

September ... /2012

**Subcontract No.:**

**Agreement between contractor and subcontractor**

This contract agreement made on the ..... /2012.

By and between

3925951 Canada Inc. o/a GR Construction and Site Development  
2295 Stevenage Drive, Unit 5  
Ottawa, ON K1G 3W1

Hereinafter called the “contractor”

And

Hereinafter called the “subcontractor”

Whereas the contractor has entered into a “prime contract” agreement on the .....th day of July in the year ..... with:

Hereinafter called the “OWNER/CLIENT”

For the construction of Contract No.

Hereinafter called the “PROJECT”

And whereas the subcontractor includes the work to be performed under this agreement, hereinafter referred to as “the subcontract work” in accordance with “the Client” and “the General Contractors” requests and requirements.

**NOW THEREFORE THE SUBCONTRACTOR AGREEMENT WITNESSES** as follows:

**ARTICLE 1- WORK TO BE PERFORMED**

1.1 The subcontractor shall supply all materials, labor, tools, and equipment necessary for the proper performance of the subcontract work pertaining to the following Portions of the prime contract, namely:

**COMPLETE THE WHOLE OF AS PER GENERAL CONTRACTORS REQUIREMENTS**

- 1. ....
- 2. ....
- 3. ....

As noted on Site Plan as per verbal agreement and quote.

1.2 The Subcontractor shall perform the work in accordance with:

- a) This agreement and the prime contract with the "OWNER"

1.3 This Sub-Contract supersedes all prior negotiations, quotation, verbal or written

**Specifications:** \_\_\_\_\_

**ALL Applicable**

**ARTICLE 2- SCHEDULE**

2.1 The subcontractor will perform the work as the follows:

- a) Start and complete the work when directed by the General Contractor when determined by the Sub Contractor

**ARTICLE 3- SUBCONTRACT PRICE**

3.1 The contractor shall pay the subcontractor for the work sum of ..... (Extra HST) monthly payments will be made for the value of the work completed as approved by the consultants and contractor on behalf of invoices submitted by the subcontractor on or before the 25th day of each month, less HOLDBACK of 10%. Payments are to be made within 20 days of receipt of payment by the contractor from the owner

#### ARTICLE 4- SUPPLEMENTARY SUBCONTRACT CONDITIONS

- 4.1 The subcontractor shall provide, maintain and pay for the general liability Insurance, automobile liability insurance in the amount described in the prime Contract document naming the contractor as an insured. The subcontractor shall provide the contractor a true copy of the policies, which policies shall carry an endorsement naming **3925951 Canada Inc. o/a GR Construction and Site Development** as an insured prior to the commencement of the work.
- 4.2 The subcontractor shall give all required notices and comply with all, laws, ordinances, rules, regulations, code and order of all authorities having Jurisdiction which are or become in force during the performance of this agreement and which relate to the subcontract work, the preservation of the public health and to construction safety.
- 4.3 Each subcontractor shall, at the subcontractor's expense, keep work areas in a tidy condition and free from the accumulation of waste products and debris created in the performance of the subcontractor work. Each subcontractor shall, upon the request of the contractor remove excess debris from the work area within four working hours. Failure to do so will result in the contractor having this work done at subcontractor's expense.
- 4.4 Material, equipment and tools which are on site remain the property and responsibility of this sub-contractor until written acceptance by the owner or the owners representative. The sub-contractor will render harmless GR Construction and Site Development for any on site damages that may occur.
- 4.5 The subcontractor shall indemnify and hold harmless the contractor and its agents and employees from and against all claims, demands, losses, costs, damages, actions, suits, or proceedings by third parties that arise out of, or are attributable to, the subcontractor's performance of this agreement.
- 4.6 The subcontractor is contingent on **3925951 Canada Inc. o/a GR Construction and Site Development** signing a formal contract agreement with the owner.
- 4.7 **Prior to commencing work the subcontractor shall provide the contractor with its safety policy statement.** A copy of **3925951 Canada Inc. o/a GR Construction and Site Development's Safety Policy** is attached to this agreement and must be acknowledged by the subcontractor, furthermore, the subcontractor agrees that the contractor shall have authority to issue directives to any of the subcontractor's personnel on a construction site regarding any matter which could be unsafe for persons and the subcontractor. The subcontractor will instruct its employees to obey any such directives. The subcontractor acknowledges that in the event that any of its personnel will be expelled from the site and will not be permitted to return without the express consent of the contractor. **3925951 Canada Inc. o/a GR Construction and Site Development**

is committed to safety and will demand the same level of awareness from its subcontractors.

- 4.8 Amount payable to the subcontractor will not be altered by reason of increase or decrease in the cost of work brought about by increase or decrease in cost of equipment, labor, material or wage rates.
- 4.9 The subcontractor agrees to comply with safety procedures and requirements in accordance with all applicable safety laws of the place of the project. The subcontractor shall be responsible for all costs arising from breaches of such safety laws by their own forces.
- 4.10 It is required that during the execution of the work the subcontractor maintains one person designated as its superintendent. This will be the same person for the duration of the work unless consent is granted from the contractor to change personnel. This superintendent must be fully qualified and experienced in the trade.
- 4.11 A certificate of good standing from the Workplace & Insurance Board shall be provided every 60 days for the duration of this subcontract agreement.

#### ARTICLE 5 – DEFAULT NOTICE

##### 5.1 **GENERAL CONTRACTOR RIGHT TO PREFORM THE WORK, TERMINATE THE SUB-CONTRACTOR'S RIGHT TO CONTINUE WITH THE WORK OR TERMINATE THE CONTRACT**

- 5.1.1 if the *Sub-Contractor* is adjudged bankrupt, or makes a general assignment for the benefit of creditors because of the *Sub-Contractor's* insolvency, or if a receiver is appointed because of the *Sub-Contractor's* insolvency, the *General Contractor* may, without prejudice to any other right or remedy the *General contractor* may have, terminate the *Sub-Contractor's* right to continue with the Work, by giving the *Sub-Contractor* or receiver or trustee in bankruptcy Notice in Writing to that effect.
- 5.1.2 If the *Sub-Contractor* neglects to prosecute the *Work* properly or otherwise fails to comply with the requirement of the *Contract* to a substantial degree and if the *Consultant* has given a written statement to the *Owner* and *General contractor* that sufficient cause exists to justify such action, the *General Contractor* may, without prejudice to any other right or remedy the *General Contractor* may have, give the *sub-contractor* notice in writing that the *sub-contractor* is in default of the *sub-contractor's* contractual obligation and instruct the *sub-Contractor* to correct the default in the 5 Working Days immediately following the receipt of such Notice in Writing.
- 5.1.3 If the default cannot be corrected in the 5 *Working Days* specified or in such other period as may be subsequently agreed in writing by the parties, the *sub-contractor* shall be in compliance with the *General Contractor's* instruction if the *sub-Contractor*.

- .1 commence the correction of the default within the specified time, and
  - .2 provides the *General Contractor* with an acceptable schedule for such correction, and
  - .3 corrects the defaults in accordance with the *Contract* terms and with such schedule.
- 5.1.4 if the *sub-contractor* fails to correct the default in the time specified or in such other time period as may be subsequently agreed in writing by the parties, without prejudice to any other right or remedy to the *General Contractor* may have, the *General Contractor* may:
- .1 correct such defaults and deduct the cost thereof from any payment then or thereafter due the *sub-contractor* provided the *Consultant* has certified such cost to the *General contractor* and the *sub-contractor*, or
  - .2 terminate the *Sub-contractor's* right to continue with the *work* in whole or in part or terminate the *contract*
- 5.1.5 If the *General contractor* terminates the *Sub-contractor's* right to continue with the *Work* as provided in paragraphs 5.1.1 and 5.1.4, the *General Contractor* shall be entitled to:
- .1 Take possession of the *Work* and *Products* at the place of *Work*; subject to the rights of third parties, utilize the Construction Equipment at the Place of *Work*; Finish the *Work* by whatever method the *General Contractor* may consider expedient, but without undue delays or expense, and
  - .2 Withhold further payment to the *Sub-Contractor* until a final certificate for payment is issued, and
  - .3 charge the *Sub-Contractor* the amount by which the full cost of finishing the *Work* as certified by the *Consultant*, including compensation to the *General Contractor* for the *General Contractor* additional services and a reasonable allowance as determined by the *General Contractor* to cover the cost of corrections to work performed by the *Sub-Contractor* that may be required under the *Prime Contract* WARRANTY clauses, exceeds the unpaid balance of the contract price; however, if such costs of finishing the *Work* is less than the unpaid balance of the contract price, the *General Contractor* shall pay the *Sub-Contractor* the difference, and
  - .4 on expiry of the *Warranty* period, charge the *Sub-Contractor* the amount by which the cost of corrections to the *sub-Contractor's* work under and as per the *Prime contract General Conditions-WARRANTY* exceeds the allowance provided for such corrections, or if the cost of such corrections is less than the allowance, pay the *Sub-Contractor* the difference



5.1.6 The *Sub-Contractor's* obligation under the *Contract* as to the quality, correction and warranty of the work performed by the *Sub-Contractor* up to the time of termination shall continue after such termination of the contract

**ARTICLE 6 – AGREED AND ACCEPTED BY:**

3925951 Canada Inc. o/a  
GR Construction & Site  
Development

\_\_\_\_\_  
Riad El-Ghazal  
President/CEO

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Print Name/Title

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date

\_\_\_\_\_  
H.S.T. #