



Highland Construction Subcontractor Agreement

Dear Valued Business Partner,

Thank you for your interest in becoming a vendor or subcontractor for Highland Construction and Restoration. We pride ourselves on long and successful relationships with our vendors and subcontractors.

Highland has been family owned and operated by the Strickland family of Fayetteville since 1981. We serve all of Southeastern North Carolina with offices in Fayetteville, Wilmington, and Raleigh.

The attached vendor packet includes information necessary to set you up in our system. If you need assistance completing this packet, please let us know and we will be happy to help. Our office staff will guide you through this process.

We pay our vendors every other week on Fridays either by direct deposit (ACH) or credit card. These electronic forms of payment are more secure for you and for Highland and a fast and convenient way for you to receive your payment. This vendor packet contains a form where you will submit your preference on how you would like to receive payment. Let us know what questions you have regarding this.

We look forward to working with you and welcome you as a new member of the team at Highland Construction and Restoration.

Sincerely,

Kevin Paul
General Manager

Lori Matthews
Office Manager

2/21/2019

Initial _____



Highland Construction Subcontractor Agreement

Date: _____

Business Name: _____

Owner/Agent: _____ Other Contact: _____

Mailing Address: _____

Physical Address (if different): _____

City: _____ State: _____ Zip: _____

Email: _____ Phone: (_____) _____

Fax: (_____) _____ Cell: (_____) _____

Provide a copy of certificates or completed forms for the following items:

Workers' Compensation Insurance General Liability Insurance IRS Form W-9

Note: Please read the following rules and conditions of working as a subcontractor for Highland Construction and initial at the end of each section accepting the terms.

Proposals/Acceptance/Purchase Orders (PO)

- FOR YOUR PROTECTION, DO NOT START WORK OR PROVIDE MATERIALS WITHOUT FIRST OBTAINING AN APPROVED PURCHASE ORDER.
- A written proposal for all work to be performed and/or materials to be furnished is to be submitted and accepted prior to Highland issuing a PO. You may convey your quote verbally to the office or project manager who will then put it in writing on a Highland PO request form.
- Proposals shall include the job or client's name, address, description of work performed and/or material you will furnish and the total job cost.
- Once the proposal is accepted, a PO will be issued by Highland and faxed, emailed or made available to be picked up at the Highland office.
- Review all PO's for accuracy prior to starting work or furnishing materials. The PO will show the payment amount and any terms of the agreement. It is your responsibility to ensure all information contained in the approved PO is accurate.
- Starting work and / or providing materials means you agree to the terms, amounts, quantities, conditions, etc... of the PO and forms a contract between you and Highland.

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- By accepting work with Highland Construction, you assume sole responsibility to check the manufacturer's instructions for the product you are installing prior to installation; **failure to comply with instructions may result in non-payment and back-charge for material and/or labor costs plus administrative fees.**
- Back-charges may be taken all at once or in increments and may be taken out of any active open PO you have in place. Highland will also take funds from any open purchase order on any project to cover the amount needed to pay for the repairs needed to correct any workmanship issues on a subcontractors project. All back-charge decisions will be at the discretion of Highland. The back-charge amount will include but may not be limited to; mileage and travel time by Highland employees to oversee the repair, material amount needed to complete the repair, labor amount needed to complete the repair, and an additional 20% admin fee to cover Highland's costs in the repair. Highland Construction will control all aspects of the repair for our customers and may, at our discretion, decide to involve the original subcontractor in the repair or decide to not involve the subcontractor in the additional repairs needed to complete the project. All back-charge amounts will be conveyed to you by fax, email, or made available at the local Highland Construction office.

Insurance – Each subcontractor is required to have their own coverage for Workers' Compensation and General Liability. If you do not have your own insurance, Highland will deduct for each coverage you do not carry. Highland can provide recommendations on how you can obtain Workers' Compensation Insurance. Please note it is much more economical for you to carry your own insurance. Regardless of the number of employees you have, each company working for Highland will be required to provide proof of insurance or it will be deducted as listed below.

- **Workers' Compensation Insurance** - All subcontractors must maintain a minimum \$500,000 of Workers' Compensation Insurance coverage. Subcontractors will be responsible for providing an updated proof of insurance certificate. Highland may withhold payment until a current certificate is provided. Subcontractors who do not provide a current certificate will have insurance deducted at a rate according to your trade, between \$11-\$22 per \$100, 11%-22%, of invoice.
- **General Liability Insurance;** All subcontractors must maintain a minimum \$1,000,000 of General Liability Insurance coverage. Subcontractors will be responsible for providing an updated proof of insurance certificate with Highland listed as an additional named insured (See Attachment 1, Sample Certificate). If the certificate is not received or is expired, Highland will withhold or reduce payments. Subcontractors who do not provide a current certificate will have insurance deducted at a minimum rate of \$25 per \$1000, .025%, of amount owed. Any changes to your General Liability Insurance information must be communicated to Highland immediately, including any renewals, lapses, or changes in insurance carrier.

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Highland Construction Subcontractor Agreement

Payment

- Payment requests for completed work must be received by our office no later than 5:00 PM Friday of the scheduled subcontractor payday for consideration of payment on the Friday two weeks after. Subcontractor paydays are every other Friday. (See Attachment 2, current year Subcontractor Pay Schedule)
- For subcontractors whose work requires progress inspections, the work must be inspected and passed prior to payment being processed. It is the subcontractor's responsibility for contacting the inspection agency, posting appropriate stickers, completing all paperwork, and notifying Highland that the inspection has passed.
- An invoice must be received by Highland to request payment. Highland personnel will inspect the job site to ensure the work has been completed and is accepted as is prior to approving payment. The request will either be approved or adjusted to reflect the amount of work completed.
- Highland reserves the right to withhold all or a portion of payment on any job that is determined to be either incomplete or the quality of work is not acceptable. Highland will discuss any quality issues with the subcontractor prior to withholding funds. This includes withholding payment for any job to cover warranty/quality issues on any other job. Highland reserves the right to require a lien waiver to be executed prior to any payment being made.
- Vendors will be paid by direct deposit (ACH) or by credit card according to the Friday subcontractor pay dates. (See Attachment 2, current year Subcontractor Pay Schedule)
- In the event a paper check is needed for payment, checks will be available for pickup after 2:00 PM on the scheduled Friday Subcontractor Pay Dates at the Fayetteville corporate office. Checks not picked up by 5:00 PM on those dates will be mailed to subcontractors.

General Rules and Conditions

- On all construction projects under contract, Highland requires subcontractors to be held to the same contract provisions as Highland. These provisions vary based on contract requirements and will be conveyed to the subcontractors as needed.
- **Do not place your company signage on the jobsite.**
- Under no circumstance will you enter a residence if a minor (under 18 years old) is present unless there is a supervising adult of the residence present. If the supervising adult leaves the residence and the minor stays while you are there, you must leave immediately and not re-enter until the supervising adult is present.
- As a subcontractor for Highland, you represent Highland at the job site and when communicating with property owners. Most of our restoration customers are experiencing a stressful situation. Always be polite and respectful of customers and their property. All questions must be referred to the Project Manager or the Highland office.

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Highland Construction Subcontractor Agreement

- You are required to ensure all personnel and vehicles reflect a clean, professional appearance at all times. No smoking, drugs, alcohol, or obscene language will be tolerated at any job site. If no portable toilet is available on-site, travel to the nearest business to use the restroom. **Do not use the homeowner's restroom!**
- Only companies that are certified will perform work involving lead, mold, and/or asbestos.
- It is the subcontractor's responsibility to ensure their employees are provided with and trained on proper safety equipment and procedures to perform their job.
- Contact the Project Manager or Highland's office immediately in case of any accidents, injuries, or near misses on any job site.
- For safety and security reasons, no visitors are ever allowed at a job site. Additionally, no minors (Under 18 years old) are ever allowed on any Highland job sites.
- When you arrive at a job, you are to do a visual inspection of your work area and any areas you may be traversing in order to complete your work. If you see something that you could be potentially blamed for, you are to immediately call the project manager and notify them. Examples of this would be scratches in a floor you will be traveling across, cracks in a driveway, scuff marks on painted walls, oil spot on the driveway, etc... If a customer blames Highland for any damaged items and you failed to report the item, you may be held financially responsible.
- Do not propose or negotiate any additional work or quotes to Highland customers. If a customer requests a quote, please refer the customer to their project manager from Highland or to call our office. Failure to follow this rule will result in immediate termination of any and all existing work. No future work will be awarded and your payments may be withheld if your work interferes with Highland's ability to finish our work or receive our payment.
- If our customers have questions about the work on their property, please refer customers to their project manager from Highland or to call our office.
- When you are scheduled for a project, honor that commitment and arrive on time. Do not over commit or promise work you cannot deliver. In the event you are going to be late, notify the project manager immediately.
- Subcontractors must provide their own tools, equipment and transportation. **NEVER BORROW OR ACCEPT ANYTHING FROM THE CUSTOMER.**
- The security of the job site is your responsibility. Examples are ensuring windows and doors are secure, exposed surfaces of the outside structure are covered (roof tarp, etc.), equipment/materials are secured, etc. Leaving a job site unsecured could result in you being held liable for any damage and/or theft.
- During peak volume times (ex. hurricanes, tornadoes, etc.), subcontractors may be asked to take on additional responsibilities and to perform work in other markets. This might include demolition, debris removal, site clean-up, etc. Payment for this work will be at a negotiated hourly rate.

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Highland Construction Subcontractor Agreement

Check which counties you will work in: (See Attachment 3, NC County Map)

- | | | | | | |
|-------------------------------------|-----------------------------------|----------------------------------|-----------------------------------|--------------------------------------|---------------------------------|
| <input type="checkbox"/> Cumberland | <input type="checkbox"/> Harnett | <input type="checkbox"/> Sampson | <input type="checkbox"/> Johnston | <input type="checkbox"/> Wayne | <input type="checkbox"/> Lee |
| <input type="checkbox"/> Moore | <input type="checkbox"/> Hoke | <input type="checkbox"/> Bladen | <input type="checkbox"/> Columbus | <input type="checkbox"/> Brunswick | <input type="checkbox"/> Duplin |
| <input type="checkbox"/> Robeson | <input type="checkbox"/> Scotland | <input type="checkbox"/> Pender | <input type="checkbox"/> Onslow | <input type="checkbox"/> New Hanover | |
| <input type="checkbox"/> Wake | <input type="checkbox"/> Chatham | | | | |

Describe briefly the work, trade, material and/or services your company will provide.

Agreement Term

This agreement shall remain in effect for the duration of the subcontractor relationship.

Acceptance and Agreement

By signing below, I acknowledge that I have read, understand, and agree to the contract terms as stated above.

Name

Signature

Title

Date

2/21/2019

Initial _____



Highland Construction Subcontractor Agreement

Attachment 1

ACORD **CERTIFICATE OF LIABILITY INSURANCE** DATE (MM/DD/YYYY)

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER CONTACT NAME: _____ PHONE (A/C No. Ext): _____ FAX (A/C No): _____ E-MAIL ADDRESS: _____ INSURER(S) AFFORDING COVERAGE: _____ NAIC #: _____	INSURED INSURER A: _____ INSURER B: _____ INSURER C: _____ INSURER D: _____ INSURER E: _____ INSURER F: _____
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COVERAGES **CERTIFICATE NUMBER:** **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSTR LTR	TYPE OF INSURANCE	ADDRESS INSR	ADDRESS W/O	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR GEN'L AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> SECT <input type="checkbox"/> LOC				03/05/2015	03/05/2016	EACH OCCURRENCE \$ 500,000 DAMAGE TO RENTED PREMISES (Per occurrence) \$ 100,000 MED EXP (Per acc person) \$ 5,000 PERSONAL & ADV INJURY \$ 500,000 GENERAL AGGREGATE \$ 1,000,000 PRODUCTS - COMPIOP AGG \$ 1,000,000
	AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> NON-OWNED AUTOS						COMBINED SINGLE LIMIT (Per accident) \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$
	UMBRELLA LIAB <input type="checkbox"/> OCCUR EXCESS LIAB <input type="checkbox"/> CLAIMS-MADE DED <input type="checkbox"/> RETENTION \$						EACH OCCURRENCE \$ AGGREGATE \$
A	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N	N/A		03/05/2015	03/05/2016	<input checked="" type="checkbox"/> WKS STATU- TORY LIMITS <input type="checkbox"/> OTH- ER E.L. EACH ACCIDENT \$ 100,000 E.L. DISEASE - EA EMPLOYER \$ 100,000 E.L. DISEASE - POLICY LIMIT \$ 500,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)

PAINTING.

CERTIFICATE HOLDER HIGHLAND CONSTRUCTION COMPANY 1409 CLINTON ROAD FAYETTEVILLE NC 28312 <i>Additional Insured</i>	CANCELLATION SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS. AUTHORIZED REPRESENTATIVE: _____
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ACORD 25 (2010/05)

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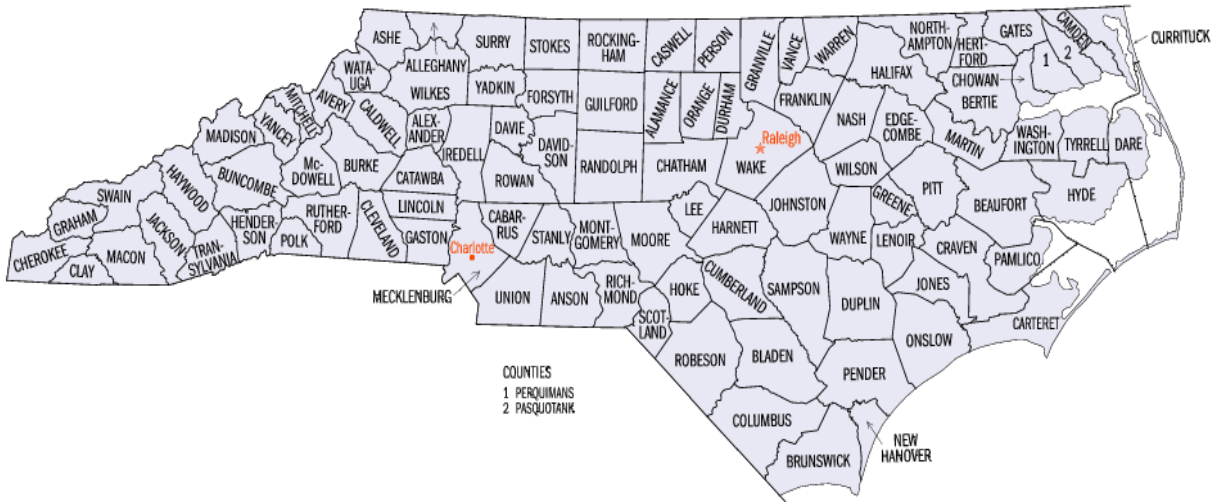
2/21/2019

Initial _____



Highland Construction Subcontractor Agreement

Attachment 2



2/21/2019

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Full Service Restoration & Renovation • Serving Fayetteville, Wilmington, and Raleigh
Residential & Commercial Construction • Cabinets & Flooring • Locally owned and family operated since 1981
TeamHighland.com • (910) 485-6738 • Toll Free 877-371-1641
Corporate Office: 1409 Clinton Road, Fayetteville, NC 28312



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Sub 2019 Payment Schedule

Bill for completed work received by:

December, 28, 2018
January 11, 2019
January 25, 2019
February 8, 2019
February 22, 2019
March 8, 2019
March 22, 2019
April 5, 2019
April 19, 2019
May 3, 2019
May 17, 2019
May 31, 2019
June 14, 2019
June 28, 2019
June 12, 2019
July 26, 2019
August 9, 2019
August 23, 2019
September 6, 2019
September 20, 2019
October 4, 2019
October 18, 2019
November 1, 2019
November 15, 2019
November 29, 2019
December 13, 2019
December 27, 2019

Will be paid on:

January 11, 2019
January 25, 2019
February 8, 2019
February 22, 2019
March 8, 2019
March 22, 2019
April 5, 2019
April 19, 2019
May 3, 2019
May 17, 2019
May 31, 2019
June 14, 2019
June 28, 2019
July 12, 2019
July 26, 2019
August 9, 2019
August 23, 2019
September 6, 2019
September 20, 2019
October 4, 2019
October 18, 2019
November 1, 2019
November 15, 2019
November 29, 2019
December 13, 2019
December 27, 2019
January 10, 2020

2/21/2019

Initial _____



Highland Construction Subcontractor Agreement

Dear Subcontractor

Highland Construction and Restoration is proud to offer our subcontractors two options of payment: direct deposit (ACH) and by credit card. These payment methods offer a convenient, safe, and fast way for you to receive payment for services rendered.

Providing this information does not give Highland access to your bank account or to your information. Payments are processed in accordance with the terms of our Subcontractor Agreement. Please see the Proposals/Acceptance/Purchase Orders (PO) and Payment sections of this agreement.

You will receive payments for completed work/approved invoices on the scheduled subcontractor paydays. The money will be directly deposited into your bank account if you choose the direct deposit (ACH) option or paid on the payment date via credit card. Once the funds are approved to be paid, you will receive an email confirming the transaction.

To sign up, complete the information below and deliver or mail to:

Lori Matthews, Office Manager, Highland Construction, 1409 Clinton Road, Fayetteville, NC 28312 or scan and email to Lori.Matthews@teamhighland.com.

Sincerely,

Kevin Paul, General Manager

Choose One Option: Payment by Credit Card Payment by Direct Deposit (ACH)

Company Name: _____

Billing Contact Name: _____

Email address for confirmation: _____

Phone number: _____

Complete the information below to receive payment by Direct Deposit (ACH)

Account Number: _____

Routing Number: _____

Name on Account: _____

2/21/2019

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