

LYKOS

THE LYKOS GROUP

Subcontractor Agreement

Company Name: _____ Trade: _____

Address: _____

Office Phone: _____ Cell: _____ E-mail: _____

License Rec'd _____ Completed W-9 Rec'd _____

Gen Liab Ins Rec'd _____ Auto Ins Rec'd _____ Work Comp Rec'd _____

We welcome your association with our company. Our company performs kitchen, bathroom and whole house (condo) remodeling. Remodeling work is very different from new construction. As such, our customers and job sites have a unique set of requirements and guidelines. All of our work is generated by referral and your assistance in complying with our policies will assure our joint future success. This agreement lists our subcontracting policies.

Please initial each page and sign at the bottom of the last page to signify that you acknowledge, accept and agree to abide by these policies. We look forward to a pleasant and profitable business relationship with your company.

License and Insurances: A current copy of the following should remain in our files for the duration of our business dealings.

- | | |
|---------------------------------|--|
| 1. Trade license | In accordance with Project location |
| 2. W-9 | Signed original |
| 3. General Liability Insurance: | Aggregate coverage \$2,000,000
Products Aggregate coverage \$2,000,000
Any One Occurrence coverage \$1,000,000
Personal Injury coverage \$1,000,000
Fire Damage/Legal coverage \$50,000
Medical Payments coverage \$5,000 |
| 4. Auto Liability: | Combined Single Limit \$500,000 |
| 5. Workman's Comp Insurance: | Bodily Injury Each Accident \$500,000
Bodily Injury by Disease Each Employee \$500,000
Bodily Injury by Disease Policy Limit \$500,000 |

SUBCONTRACTOR shall furnish an original Certificate of Insurance providing coverage to CONTRACTOR as an additional insured on a PRIMARY basis utilizing an ISO standard endorsement at least as broad as GC 2010 (11/85), including a waiver of subrogation clause in favor of CONTRACTOR on their general liability policy. SUBCONTRACTOR will maintain the insurance coverage summarized above and further outlined at the end of this section with coverage continuing in full force until at least 30 days beyond completion and delivery of the work contracted herein.

Initials _____

Subcontractor Agreement

Page 2 of 4

Contracts and Change Orders: Prior to starting work on any Lykos Group project, please submit a written contract that contains the following:

1. Customer's name and address
2. Scope of work (reference our scope provided to you)
3. Duration of each phase of work i.e., rough-in, trim-out, etc.
4. Total contract price
5. Deposit and payout schedule
6. Material specifications i.e., model #'s, colors, etc.

All changes to our contract should be documented with a **written change order or work order** signed by our Production Manager and by your company's representative prior to commencement of the change. Requests for changes by the customer should be directed to our Project Manager. Any change performed without prior authorization by The Lykos Group, Inc. will **not** be paid for.

Scheduling: We make every effort to create a schedule that will allow you to complete your work as efficiently as possible. As a courtesy to the customer and all other subcontractors, please notify our office or the Project Manager, in advance, if you will miss scheduled work days or require any other changes to the schedule. Daily supervision of your crew is required. In addition, The Lykos Group superintendent must be notified of the progress/or lack of progress on each project on a timely basis.

- We expect you to honor the agreed upon schedule for the work to be completed.
- We expect you to start when you say you will start and work until your phase of the work is complete.
- We expect you to start and finish your phase without interruptions.
- We will discontinue our relationship with trade partners who cannot keep their production schedules.
- We require our subcontractors to call in their own inspections and attend the inspections.

Note: Building Inspectors have advised us that inspections must be called in and attended by the licensed contractor who performs the work.

_____ (initials)

Job site etiquette: We expect all of our employees, subcontractors, and delivery men to abide by the following rules:

1. No radio playing when the customer is living on site.
2. When the customer is living off site, radio volume should be limited to one room.
3. No vehicle radios should be audible outside the vehicle while on site.
4. No use of customers' supplies, utensils, hoses, glassware, silverware, etc.
5. No use of the customers' phones, without permission, except for emergencies.
6. No loud, vulgar language.
7. No alcohol or drug use on site or during working hours.
8. Appropriate clothing to be worn at all times.
9. Appropriate foot wears to be worn at all times.
10. No disposal of cementuous based products in household drains.
11. Disposal of waste in Lykos or your trash containers only.
12. No smoking is allowed inside any residence. An area outside will be designated for smoking and a container for cigarette butts will be provided.
13. The clients' bathrooms are not to be used. A chemical toilet will be available for single family projects and condominiums have public restrooms in condo common areas.

If any of your employees is in violation of any of the above rules, we will ask for immediate compliance. If the violation persists, we will call your office to report the violation. If resolution is not immediately forthcoming, we will ask the employee(s) to leave the job site.

Clean-up and Safety: It is our policy to always maintain a clean and safe job site. Please include in your

V01/2007

Initials_____

Subcontractor Agreement

Page 3 of 4

estimates the appropriate time **each day** to complete the following:

1. Work areas should be cleaned immediately after completion before moving to another work area.
2. All debris is to be removed from the job site on a daily basis.
3. Work areas are to be broom cleaned at the end of every day.
4. Dumpster areas should be left clean and safe at all times.
5. Clean all water/cleaning areas after each use.
6. Keep traffic areas free from debris, tools and materials.

Our Project Manager will inspect and secure the job site every day. If you fail to maintain a clean job site, our Project Manager will clean the job site and our office will back charge you by deducting the charges from your next scheduled payout. We will provide you with a written back charge as the back charges occur.

Materials and Tools: During your first day on the job site, our Project Manager will designate a location for you to store all materials and tools for the duration of your work. All your tools and materials should be stored in a safe and organized manner at the end of every day.

Payments:

DEPOSITS

All deposits are payable upon receipt of your invoice. Please submit your deposit invoices after receiving an approved Proposal along with our Purchase Order.

INTERIM DRAWS and FINAL PAYMENTS

We offer two choices of terms. Please indicate which will work for your business.

_____A. 30 days from authorized/approved invoice

When work is complete and you forward an invoice to our office, we will review it and verify completion. Checks will be prepared 30 days from receipt of invoice. Upon review of your invoice, if work is not complete, you will be notified and requested to submit a new invoice. Your proposals and invoices must clearly state the 30 days payment terms.

_____B. 3% 10, Net 30

When work is complete and you forward an invoice to our office, we will review it and verify completion. Checks will be prepared 10 days from receipt of invoice and a 3% discount will be taken. Upon review of your invoice, if work is not complete, you will be notified and requested to submit a new invoice. Your proposals and invoices must clearly state the 3% 10, Net 30 terms.

Permits, Notice of Commencements, Notice to Owners, Lien Waivers:

1. All jobs requiring permits will be permitted according to Collier County and City of Naples guidelines. City permits require the subcontractors to pick-up and sign for permits in person. County permits are all inclusive and your signature and license numbers are required for the permit application.
2. We normally record the Notice of Commencement as a service to our customers. We will provide copies of the Notice of Commencement on site. If necessary, you can obtain the information necessary for Notice to Owners from the permit application at the appropriate permit issuing office.
3. Per Florida Statutes, all subcontractors must file a Notice to Owner to protect their lien rights. **We highly recommend that you file a Notice to Owner for each project.** We try to educate our customers about Florida Lien Law prior to the start of work, however, the receipt of a Notice to Owner can be surprising and misunderstood by many homeowners. We would appreciate it if you could send a cover letter along with the Notice to Owner to dispel any unfounded fears.
4. We provide all of our customers with signed Partial and Full Releases of Lien. With each payment you receive from The Lykos Group, we will require a signed Release of Lien. Although we send the original documents to the owners, you will receive a copy of each Release for your records.

Guarantees: We provide all of our customers with a Homeowners Manual that includes a list of all subcontractors as well as the owners' manuals for all labor performed along with all fixtures and furnishings

Initials_____

Subcontractor Agreement

Page 4 of 4

installed. Please provide the following information on your contracts or with your final payment invoice:

1. Original manufacturers' guarantees and owners manuals.
2. Original installation dates.
3. Labor guarantee for your labor.

Our success is not only dependant upon the level of service and quality we provide to our customers, it is also dependant upon your efforts and our combined cooperation. If you have any suggestions for improving our relationship or the synergy of our combined efforts, please bring them to our attention. We are always striving to make our company, projects, and relationships as successful as possible.

As authorized agent, I signify my acceptance of the above terms and conditions:

Company name

Agent (Signed)

Date