

B&B Builders, Inc.
152 E Main Street, Ste 107
Rigby, ID 83442

SUBCONTRACTOR REQUIREMENTS

I, _____ acknowledge that if I am retained by B&B Builders, Inc., hereafter referred to as B&B Builders, as an independent contractor for projects as may be awarded from time to time, I agree to the following:

Bidding and Bid Award

1. It is the subcontractor's responsibility to bid their portion of the work complete as per the plans and specs. You will be held to them and neither B&B Builders nor the owner will be responsible to pay for items that you missed.
2. Details submitted with bids are only for reference, contracts will be awarded per plans and specs.
3. During bid review if B&B Builders identifies a potential discrepancy between the plans and a subcontractors bid, the subcontractor will be given a choice to either pull their bid or to honor it as per plans and specs. A subcontractor will be told whether they are competitive or considerably low. The subcontractor will not be given the option to either increase or decrease their bid because of the discrepancy.
4. If you submit your bid early we will do our best to review it and contact you if we see any discrepancies. If you submit your bid on the day bids are due we may not have time for a close review and can only assume that you have included everything per the plans and specs and you will be expected to complete the work accordingly.
5. If B&B Builders determines that multiple bids have a discrepancy and more clarification is needed to the plans and specs all affected bidders will be notified and that portion of the work will be rebid. Original bid numbers will not be discussed.
6. We will not necessarily award the contract to the lowest bidder. Depending on the client we will also consider each subcontractors past performance in regard to quality, schedule, punch list, pay apps, change orders and general flow of the work. B&B Builders supervisors will select who will be awarded the job.

Work

1. No work is to be started until contracts are signed and all Insurances & Id #'s are submitted to our office
2. A Pre construction walk at the jobsite before work begins to address any job specific questions is strongly recommended
3. If you cannot be at a job when scheduled or cannot finish when scheduled you are responsible to contact the Project Supervisor. If other's come to work and can't because you are not done you may be billed.
4. If you encounter inferior work you must stop and notify B&B Builders immediately. Subcontractors will be held responsible if they cover inferior work.
5. If you suspect the need for a change order you must notify B&B Builders immediately.
6. Daily and Weekly job clean-up is required. If you don't clean-up sufficiently you will be billed by B&B Builders to finish.

Billing and Payment

In consideration of the foregoing, B&B Builders agrees to pay the undersigned for faithful performance as follows:

1. Project price and the scope of work will be determined on a job by job basis.
2. Billings, whether progress or final, are to be submitted on B&B Builders "Application for Payment" form by the under signed on or before the 20th of each month for work to be completed that month.
3. Payment will be made by B&B Builders on or after the 10th of each month, respectively. Checks will be sent after B&B receives funding from the owner or bank.
4. Payments will be based on what the bank or owners approve, not necessarily on what is billed by the subcontractor.
5. If you submit incorrect, incomplete or late billing neither B&B Builders nor the owner will be responsible for payment during the current billing cycle
6. If you submit your Application for Payment early we will do our best to review it and contact you if we see any discrepancies. If you submit your Application for Payment on the day Invoices are due we may not have time to review it and obtain a corrected one from you so you may not get payment during the current billing cycle.
7. There are no deposits unless specifically agreed to before contract award.
8. We may require a lien release from the supplier you are using for the current job you are working on. This form does not have to be submitted with your form and invoice but it must be submitted before payment is made. Otherwise a joint check to your company and the supplier will be issued. In this case we will need a statement from your supplier showing job totals.

9. Payment amounts will be subject to approval based upon B&B Builders Pay Schedule for % of work complete.

Change Orders

1. Never do any change orders without a clear understanding of the scope of work and an agreement of any cost increases.
2. Never assume that the client and/or B&B know it is a change order that will result in an increased cost.
3. Obtain written approval for all change orders before performing the work.
4. Notify B&B ASAP if a change is requested by the Home Owner. Change orders requested by the home owner must be approved in writing.
5. "Applications for Payment" must include all current and prior change orders. Change Orders are to be Invoiced within 30 days or neither B&B Builders nor the owner will be responsible for payment.
6. If a B&B supervisor is unavailable to give a written approval for a change order the subcontractor can obtain temporary approval over the phone but is required to follow up with written approval with-in 48 hours

Punch List and Warranty

1. Upon completion of work the subcontractor is responsible for walking his own work and assuring that it is 100% complete before the final pay application is submitted. After this B&B Builders will do a punch list walk and expects anything found at this time to be corrected by the sub in a timely manner (no longer than 2 weeks).
2. The owner will do a separate punch list walk at the end of the job and again it is expected that the subcontractor take care of items found here in the same timely manner. Final checks will be held until all items here are completed
3. Where possible any items found after move in will be fixed and completed at a 6 month and 12 month warranty check by all applicable subcontractors.

Insurance and etc.

Further, as a condition of my subcontractor agreement with B&B Builders, I understand that I am required to provide to B&B Builders the following:

1. Certificate of proof of Workmen's Compensation Insurance.
2. Certificate of proof of general liability insurance. The required policy amount is \$1,000,000 Each Occurrence, \$1,000,000 Personal & Adv Injury and \$1,000,000 General Aggregate
3. Idaho Contractors Registration Number(If job is in Idaho)
4. Completed W-9 form.
5. I understand that these items and coverage's are required by B&B Builders without regard to any requirements under Idaho law.
6. I understand that I am to name B&B Builders as additional insured and reference's the job name on insurance policies and I am to maintain completed operations coverage for one year following completion of the project. I further understand that if I fail to do so, it may result in termination of our agreement and/or a back-charge from B&B Builders for any costs that may be incurred by B&B Builders from my failure to maintain these coverage's.

Safety

I certify that I have written a Safety Program which complies with OSHA 1926.20. I certify that we require all of our employees, both present and future, to read our Safety Program, to be properly trained, and to agree to comply with our Safety Program. In addition, I certify that all tools and equipment that are utilized on any B&B Builders project are OSHA compliant.

Miscellaneous

It is further acknowledged that:

1. I, the undersigned, shall be deemed to be an independent contractor and am not an employee, partner, agent or engaged in a joint venture with B&B Builders.
2. Consistent with the foregoing, B&B Builders shall not deduct withholding taxes, FICA or any other taxes required to be deducted by an employer as I acknowledge my responsibility to pay same as an independent contractor.

I further acknowledge that I shall not be entitled to any fringe benefits, pension, retirement, profit sharing or any other benefits accruing to employees.

Signed this _____ day of _____, 2010

Signature of Subcontractor

(Name and Address of Subcontractor)