

THESE INFORMATION IS FOR YOUR PROTECTION.

Sub Contractor Hold Harmless sample agreement:

When you hire a subcontract, they should be responsible for both their work AND the "risk". Claim arising out of unsatisfactory or poor workmanship AND lawsuits!

When you transfer the work, make sure you also transfer the "risk":

1. Always get a Certificate of Insurance from the "subcontractor".
2. You must be listed on the Certificate as an ADDITIONAL INSURED.
3. Have the subcontractor sign a HOLD HARMLESS and INDEMNIFICATION agreement stating that they are responsible for their work and if you are brought into a lawsuit because of their work, workmanship, product or completed operation, they will "protect, indemnify and hold you harmless." (sample attached)

We are happy to attach for your convenience sample documents. (insert your company name in all places where the word "CONTRACTOR" appears and forward them for signature to ALL of your sub-contractors.)

We strongly recommend that all Hold Harmless Agreements be reviewed by a competent attorney and your insurance agent. Please forward copies of all Hold Harmless Agreements and all Certificates of Insurance to both legal counsel and your insurance agent. All Certificates from your Subs should name you as an Additional Insured for your protection.

For your consideration and convenience, I am also enclosing a sample letter to be sent with these documents to each of your sub-contractors.

If there are any questions please do not hesitate to call.

**"How you make your money is YOUR Business.
How you protect it, is OUR Business!"**

Please consult your attorney as this should not be construed as legal advice.

SUBCONTRACTOR INSURANCE/HOLD HARMLESS AGREEMENT

Prior to commencement of any work under this Contract and until completion and final acceptance of work, the Subcontractor shall, at its sole expense, maintain the following insurance on its own behalf, and furnish to the Owner and General Contractor(Contractor), certificates of insurance evidencing same and reflecting the effective date of such coverage as follows:

- A. **Worker's compensation** and Occupational Disease Insurance in accordance with the applicable law or laws; Employer's Liability Insurance. This includes sole proprietorships, Partners of partnerships and officers of corporations who will be performing work on the job.
- B. **Commercial General Liability** with a combined Bodily Injury and Property Damage limit of not less than \$1,000,000 per occurrence, \$2,000,000 aggregate. The aggregate must be applicable on a per project basis. Coverage must include the following perils:
- 1 Contractual Liability for liability assumed under this Contract and all other Contracts relative to the project.
 - 2 Completed operations/Products Liability
 - 3 Personal and Advertising Injury Liability
 - 4 Independent Contractors
 - 5 Endorsements must be furnished reflecting the inclusion of the interest of " _____ CONTRACTOR _____ ", their officers, directors, partners, representatives, agents, and employees, and naming each as Additional Insured on a primary and noncontributing basis including Products and Completed Operations.
 - 6 Coverage is to be endorsed to reflect that insurance is to be primary with respect to any other collectable insurance, for the " _____ CONTRACTOR _____ ", and all other parties required to be named as additional insureds.
 - 7 Coverage is to be provided on an "occurrence" basis with carriers licensed and admitted to do business in the State of New Jersey or otherwise acceptable to " _____ CONTRACTOR _____ "
 - 8 A copy of policy and/or endorsements(s) and any others documents required to verify such insurance are to be submitted with the appropriate certificate(s), prior to the start of any work, and upon the request of " _____ CONTRACTOR _____ ". Failure to provide these documents is not to be construed as a waiver of the requirements to provide such insurance.
 - 9 Subcontractor shall waive their right of subrogation and include a provision requiring the insurance carriers to waive their right of subrogation against all indemnitees named in the contract.
- C. **Commercial Automobile Liability** Insurance covering the use of all Owned, Non Owned, and Hired Vehicles with combined Bodily Injury and Property Damage Limit of at least One Million (\$1,000,000.00) dollars.
- D. Subcontractor shall keep and maintain coverage on a replacement cost basis at the Subcontractors own expense, "All Risk" Property Insurance on all materials, equipment and supplies intended to become a permanent part of the construction stored on premises away from the project site and while in transit, until actually delivered to the project site. Coverage is to be provided on a replacement cost basis.
- E. The above insurance's shall each contain the following wording verbatim:
" _____ CONTRACTOR _____ ". Are interested in the maintenance of the insurance and it is agreed that this insurance will not be canceled, materially changed or not renewed without at least a thirty (30) day advance written notice to " _____ CONTRACTOR _____ " by certified Mail return receipt requested.
- F. The amount of insurance contained in the aforementioned insurance coverage's shall not be construed to be a limitation of the liability on the part of the Subcontractor or any of its Subcontractors.
- G. The Subcontractor shall file certificates of insurance prior to the commencement of work with " _____ CONTRACTOR _____ ", which shall be subject to " _____ CONTRACTOR _____ ", approval of adequacy of protection and the satisfactory character of the insurer.

- H. Any type of insurance or any increase of limits of liability not described above which the Subcontractor requires for its own protection or on account of statute shall be its own responsibility and at its own expense.
- I. The carrying of the insurance described shall in no way be interpreted as relieving the Subcontractor of any responsibility of liability under this Contract.
- J. Any policies effected by the Subcontractor on its Owned and/or Rented Equipment and Materials shall contain a provision requiring the insurance carriers to waive their rights of subrogation against “_____CONTRACTOR_____” and all other indemnitees named in the Contract.
- K. Should the Subcontractor engage another Subcontractor, the same conditions will apply under this contract to each Subcontractor, however, the retained Subcontractor shall be required to maintain limits of liability of not less than One Million (\$1,000,000.00) dollars per occurrence and in the aggregate, with said limits applicable on a per project basis, or such greater limits as may be required by the retaining Subcontractor.

HOLD HARMLESS

To the fullest extent permitted by law, Subcontractor will indemnify and hold harmless “_____CONTRACTOR_____”, their officers, directors, partners, representatives, agents and employees from and against any and all claims, suits, liens, judgments, damages, losses and expenses, including legal fees and all court costs and liability (including statutory liability) arising in whole or in part and in any manner from injury and/or death of person or damage to or loss of any property resulting from the acts, omissions, breach or default of Subcontractor, its officers, directors, agents, employees and subcontractors, Subcontractor will defend and bear all costs of defending any actions or proceedings brought against “_____CONTRACTOR_____”. and/or, their officers, directors, agents and employees, arising in whole or in part out of any such acts, omission, breach or default. The foregoing indemnity shall include injury or death of any employee of the Contractor or Subcontractor and shall not be limited in any way by an amount or type of damage, compensation, or benefits payable under any applicable workers compensation, disability benefits or other similar employees benefit act.

The Sub contractor hereby expressly permits “_____CONTRACTOR_____”, to pursue and assert claims against the Subcontractor for indemnity, contribution and common law negligence arising out of claims for damages for bodily injury, property damage, death and person injury.

 Print name (Date)
 (Contractor signature)

 Print name (Date)
 (Subcontractor signature)

SUB-CONTRACTOR AGREEMENT

This agreement, made this _____ day of _____, by and between the General Contractor _____ and _____ Hereinafter called the Sub-Contractor.

For the consideration hereinafter named, the Sub-Contractor agrees with the General Contractor (*CONTRACTOR*) as follows:

Article 1. Work/Liability: The Sub-Contractor agrees to perform all work in a timely manner, good and workmanlike manner and shall conform to all laws, codes, rules and regulations of any agency or government, to complete project work in a timely manner. Sub-Contractor shall furnish all supervision, labor, hoists, scaffolding, equipment and supplies in working order.

Article 2. Time Frame: The Sub-Contractors agrees to promptly begin work as soon as notified by the General Contractor, to adequately staff the project with manpower and supervision, and to complete the project work within timely manner.

Article 3. Extra Work: No extra work or deviations to the work, unless authorized by the general Contractor.

Article 4. Assignment: Any assignment of the Sub-Contract agreement or another party is expressly forbidden, unless prior written permission has been received from the General contractor.

Article 5. Taxes: The Sub-Contractor agrees to pay any and all local, state and federal taxes which are, or may be, assessed upon the materials and labor which Sub-Contractor furnishes under this agreement.

Article 6. Waiver of Lien: Sub-Contractor agrees not to file or permit to be filed any Mechanic's Notice of Intent to Lien, or any other Lien for work to be performed under this contract. In the event Sub-Contractor violates this provision, Sub-Contractor will be held liable for all damages arising from said breach, including compensatory damages, attorney's fees and expenses.

Article 7. Default: In the event the Sub-Contractor violates any terms of the agreement, the General Contractor may, without prejudice to any other rights of remedy and after giving the Sub-Contractor three (3) business days written notice, terminate the contract and exclude or deny the Sub-Contractor access to the site and take possession of all materials and tools therein and finish the work by whatever mariner and means deemed expedient.

Article 8. Guarantee: Sub-Contractor hereby guarantees its work against any and all defects in materials or workmanship and will use the homeowner's warranty guidelines as set forth in Exhibit "C" as it's standard.

Article 9. Safety: The Contractor makes no representation with respect to the physical condition or safety of the Work Site. The Sub-Contractor shall, at its own expense, preserve and protect from injury its employees engaged in the performance of the Work and all property and persons which may be affected by its operations in performing the work.

Article 10. Cleanup: Sub-Contractor shall clean up the areas used by the Sub-Contractor for its work on a daily basis and remove from the work site, all rubbish, waste material, excess material & debris resulting from the work.

Article 11. Continuation of Coverage: The Sub-Contractor shall continue to carry Completed Operation Liability Insurance for a least three (3) years after completion of the work Evidence of Insurance is required for each successive year during which the insurance coverage must remain in effect.

Agent for General Contractor

Date

Agent for Sub-Contractor DATE

Print Full Name

Print Full Name

Company Name

Street Address

City State Zip

Federal Tax ID #

Office Phone: _____

Cell Phone: _____

Fax: _____

Email: _____

“SAMPLE LETTER- TO PUT ON YOUR LETTERHEAD/TO SEND TO EACH OF YOUR SUBCONTRACTORS”

“DATE”

Dear Subcontractor;

Please find enclosed our Subcontractor Insurance/Hold Harmless agreement for your signature and return. It is the company’s policy and our insurance program’s requirement that no work may begin until we receive:

1. Signed hold harmless agreement enclosed
2. A certificate of insurance from your insurance company
 - a. Minimum of \$1,000,000 General Liability – Adding us an an ADDITIONAL INSURED, Including:
 - i. Premises and Operations
 - ii. Products & Complete Operations
 - b. Workers Compensation coverage for any and all states of operation
 - i. Owners must be covered
 - ii. Employers Liability
 - c. Business Auto Liability - \$1,000,000
 - d. Umbrella Liability coverage (as required) - \$1,000,000

The above requests must be complied with complete prior to the start of any work. Thank you for your immediate attention and assistance.

Very truly yours,

(CONTRACTORS SIGNATURE)