

Our primary company objective is the development, design, construction and delivery of a high-quality product to satisfied client on time and within budget.

To consistently maintain high quality standards, both our business and yours must be conducted in an organized, efficient and profitable manner. It requires understanding and cooperation. High profits are achieved only when both parties agree upon standards for high productivity and fine workmanship.

As a valued member of our construction team, we expect you and your workers to exhibit professionalism at all times. We expect the employees you place on the job site will be skilled, reliable and responsible craftspeople, who will be treated with respect.

It is our policy to encourage our subcontractors to do as much work for our company as they can profitably handle. A subcontractor, capable and committed to performing quality work in a timely manner, will grow with us. Financial success depends on your capability, competence and quality of work.

Because we strive to maintain a competitive, efficient operation, we have developed procedures and forms that enable us to be systematic in our operation. The following pages detail these procedures and forms. Your adherence to these policies will result in a smoother workflow, improved productivity, faster payments and higher profits for everyone.

We welcome your suggestions for ways to improve the quality of our product or the way it is produced and managed. Thanks in advance for your cooperation. We look forward to a long and prosperous relationship.

## Must Submit Documents

**So we can operate within the law, we must ask you provide us with**

- a) a copy of your certificate of insurance, made out to RBG Home Improvements, LLC naming RBG Home Improvements, LLC as additionally insured; indicating workers' compensation, general liability, product liability
- b) Social security and employer's identification number (EIN), if applicable, and, if you are a corporation, a copy of your corporate resolutions or proof that the signatory of this document is authorized to sign on behalf of the company.
- c) Copy of your PA Registration Card or certificate showing you are a registered home improvement contractor in the state of PA.

RBGHI \_\_\_\_\_

Subcontractor \_\_\_\_\_

# The Subcontracting Process

Work may not be commenced by any subcontractor until we receive all of the properly executed copies of the Subcontract Agreement and the attached estimate\work order detailing the specific nature and scope of work to be performed, materials or supplies to be furnished and the price to be paid.

The Subcontract Agreement sets forth the legal arrangements under which we operate. This agreement is a binding contract between both parties and describes the legal responsibility, obligation and rights of each party. The subcontractor agreement must be filled out for all jobs over \$500. (A copy of the subcontractor agreement can be found at the back of this packet and on our website.)

The estimate\work order describes all items and conditions which apply to a specific project. It generally details and stipulates:

1. The plan and location bid on.
2. Any materials to be furnished, including quality specifications.
3. The specific work to be performed.
4. Time required performing the work.
5. Starting and completion dates.
6. The contract amount.
7. The method of payment.
8. Work not included in the price quoted.

Prior to start-up, all quotations must be agreed upon, confirmed and accepted. Payment will be made only in accordance with the payment procedures and terms outlined in this agreement and in any attached addendums.

## **Change Orders**

In general, we want to keep these to a minimum. The client hates getting them from us and we don't like getting them from you. If a change order is merited, we need to be notified as soon as you know about it. The additional work is **not** to be done until we accept the change order in writing. Any change order should contain a description of the additional work to be done, as well as the price agreed to. If it is impossible to set a price, a "not to exceed" price should be assigned to the work. Any deviations to the original estimate\work order must be handled in this fashion or payment will not be made.

## **Billing**

**We understand the need for prompt payment and will do everything possible to expedite payments.** Draw schedules outlined on your

RBGHI \_\_\_\_\_

Subcontractor \_\_\_\_\_

estimates\work orders are very helpful. This way we can predict the flow of cash required for that particular job. We ask that you submit a payment request or bill for the amount due upon completion of the relevant piece of work. Typically, draw amounts should be tied to progress on the job. Invoices should be turned in to us two weeks before our checks are printed. Please note, on certain jobs subcontractor payments may be based on our job payment schedule.

Required license, insurance certificates permits and other pertinent documentation must be current and up-to-date prior to invoicing or payments issued.

### **Estimating**

We understand vague information results in vague bids. Because we expect good bids from solid, dependable, qualified subcontractors, we strive to provide the most complete and detailed information possible.

When there is confusion, we both lose, either in service provided or in the final price. When everything is clearly understood before the job begins, there is rarely a problem later on.

We work very hard to provide accurate and complete information. Please feel free to contact our office with any questions you have regarding bid documents.

A formal bid request form to a subcontractor will typically include the following:

- \* Bid request form
- \* Specifications
- \* Work drawings
- \* Color selection sheets
- \* The type and location of work
- \* Bid due date
- \* Meeting or special requirements
- \* Name of individual to contact with questions

An itemized bid should be submitted to us on your letterhead or estimate form. Please indicate clearly if you expect to provide substitute material. All information referenced above should be itemized on your estimate.

We occasionally request telephone bids for small jobs or quick response change orders. On such occasions, we may send a telephone quote confirmation to your office for verification. In order to keep pace with technology, we also accept bids by fax or email.

Using this system helps provide a standard bid format and lays the groundwork for a clear understanding of what we can expect of each other with regard to manpower and scheduling.

### **Scheduling**

Realistic scheduling ensures accurate and timely completion of work.

Job schedules prepared weekly and for longer terms, enable us to:

1. Achieve our goal of on time customer delivery
2. Establish a better overall time line for the entire project maximizing on all possible efficiencies for both labor and supply.
3. Coordinate work schedules with other subcontractors.
4. Plan ahead.

All of these factors combined help to:

1. Improve both RBG, Inc.'s productivity and yours enabling us to both maximize margins and ultimately get paid quicker.
2. Reduce the number of service or warranty call backs.

### **Subcontractors must perform their work on schedule and within budget.**

Even small delays can cause an entire project to be off schedule.

Study plans, specs and product selections carefully before the job starts. If something is unclear, contact our office for an answer. Keep a set of plans, specs and product selections on the job site at all times.

We are committed to providing the notice you need to plan your work effectively. If a job status is uncertain to you or you have questions about it, call our office.

**Clear Communication will be a skill you need to continue our working relationship.** We promise prompt return calls and require the same, no exceptions. Also, if you tell us you will be on a job site on a certain date or time, we expect that to happen. If you find the situation has changed on your end, we need to know as soon as you do. This is critical in shifting our schedule.

We strive for very positive relationships with each of our subcontractors. You are viewed by our clients as a representative of our team. We like to get the job done right the first time and enjoy the process. We will always be available to work with you to provide appropriate conditions to facilitate your process. In return, we ask you do the same for us. If we can support your success and growth while you support ours, we will be doing business in the win-win environment we are looking for.

# Back charge List

1. Urinating or defecating anywhere in the home **\$500**
2. Damaging or altering any erosion control device, including but not limited to silt fencing, to be billed based on cost of repair and fines including all attorney fees and costs associated with the claim(s).
3. Construction garbage not placed in the dumpster or pen **\$100**
4. Non-construction related garbage not placed in the dumpster or pen **\$250**
5. Windows and or doors not closed and locked at the end of the day **\$100**
6. Wasting heat or air conditioning **\$100**
7. Smoking in the home at any time **\$50**
8. Unnecessarily damaging materials in the home **\$150 plus replacement cost**
9. Trash, lunch garbage such as wrappers, coffee cups or cans not disposed of in the proper containers will be charged at a rate of **\$5.00 per piece.**

## **RBG HOME IMPROVEMENTS** **OSHA SAFETY COMPLIANCE POLICY**

As part of RBG Home Improvements OSHA Safety Compliance program, we have established the following policy and procedures relating to progressive disciplinary actions for Subcontractor's failure to comply with OSHA/RBG Home Improvements Safety Performance requirements.

### **First Instance of Non-Compliance:**

RBG Home Improvements will provide written and verbal warning to Subcontractor via an *OSHA Violation Notice* form (see attached) detailing the non-compliance as well as the correction required. Subcontractor has 24 hours to correct the item(s) listed. Subcontractor is required to sign violation notice to confirm understanding of non-compliance and correction time line required.

### **Second Instance of Non-Compliance:**

If a second offense occurs, a fine in the amount of \$500 per day will be charged against Subcontractor's account. There will be a mandatory meeting between the Subcontractor, RBGHI Project Manager, Construction Manager and Purchasing Representative to review the OSHA non-compliance concern(s) and review possible termination of Subcontractor. A written *OSHA Violation Notice* will be sent to Subcontractor detailing total penalty charged as well as future course of action to be taken to correct repeat violation(s). Copy of Repeat Notice will be sent to Jim Renehan.

### **Third Instance of Non-Compliance:**

Upon third offense by Subcontractor to comply with OSHA and RBGHI Safety Performance requirements, there will be a fine of \$1,000 and grounds for automatic termination of Subcontractor. Any and all reasonable costs associated with bringing community into compliance will be charged against Subcontractor's account.

Your cooperation and commitment to practice safety as a routine part of our daily work is essential to ensuring the well being of each employee / workmen from harm or financial loss caused by accidents.

**VIOLATION NOTICE**  
**OSHA SAFETY COMPLIANCE**

TO: \_\_\_\_\_

FROM: \_\_\_\_\_

DATE: \_\_\_\_\_



You have been found in violation of the following OSHA Standard Practice(s) and RBG Home Improvements Contractor Performance Standards. You have 24 hours to correct the item(s) listed below.

This is your first notice of record for the violation(s) listed below. Please be aware that if a second offense is found **a fine in the amount of \$500 will be posted against your account**. Additional violations will result in an additional fine of \$1000 and are grounds for immediate termination.

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

Location of Violation: \_\_\_\_\_

Violation(s): \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

If you have any questions regarding this notice, contact me at the following phone number:

# Warranty Service Plan

We work hard to impress upon the buyer that our reliable, highly skilled subcontractors take pride in their workmanship and the quality of their products. However, our ability to maintain this image requires your cooperation as an active member of our Warrantee Service Plan.

In most instances, warranty service work, must be performed because as a team, we were unable to deliver a defect-free product to the customer. We are not doing them a favor by making repairs. The customer actually paid for a defect-free completed product, but did not receive one.

By allowing us to correct our mistakes, the customer is giving us a chance to maintain our reputation as builders of quality projects. That is why the backbone of our business is the prompt performance of warranty work.

Prompt, efficient warranty service helps us keep a satisfied customer, and a satisfied customer is more effective in boosting sales than any other form of advertising. On the other hand, a dissatisfied customer can negate any amount of advertising and can turn off the most enthusiastic of buyers. Our warranty service program works like this:

- We request that new homeowners submit 60-day and a one-year **post-occupancy** service request for each time period. Items for correction are noted and checked. A service request is forwarded to the subcontractor.
- It is the responsibility of the subcontractor to contact the homeowner within 48 hours of the request to make arrangements with the homeowner to correct the problem within a five (5) day period. A business card with a note written on the back should be used when a homeowner is not available as arranged. RBG Inc.'s office should then be notified.
- An "emergency service plan" is provided during the first year of occupancy. Actual emergencies, such as water leaks and electrical failures must be handled immediately. **The subcontractor must have someone on-call for these repairs.** A telephone call or fax will be placed to the subcontractor to make prompt arrangements for the correction of the problem.

Your quick response to the customer's needs maintains the goodwill established prior to this point. Responsive and courteous warranty service ensures that we will reap the benefit of continued growth through referral sales.

Unless it is an emergency, you have five working days to complete the service work. If after five days the work is not completed, the costs will either be deducted from monies owed to you and/or billed to you.

When the service call is completed, RBGHI's office must be contacted explaining what remedy was taken and the feedback from the homeowner if any. RBGHI will then contact the homeowner directly to ensure complete satisfaction.

Behavior while on a service call is critical to both our reputations and our image as a quality custom home builder. It is our commitment to Total customer Satisfaction which requires us both to conduct ourselves in the following respects:

- Call ahead to make appointments with homeowners for service or warrantee work, even if the work is exterior.
- Be on time for appointments. If delays occur, we will call to let the homeowner know and reschedule if needed.
- Park in the street rather than blocking the homeowner's driveway.
- Identify yourself and our company to the homeowner upon arrival.
- Remove your shoes when performing interior work.
- **DO NOT smoke in the home or on the property.**
- Have materials and tools necessary to perform the work completely and correctly. Do not lay your tools out on finished surfaces without first protecting the surface.
- If a follow-up visit is necessary to complete the work, schedule it immediately.
- To avoid dust migration in the home use dust shields, protect all finished floors and cover all furnishings with poly. Completely clean up when finished.
- Excuse yourself rather than become involved in a disagreement with the homeowner and report such occurrences to RBGHI.
- Do not comment on other work in the home. If a serious defect is noticed, report it to the RBGHI immediately.
- Leave a note or business card each time we perform any work in a home.

- Contact RBGHI offices to confirm the completion of service or warrantee work as soon as work is complete.
- Call RBGHIs attention to recurring items and suggest alternative method or materials to eliminate them.
- Complete service work orders within five business days unless other scheduling is agreed to with the homeowner and RBGHI.
- Do not use the customer's telephone. Please use your cell phone.

## **Heat Usage**

During the colder months of the year, it may be necessary to provide temporary heat or turn on the home's heating system to complete work tasks. The following policies will be used for temporary heat:

- Heaters are to be supplied by the subcontractor when needed.
- All subcontractors will supply fuel for their own heaters.
- Any additional heat needed by a specific subcontractor must be supplied by each subcontractor.
- All heaters must be turned off at the end of each day. If necessary, they can be turned down to low if heat is to be maintained overnight if able to burn in a safe manner. The subcontractor must obtain permission from RBG, Inc. prior to leaving a heater burning. The respective subcontractor assumes all responsibility and liability in doing so.

The following policies will be used once the permanent heating system is turned on:

- Thermostats should never be set above 65 degrees F unless warmer temperatures are required for drying or installation purposes. Then they should not be set above 70 degrees F.
- All thermostats are to be set back to 50 degrees F before leaving for the day.
- Keep doors and windows closed when heat is on.
- Some of the heating systems we install are complex. Do not attempt to adjust any controls or tamper with any equipment. Notify the superintendent or our office immediately if any malfunction occurs.

## **Electric Usage**

Prior to power being available at new home sites, subcontractors will have to provide your own power through the use of your generator. Subcontractors will be responsible for providing the generator as well as maintaining it.

Once Power has been hooked up to the house, an outlet will be provided.

On home improvement jobs, outlets will be designated for usage.

Under no circumstances are you to hook up to a neighboring house for electric without prior permission from the owner or RBGHI.

## **Lock-up and Security**

All new homes and some remodeling jobs are secured with a lockbox system. This is a special lock that can be opened during construction.

If you are in need of the code, one will be given to you. It will be your responsibility to give your employees access to the project. For security reasons, we ask that you not give out the code to all your employees. Perhaps your foreman or just yourself.

You are responsible for locking all windows and doors when you leave the site at the end of the day. Any vandalism or theft as a result of the building being left unlocked will become the responsibility of the last subcontractor to leave.

On job sites with alarm systems, become familiar with the code and operations of the system so the alarm can be armed and disarmed with incident.

On occasion, job sites will not have a lock box. In this case, the key will be picked up at the office. You will sign for the key and return it immediately following the completion of your work or someone from RBGHI will open the house for you.

When we are doing remodeling work, it is extremely important that we leave the client's homes locked and secured. They not only put their trust in us to complete the job they contracted for, they also trust us to preserve the security of their home.



## Subcontractor Information

**Company Name:** \_\_\_\_\_

**Contact Person:** \_\_\_\_\_

**Street Address:** \_\_\_\_\_

**City/State/Zip:** \_\_\_\_\_

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### Contact Information

**Cell Phone #:** \_\_\_\_\_

**Office Phone#:** \_\_\_\_\_

**Fax #:** \_\_\_\_\_

**Email Address:** \_\_\_\_\_

**\*\*\* Preferred Contact Method:** (Circle) **\*\*\* Preferred Method to RECEIVE Bids**

Cell Phone / Office Phone

Fax / Email

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### Business Information

**Type of Business:**       Corporation       Partnership       Proprietorship

**Federal ID or Soc. Security #:** \_\_\_\_\_

**PA Contractor #:** \_\_\_\_\_

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### Insurance Information

#### **Liability Insurance:**

Company: \_\_\_\_\_

Policy #: \_\_\_\_\_

Agent Name: \_\_\_\_\_

Agent Phone #: \_\_\_\_\_

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

\_\_\_\_\_

#### **Workers' Compensation Insurance**

Company: \_\_\_\_\_

Policy #: \_\_\_\_\_

Agent Name: \_\_\_\_\_

Agent Phone #: \_\_\_\_\_

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

\_\_\_\_\_

**Notes:**

1. RBG Home Improvements must be listed as “Additional Insured” on certificate.
2. Checks will not be issued unless we are in possession of a current Certificate of Insurance reflecting a minimum of \$1,000,000 liability insurance.
3. If you are a Sole Proprietor, complete and sign the attached worker’s compensation waiver.

Please have insurance  
certificates sent to:

RBG Home Improvements, LLC  
318 E. King Street  
Malvern, PA 19355

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Signature & Title

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Print Name

318 E. King Street  
Malvern, PA 19355

(610) 251-0133  
FAX (610) 251-9395



Hi

Here at RBG Home Improvements, LLC , we are updating our records and making sure all of the subcontractors we work with are in full compliance with state and federal law.

For our records, we have that you are current with general liability insurance and, as a sole proprietor; you have waived workers compensation insurance for yourself.

Please sign below acknowledging that you are a sole proprietor without employees for our records.

*Understand, pursuant to federal and state law, if you have employees you are required to have workers compensation insurance. Please consult with your attorney or insurance agent as you see fit.*

I \_\_\_\_\_ of \_\_\_\_\_  
Name Company Name

**a sole proprietorship, have waived workers compensation insurance for myself.**

\_\_\_\_\_  
Owner Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Owner Printed Name

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

\_\_\_\_\_  
Company Address

Thank you

Kind Regards,

*Pani Martin*

RBG Home Improvements, LLC

# SUBCONTRACTOR AGREEMENT

Agreement made as of the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_ Between, RBG Home Improvements, LLC with an office at 318 E. King Street, Malvern, Pa., 19355, the Contractor, hereinafter referred to as "RBGHI" or the "Contractor" and

\_\_\_\_\_ with an office at \_\_\_\_\_  
(Company Name) (Company Address)

the Subcontractor, hereinafter referred to as the "Subcontractor". This agreement is hereinafter referred to as the "Subcontract Agreement".

This Subcontract Agreement is entered in for the provision of Work Segment by the Subcontractor (as defined below) for a portion of RBG's construction of a house and/or other structure(s) (herein referred to as the "Project") pursuant to the project on a lot of land identified as

\_\_\_\_\_ herein referred to as the "Lot."  
(Project Address)

## TERMS AND CONDITIONS OF AGREEMENT

RBGHI and Subcontractor agree as follows:

### ARTICLE 1: The Contract Documents

The Contract Documents consist of this Subcontractor Agreement, the portion of the Plans and Specifications for the Building which relate to the Work Segment described below, and all Modifications issued after execution of this Subcontractor Agreement. A Modification is (1) a written amendment to the Subcontractor Agreement signed by both parties, (2) a Change Order to RBGHI's Building Contract with the Customer, and/or (3) a written interpretation of the Plans and Specifications issued by RBGHI. It is the sole responsibility of the subcontractor to ensure they have the most updated set of plans prior to commencing work.

### ARTICLE 2: The Scope of the Work Segment

Subcontractor shall furnish Labor and Materials for the following portion of the Plans and Specifications for the Project:

\_\_\_\_\_ and in accordance with  
(Brief description of the type of work/service your company provides. Ex. Rough & Final Electric, Excavation, Plumbing, etc)  
the standards of the industry (hereinafter referred to as the "Work Segment").

### ARTICLE 3: The Time of Commencement and Completion of the Work Segment

Subcontractor shall be notified when the Project commences and shall be given by RBGHI at that time an estimated date for the commencement and completion of the Work Segment. RBGHI shall thereafter give Subcontractor \_\_\_\_\_ day(s) notice of the actual scheduled commencement and completion of the Work Segment. Subcontractor agrees to use its best efforts to meet all schedules thereby established and understands and acknowledges that RBGHI and other subcontractors will rely on Subcontractor's timely performance of the Work Segment.

### ARTICLE 4: The Contract Sum

The Subcontractor shall be paid the sum of \$\_\_\_\_\_ for the performance of all of the Work Segment. No deviation  
(Total Amount of Contract)

from the Plans and Specifications will be permitted or paid for unless a Modification in the form of a change order is first agreed upon and signed by RBGHI and the Subcontractor. RBGHI is to be notified of all changes in the requirements for the performance of the Work Segment before commencement of additional work, and will prepare a Change Order to describe the new scope of the Work Segment and agreed upon price. This is the only means by which a Subcontractor will be compensated for labor or materials beyond the original description of the Work Segment set forth above.

### ARTICLE 5: Payment Process

Draw schedules outlined on your estimates/work orders are very helpful. This way we can predict the flow of cash required for that particular job. We ask that you submit a payment request or bill for the amount due upon completion of the relevant piece of work. Typically, draw amounts should be tied to progress on the job. Invoices should be turned in to us promptly allowing sufficient time for review and processing. Upon review of your bill and the acceptance of your work a check will be issued. Depending on when you submit your invoice to us our goal will be to issue payment in 30 to 45 days. Please note, on certain jobs subcontractor payments may be based on our job payment schedule.

## ARTICLE 6: Final Payment.

Final payment shall be due when the Work Segment is fully completed and performed in accordance with the Contract Documents and such completion and performance is satisfactory to RBGHI. Before RBG HI will issue the final payment to the Subcontractor, the Subcontractor, if requested by RBGHI, shall submit evidence satisfactory to RBGHI that all payrolls, bills for materials and equipment, and known indebtedness connected with the Subcontractor's performance of the Work Segment have been satisfied. Additionally, at the time of final payment, subcontractor must sign a waiver of liens for the project. This can be done via fax and the check mailed or checks may be picked up at RBGHI's office location listed above, if requested.

## ARTICLE 7: Insurance

Subcontractor is required to provide a Certificate of Insurance prior to starting work. RBGHI shall be added as an Additional Insured on each subcontractor General Liability policy, verified by a Certificate of Insurance and receipt of the Additional Insured form. Limits on the Subcontractor's General Liability for Premises/Operations and Products/Completed Operations shall be equal to or greater than \$1,000,000.00 per claim \$2,000,000.00 General Aggregate Liability. (These limits are subject to change.)

## ARTICLE 8: GENERAL CONDITION

1. Subcontractor is deemed to know all of the requirements of the applicable building code for his work at the site and subcontractor's bid price is deemed to include all work and materials required in order to comply with all applicable building codes. Subcontractor shall secure and pay for all permits, fees, and licenses necessary for the execution of the work segment.
2. Subcontractor is responsible to carefully examine the site as well as any plans, specifications, quality standards, checklists, and selection sheets in order to be fully informed as to the existing conditions and scope of work for the job in question.
3. The subcontractor shall not assign this subcontract without the written consent of RBGHI, which may be withheld, nor subcontract the whole of this subcontract without the written consent of RBGHI, nor further subcontract portions of the subcontract without written notification to RBGHI when such notification is requested by RBG.HI. The subcontractor shall not assign any amounts due or to become due under this subcontract without written consent of RBGHI.
4. Subcontractor agrees to furnish all labor, new materials, installation, supplies, equipment, services, machinery, tools, and other facilities of every kind and description, including proper supervision at all times, required for the timely completion and efficient performance of the Work set forth below, hereinafter referred to as the "Work."
5. Subcontractor is required to cooperate fully with the contractor and other subcontractors on the job and during the scheduling process to maximize efficiencies.
6. The Subcontractor shall comply with Federal, State and local tax laws, social security acts, unemployment compensation acts and workmen's compensation acts insofar as applicable to the performance of this Subcontract.
7. All work of the Subcontractor will be performed in a good and workmanlike manner in accordance with plans and specification. Work must pass all applicable inspections (federal, state, and local) and meet all national and local building code requirements.
8. This Agreement is not offered as an exclusive contract for any phase of construction on this or any other RBGHI project.
9. Anything not shown on the plans, but which is mentioned in the specifications, or anything that is not expressly set forth in either, but which is implied, and is required to carry out the work intended by the plans and specifications, shall be performed the same as though specifically mentioned.
10. Written estimates shall set forth all work to be performed and the total contract price. All work, terms, covenants, and conditions specified on the estimates(s) are to be included in the contract price. No extras or changes will be paid if not previously approved and written on a change order as stated above.
11. All work and materials are subject to the satisfaction and acceptance of the Contractor, Architect, and home buyer if applicable. Subcontractors may be required to submit a completed and signed quality checklist certifying completion of his work along with his request for payment. Payments made to subcontractor for work will not discharge the obligation of subcontractor for satisfactory materials or work, including, but not limited to, when defects are apparent at a later date.

RBGHI \_\_\_\_\_

Subcontractor \_\_\_\_\_

12. Once subcontractor has started work on any job, if job sits idle with no activity for a 72 hour period without notice, the Contractor may, at their option, have work completed by others and the expense shall be deducted from the amount owed to the subcontractor or back charged to subcontractor, unless subcontractor gets approval from Construction Manager. The Contractor may also, at their option, charge the subcontractor per day for each day the job sits idle with no activity. This amount will be deducted from any monies owed the subcontractor.
13. Subcontractor shall notify the Contractor a minimum of 24 hours after receiving any damaged material or material shortage and of any deficiencies of prior work that would cause a delay or an inferior job in his phase of work.
14. Once the work has started, the Construction Manager has the power to direct all the work from start to finish. Should there be any dispute regarding details, workmanship, discrepancies, etc., the matter will be settled immediately by the Contractor's decision, and his decision shall be final.
15. No one is allowed on the job site that is not an employee of the subcontractor.
16. After the subcontractor completes his work, he will be responsible for inspecting his work and that of his employees, completing the quality checklist where applicable, and correcting any deficiencies before requesting payment. The Contractor will not approve invoice for payment until this inspection and completion of all items has been performed. 100% payment for 100% Work! Inspection by the subcontractor does not guarantee acceptance by RBG. nor payment approval. If issues are identified a discussion between the subcontractor and the contractor will be initiated in order to rectify and payment issued.
17. Subcontractor is responsible for any damages caused by subcontractor or his work force and by subcontractor's suppliers or materials.
18. Subcontractor is to leave premises broom clean (house to be broom swept) at the end of each day and all excess material neatly stacked in garage or where directed by the Contractor. Waste material, boxes, etc., are to be placed as directed by the Contractor in an approved waste containment area, keeping debris away from adjoining properties. For houses left unclean and not broom swept, the subcontractor is subject to a \$100 fine or back charge.
  - a. **Clean-up and Maintenance - General:** The Contractor expects a safe and clean jobsite to be maintained at all times. Subcontractor is to dedicate effort at the end of each work day and between major operations as required to leave premises broom clean , with all excess material neatly stacked in garage or where directed by the Construction Manager. Waste material, boxes, and other debris are to be placed as directed by the Construction Manager. Sawdust, scrap, spoils, and garbage will not be tolerated anywhere on the interior or exterior of the property other than in designated areas. Subcontractor is also responsible for keeping any debris generated from their operations away from adjoining properties. Jobsites not meeting this standard shall be cleaned and protected by the RBG and the cost of same back-charged to the subcontractor at the hourly rate of \$75/hour plus the charges on the attached back charge list.
  - b. **Clean up and Maintenance - Finishes:** Additionally, Subcontractors dealing with final finishes wear surfaces, and installed equipment, appliances, and fixtures, including, but not limited to, countertops, cabinetry, flooring, finished plumbing, and electrical fixtures are expected to leave their surfaces maid-clean and fully protected from damage at the completion of their phase of work. Jobsites not meeting this standard shall be cleaned and protected by the Contractor and the cost of same back-charged to the Subcontractor at the hourly rate of \$75/hour plus any necessary equipment or protection at market rates.
19. Subcontractor must protect all public and private improvements including, but not limited to, telephone, utilities, sewer, gas, curb, drive, sidewalk, phone lines, and subcontractor will be responsible for any and all damages.
20. The subcontractor agrees to pay all of his bills when due for materials and labor used on the Contractor's jobs. Subcontractor agrees to keep such jobs free and clear of mechanics' claims or liens due to his nonpayment of any his suppliers or vendors used on the said project. The Contractor may, at his option, make any checks payable jointly to the subcontractor and any one or more of his suppliers or workers.
21. Subcontractor must notify the Contractor of any additional work performed at owners' request. Subcontractor must not do work for the owner without the written permission of Contractor. The above change order process would then be implemented.

22. Subcontractor or supplier shall furnish to Contractor copies of all specifications, installation instructions, and warranty information for materials included in their bids on each job. No substitutions shall be allowed without written prior approval, and Subcontractor shall remove and replace non-compliant items at their expense, including payment to Contractor for schedule delays in the amount of \$100 per day.
23. Subcontractor is to return to Contractor all blueprints or detailed drawings given to them for work or bid purposes upon request. All plans are proprietary in nature and are not to be shared with any person outside RBGHI.
24. Worker safety is paramount at RBGHI.
  - a. **Safety:** Subcontractor shall be responsible for compliance with the Federal Occupational Safety and Health Administration (OSHA) and all other federal, state, municipal, and local occupational hazard and safety acts, rules and regulations. Any fines, assessments and the like that Contractor and/or Owner are required to pay as a result of any act, omission or negligence by the Subcontractor or any party working for or on behalf of the Subcontractor or by any party delivering on behalf of the Subcontractor, shall be the responsibility of the Subcontractor.
  - b. **Special Hazard Protection:** Subcontractors whose work poses hazard of fire, flood, electrocution, freeze, or other extraordinary conditions shall provide additional protection and care appropriate including, but not limited to, fire extinguishers, water sensors, shock protection, etc.
25. The use of drugs or alcohol is strictly prohibited on or near any job site. The subcontractor understands that violation of this policy will result in immediate termination of this Agreement and may result in forfeiture of any monies earned on the job where the violation occurs. THIS IS A ZERO TOLERANCE POLICY. Workers suspected of being under the influence of drugs or alcohol, or suffering effects of past influence will be removed from the jobsite immediately, and the subcontractor put on notice. Second offense is grounds for automatic termination of all present and future Agreements with the Contractor.
26. OSHA can assess huge fines – any fines resulting from subcontractor’s negligence must be promptly paid for by the subcontractor.
27. Theft by subcontractor or any employee of subcontractor will be grounds for immediate dismissal and will be punishable by law. THIS IS A ZERO TOLERANCE POLICY.
28. Subcontractors and their employees are expected to be professionals. Their dress should be appropriate to the type of work they are performing and the time of year in which they are performing it. Their dress should be modest and non-offensive. No inflammatory political, social, or cultural slogans or images will be tolerated. Radios and noise levels should be kept at a reasonable level. They should make every effort to maintain good relationships with neighbors, owners, and other subcontractors.
29. Tobacco Use: No smoking is permitted in homes. Smoking is allowed in designated areas only. All smoking materials to be extinguished in approved containers only. Chewing tobacco may be used so long as “spitting” is contained in appropriate containers and containers are removed daily.
30. Vehicles: Not all jobsites have room for unlimited staging of vehicles, and subcontractors agree to cooperate fully. Loading and unloading is to be done as efficiently as possible, and vehicles moved to an appropriate parking area. Once final walk and driveway construction begins, no vehicles will be allowed in driveways except with prior permission from the Construction Manager. All vehicles must be kept off any grassed areas.
31. Neighbors: Subcontractors and their representatives should make every effort to maintain good relationships with neighbors. Should a dispute occur, the subcontractor shall offer no resistance or response, but will rather notify the Construction Manager of the situation.
32. Subcontractor agrees to provide a minimum one year warranty which aligns with the warranty provided to the homeowner by the Contractor. See attached warrantee service plan.
33. The Subcontractor shall indemnify and hold harmless RBGHI and all of his agents and employees from and against all claims, damages, losses and expenses including attorney’s fees arising out of or resulting from the performance of the Subcontractor’s Work Segment under this Subcontract, provided that any such claim damage, loss or expense (a) is attributable to bodily injury, sickness, disease or death or to injury to or destruction of tangible property (other than the Work Segment itself) including the loss of use resulting therefrom, and (b) is caused in whole or in part by any negligent act or omission of the Subcontractor or anyone directly or indirectly employed by him or anyone for whose acts he may be liable, regardless of whether it is caused in part by a party indemnified hereunder.

34. Subcontractor's indemnification and defense obligations hereunder shall extend to Claims occurring after this Subcontract 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.
35. In any and all claims against RBGHI or any of his agents or employees by any employee of the Subcontractor, anyone directly or indirectly employed by him or anyone for whose acts he may be liable, the indemnification obligation under this Paragraph 33 shall not be limited in any way by any limitation on the amount or type of damage, compensation or benefits payable by or for the Subcontractor under workmen's compensation acts, disability benefit acts or other employee benefit acts.
36. The obligations of the Subcontractor under the Paragraph 32 shall not extend to the liability of the Architect, his agents or employees arising out of (1) the preparation or approval of maps, drawings, opinions, reports, surveys, Change Orders, designs or specifications or (2) the giving of or the failure to give directions or instructions by the Architect, his agents or employees provided such giving or failure to give is the primary cause of the injury or damage.
37. The Subcontractor agrees to pay any and all Federal, State, and Local taxes which are, or may be, assessed upon any materials and the labor which he may furnish under this Subcontract Agreement.
38. CALL-BACKS--Subcontractor agrees to address call-backs in a timely fashion. RBGHI will contact Subcontractor twice with punch-list items to be corrected, after which RBGHI will correct the punch-list items and deduct cost of this work from payments to the Subcontractor. In the event the Subcontractor has been paid in full, RBGHI will invoice for the cost of this corrective work and payment will be due within 30 days.
39. Subcontractor agrees to contact homeowner within 48 hours after receiving a request for warranty work to be performed and promptly correct the problem within five (5) working days at Subcontractor's expense other than in emergency situations.

**ARTICLE 9. RBGHI's Responsibilities**

1. RBGHI shall be bound to the Subcontractor by the terms of this Subcontractor Agreement.
2. RBGHI shall promptly notify the Subcontractor of all modifications to the project which affect this Subcontract Agreement and which were issued or entered into subsequent to the execution of this Subcontract Agreement.
3. RBGHI shall permit the Subcontractor to obtain directly from the Architect, if any, evidence of percentages of completion certified on his account of the Work Segment.
4. Unless otherwise provided in the Contract Documents, if the Architect fails to issue a Certificate for Payment or RBGHI does not receive payment for any cause which is not the fault of the Subcontractor, RBGHI shall pay the Subcontractor, on demand, a progress payment computed as provided in Article 5 or the final payment as provided in Article 6.
5. RBGHI agrees that if it fails to make payments to the Subcontractor as herein provided for any cause not the fault of the Subcontractor, within seven days from the time payment should be made as provided in Article 5 and Article 6, the Subcontractor may, upon seven days additional written notice to RBGHI, stop his Work Segment without prejudice to any other remedy he may have, unless, within that seven days, RBGHI shall makes such payments as are due.
6. RBGHI agrees that no claim for payment for services rendered or materials and equipment furnished by RBGHI to the Subcontractor shall be valid without prior notice to the Subcontractor and unless written notice thereof is given by RBGHI in advance.
7. RBGHI shall cooperate with the Subcontractor in scheduling and performing his Work Segment to avoid conflicts or interference in the Subcontractor's Work Segment.
8. RBGHI shall permit the Subcontractor to be present and to submit evidence in any arbitration proceeding involving the Subcontractor's rights.
9. RBGHI shall permit the Subcontractor to exercise whatever rights RBGHI may have under the Building Contract in the choice of arbitrators in any dispute in which the sole cause of the dispute is the Work Segment materials, equipment, rights or responsibilities of the Subcontractor.]

**ARTICLE 10. Arbitration**

All claims, disputes and other matters in question arising out of or relating to this Subcontract, or the breach thereof, shall be decided by arbitration in Chester County in the same manner and under the same procedure as provided in the Contract Documents with respect to disputes between the Owner and RBGHI except that a decision by the Architect shall not be a condition precedent to Arbitration.

**ARTICLE 11. Miscellaneous Provisions**

1. The parties, respectively, bind themselves, their partners, successors, assigns and legal representatives to the other party to this Agreement and to the partners, successors, assigns and legal representatives of such other party with respect to all covenants of this Agreement.
2. This Agreement represents the entire and integrated agreement between the parties and supersedes all prior negotiations, representations or agreements, either written or oral. This Agreement may be amended only by written instrument signed by both parties.
3. Notices. Any notices permitted or required under this Agreement shall be deemed given upon the date of personal delivery or 48 hours after deposit in the United States mail, postage fully prepaid, return receipt requested addressed to the parties at the addresses set forth in the Heading of this Subcontract Agreement or at any other address as any party may, from time to time, designate by notice given in compliance with this section.
4. Waiver. The waiver by either party of the breach of any provision of this Agreement by the other party shall not operate or be construed as a waiver of any subsequent breach.
5. Presumption. This Agreement or any section thereof shall not be construed against any party due to the fact that said Agreement or any section thereof was drafted by said party.

**ARTICLE 12. Erosion Controls**

Subcontractor shall be responsible for compliance with all federal, state, and municipal storm water management and erosion control practices. Any fines, assessments and the like that Contractor and/or Owner are required to pay as a result of any act, omission or negligence by the Subcontractor or any party working for or on behalf of the Subcontractor or by any party delivering on behalf of the Subcontractor, shall be the responsibility of the Subcontractor.

I, \_\_\_\_\_, agent for: \_\_\_\_\_  
*(Your Name)* *(Company Name)*

have read and fully understand this **Subcontractor Agreement** and I hereby agree to perform all work in accordance with the above. I further attest that I am authorized to sign for the above subcontractor.

\_\_\_\_ / \_\_\_\_ / \_\_\_\_  
Date

\_\_\_\_\_  
Jeff Morrison

\_\_\_\_\_  
Printed Name

Operations President  
Title

\_\_\_\_ / \_\_\_\_ / \_\_\_\_  
Date

\_\_\_\_\_  
NAME Signature

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Title