

## SUBCONTRACTOR POLICY STATEMENT

**TO:** ALL SUBCONTRACTORS

**FROM:** \_\_\_\_\_

**SUBJECT:** POLICY ON PAYMENT FOR SUBCONTRACTED SERVICES

1. **SUBCONTRACTOR STATEMENT AND INFORMATION SHEET:** Each Subcontractor must sign a Subcontractor Statement (SC6) and fill out a Subcontractors Information Sheet (SC4) before any payments will be authorized.
2. **INSURANCE:** Each Subcontractor must furnish us with a "Certificate of Insurance" showing valid Workman's Compensation in force. If we do not have this document in our files, we will be charged for your coverage by our insurance company at the following rates per hundred dollars of contract price:

Rough Carpentry .....	7.62	Concrete .....	8.61	Grading .....	7.34
Electrical .....	4.58	Paving .....	4.36	Excavation .....	8.40
Plumbing .....	5.44	Tile/Stone .....	4.85	Irrigation .....	8.07
Masonry .....	7.00	Glazier .....	7.62	Finish Carpentry .....	7.62
Paint/Paper .....	8.48	Sheet Metal .....	7.04	Cabinets .....	7.62
Drywall .....	4.58	Roofing .....	20.59		
Landscape .....	5.42	Cleaning .....	5.83		

If we have no certificate on file for your company, we will deduct the appropriate amount at the time of each payment.

**Example:** If you are a carpenter, and submit an invoice for \$200.00, we will deduct 2 x \$8.46 = \$16.92 and pay the balance of \$183.08.

3. **LIEN WAIVER:** For the protection of the Contractor, the Construction Lender, and the Home Owner, a Specific Lien Waiver (SC6) must be executed at the time each payment is made.
4. **AGREEMENT:** All work must be performed under an Agreement (SC1) specifically describing the work to be done and the exact price. No "extras" will be paid unless a written Change Order / Additional Work Order (SC2) is signed by us. These orders must be priced and signed before the work is started.
5. **INVOICES:** No payment will be made unless a written invoice is submitted, and the work covered by the invoice has been inspected and found to be acceptable. If you do not have a standard invoice form, we will furnish you one of ours. Unless otherwise specified in our Agreement (SC1), only invoices for completed jobs will be accepted.
6. **PAYMENT SCHEDULE:** Approved invoices received by 5:00 p.m. Wednesday will be paid the following Friday at 3:00 p.m. at the job site, or, at your instructions, will be mailed to you in the Friday evening mail. No deviations or exceptions from this policy will be made.

**I HAVE READ, I UNDERSTAND, AND I ACCEPT THE POLICIES OUTLINED ABOVE REGARDING PAYMENT FOR SUBCONTRACTED SERVICES PERFORMED FOR**

BY: \_\_\_\_\_ DATE: \_\_\_\_\_

COMPANY: \_\_\_\_\_