



35240 Forton Court | Clinton Township | MI | 48035
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SUBCONTRACTOR REQUIRMENTS MICHIGAN

- Completed W-9
- Completed Independent Contractor Agreement
- Copy of current builders license (if applicable)
- Current Certificate of insurance including the following:
 1. Regency DKI as an additional insured
 2. Must have general liability coverage of at least \$1,000.000
 3. Must have worker's compensation coverage if you have any employees
 4. If exempt from worker's compensation coverage must complete an Independent Contractor Statement provided by our office.

Independent Contractor Agreement and Acknowledgment

This agreement is between Regency Construction Corporation d.b.a. Regency DKI hereinafter referred to as "The Contractor", and hereinafter referred to as "The Sub-Contractor".

- (1.) The parties agree that the Sub-Contractor will perform for the Contractor on a per job basis as needed. The Sub-Contractor shall also perform any other services as needed and which are needed for the requested services.
- (2.) The Contractor and Sub-Contractor agree that they have entered into a contract for the Sub-Contractor for certain services which to a greater or lesser extent, defines the objective to be achieved by Sub-Contractor but which also leaves the manner of accomplishment of those objectives to the Sub-Contractor. Although the Contractor shall have the right to approve of the final work performed by the Sub-Contractor, this agreement does not result in an employer-employee relationship between the Contractor and Sub-Contractor but rather only in an independent contractor relationship. In its capacity as an independent contractor, Sub-Contractor agrees to and represents the following:
 - Sub-Contractor has the right and does fully intend to perform services for third parties during the term of the Agreement.
 - Sub-Contractor has the sole right to control and direct the means, manner, and method by which the services required by this Agreement will be performed.
 - Sub-Contractor has the right to perform the services required by this Agreement at any place or location and at such times as Contractor may determine.
 - The services required by this Agreement shall be performed by Sub-contractor, or Sub-Contractor's employees or contract personnel, and Contractor shall not hire, supervise or pay any assistants to help Sub-contractor.
 - All employees of Sub-Contractor who provides any services on behalf of Sub-Contractor to Contractor do not have a felony criminal record.
 - Neither Sub-Contractor no Sub-Contractor's employees or contract personnel shall receive any training from Contractor in the professional skills necessary to perform the services required by this Agreement.

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- The Sub-Contractor does not receive the majority of its annual compensation from the Contractor.

The parties acknowledge and agree that Contractor is entering into this Agreement with reliance on the representations made by the Sub-Contractor relative to its independent contractor status.

- (3.) Sub-Contractor acknowledges that the Sub-Contractor is an independent contractor, and the neither Sub-Contractor nor Sub-Contractor's employees or contract personnel are, shall be deemed to be, employees of Contractor. Sub- contractor shall be solely responsible for all federal and state taxes on income earned by Sub-Contractor or any employees of the Sub-Contractor, as an Independent and affirms that the Sub-Contractor is self-employed in that and all other regards. The parties agree that no withholding will be made from compensation due Sub-Contractor for any taxes whatsoever. Sub-Contractor understands that neither Sub-Contractor nor Sub-Contractor's employees or contract personnel are eligible to participate in any employee pension, health, vacation pay, sick pay, or other fringe benefit plan of Contractor.
- (4.) The Sub-Contractor agrees and shall be responsible for all expenses including but not limited to all safety requirements, vehicles, tools, license fees, meals and entertainment, insurance premiums, supplies, and materials as needed for the job. Marketing materials, literature, and job paperwork, as well as some contact list will be provided by the Contractor. Sub-Contractor agrees and acknowledges that he/she is responsible for all labor burdens and taxes from him/herself and wages for Sub-Contractor's employee if any, all federal and state tax and social security withholding, workman's compensation on him/herself and any employees. The Sub-Contractor shall be responsible for and pay employees hired by the Sub-Contractor, if any. All workmen furnished by the Sub-Contractor will be employees for the Sub-Contractor and will at all times be subject to the direct supervisor and control of the Sub-Contractor. Further, Sub-Contractor and all workmen furnished by Sub-Contractor, shall either wear appropriate professional attire picture identification cards identifying the person by name and verifying the employment of said persons. While working on Contractor work site, Sub-Contractor and all workmen shall wear proper attire including long pants free from holes, tears, and any other damage.
- (5.) Sub-Contractor acknowledges and agrees that they shall provide a copy of any assumed name certificate, federal employer 1.0 number if they have employees and/or sales tax number to Contractor before commencing any contracts for Contractor. If acting as a sole proprietor, they agree to provide their social security number.
- (6.) During the term of this agreement, Sub-Contractor will have access to and be familiar with files, records and certain documents relating to the business of the Contractor whether prepared by Contractor or otherwise. For purpose of

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Illustration such records may be customer lists, jobs, other prospective customer leads, invoices, work orders, etc. Such records shall remain exclusive property of the Contractor and shall not be removed from the premises of the Contractor under any circumstances whatsoever without prior written consent of the Contractor.

(7.) Sub-Contractor warrants that all work done by the Sub-Contractor shall be done in workman like manner, that all city county, and state building codes will be complied with, and Sub-Contractors agrees to indemnify the Contractor for any costs or expenses incurred by the Contractor due to poor workmanship and/or delays and/or OSHA violations by the Sub-Contractor including but not limited to materials, labor, costs, fines, expenses and attorney fees and further agrees that all or part of the costs and/or expenses may be deducted from any open invoices due subcontractor. At contractor's discretion, sub-contractor may be given the opportunity to correct sub-standard work performed. Sub-Contractor warrants that all OSHA regulations for workers health and safety will be enforced.

(8.) It is agreed that this agreement shall commence on the date this agreement is executed as shown below and shall continue in full force and effect, until terminated on thirty (30) days written notice by either party, to the other party, or upon the occurrence of any of the following events:

- The death of the Sub-Contractor.
- The willful breach of duty, the habitual neglect, or the incapacity for a period of more than 3 days on the part of the Sub-Contractor to perform his duties, unless waived in writing by the Contractor.
- The willful or permanent breach of the obligation of the Sub-Contractor or the Contractor.
- Any act exposing the other party to the liability to third parties for personal injuries or damage to property, real or personal.

(9.) In the event of the termination of this agreement prior to the completion of the terms of this agreement, the Sub-Contractor shall be entitled to the compensation earned by them prior to the date of termination, in accordance with this agreement, as provided in this agreement computed pro rata up to and including that date. The Sub-Contractor shall be entitled to no further compensation as of termination.

(10.) The Contractor shall not obtain workers' compensation insurance on behalf of the Sub-Contractor or Sub-Contractor's employees. If Sub-Contractor does not have a State Comp exemption or hires employees to perform any work under this Agreement, Sub-Contractor will cover them with workers' compensation insurance and provide Contractor with a certificate of worker's compensation insurance before the employees begin work.

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- (11.) The Sub-Contractor shall complete a criminal background check on each employee of the Sub-Contractor who will be completing work assigned by Contractor.
- (12.) Contractor's payment terms are NET 15 days after receiving customer payment based on the following criteria:
- When Sub-Contractor has been issued a valid Purchase Order
 - When the invoice is received referencing purchase order number
 - When all current and required subcontractor documentation has been received by the accounting department
 - When work has been completed and signed off by project manager as satisfactory per agreed bid/estimate/purchase order

Any deviation from payment terms must be agreed to prior to start of work and detailed on purchase order.

- (13.) Contractor shall make no state of federal unemployment compensation payments on behalf of Sub-Contractor will not be entitled to these benefits in connection with work performed under this Agreement. If Sub-Contractor or Sub-Contractors; employees files a petition for and receives unemployment compensation, the total amount of unemployment compensation awarded to and received by Sub-contractor or Sub-Contractors' employees shall be deducted from and be an offset against the amount of compensation due and payable to Sub-Contractor by Contractor under this Agreement.

- (14.) Sub-Contractor shall procure and keep in effect public liability and property damage insurance for the benefit of Contractor and Sub-Contractor in the sum of One Million and 00/100 (\$1,000,000.00) Dollars for damages suffered to one person or one casualty resulting from any one occurrence. Sub-Contractor shall deliver a copy of said policy to Contractor upon execution of this Agreement. Sub-contractor, as an independent contractor, agrees to indemnify, defend and hold harmless Contractor from any and all liability arising out of or in any way related to Sub-Contractor's performance of services during the term of this Agreement, including any liability resulting from intentional or reckless acts or the acts of the employees or agents of Sub-Contractor.

- (15.) In the event of a breach of this agreement resulting in damages to the contractor, contractor party may recover from the sub-contractor all damages that may be sustained.

- (16.) This agreement supersedes any and all other agreements, either oral or written, between the parties hereto with respect to the employment of the Sub-Contractor by the Contractor and covenants and agreements between the parties with respect to such employment in any manner whatsoever.

- (17.) This is the entire Agreement between Sub-Contractor and Contractor.

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(18.) This Agreement may be modified only by a writing signed by both parties.

(19.) Sub-Contractor will not disclose or use, wither during or after the term of this Agreement, any proprietary or confidential information of Contactor without Contractor's prior written permission except necessary to perform services on Contractor's behalf. Proprietary or confidential information includes

- The written, printed, graphic, or electronically recorded materials furnished by Contractor for Sub-Contractor to use;
- Business plans, customer lists, operating procedures, trade secrets, design formulas, know-how and processes, computer programs and inventories, discoveries and improvements of any kind; and
- Information belonging to customers and supplies of Contractor about whom Sub-Contractor gained knowledge as a result of Sub-Contractor's services to Contractor. Sub-Contractor shall not be restricted in using any material that is publicly available, already in Sub-Contractor's possession, or known to Sub-Contractor without restriction. Or that is rightfully obtained by Sub-Contractor from sources other than contractor. On termination of Sub-Contractor's services to Contractor, or at Contractor's request, Sub-contractor shall deliver to Contractor all materials in Sub-Contractor's possession relating to Contractor's business.

(20.) Any and all disputes, controversies, or claims arising out of or in connection with or relating to the Agreement, or any breach or alleged thereof, and any claim that Contractor violated any state or federal statutes, common law doctrine, or committed, any tort with respect to Sub-Contractor shall, on the request of either party, be submitted to and settled by arbitration in the State of Michigan pursuant to the rules, then in effect, the American Arbitration Association (or any other place or under any other form of arbitration mutually acceptable to the parties involved). This Agreement to arbitrate shall be specifically enforceable under the prevailing arbitration law. Notice of the demand for arbitration shall be filed, in writing, with the other party to the Agreement and with the American Arbitration Association. The demand for arbitration shall be made within reasonable time after the claim, dispute, or other matter in question arose where the party asserting the claim should reasonably have been aware of it but in no event later than the applicable Michigan statute of limitations. Cost Of arbitration shall be shared equally by the parties, provided that each party shall pay for and bear cost of his or her own experts, evidence, and attorney fees. Judgment on the award rendered by the arbitrator may be entered in any court having jurisdiction to do so.

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(21.) This Agreement will be governed by the laws of the State of Michigan.

(22.) All notices or other communications required or permitted to be given to a party to this Agreement shall be in writing and shall be (a) personally delivered; (b) sent by registered or certified mail, postage prepaid, return receipt requested, or (c) sent by an overnight express courier service that provides written confirmation of delivery to Contractor at 35240 Forton Court, Clinton Township, MI 48035 or to Sub-Contractor at the address shown below under Sub-Contractor's signature. Each such notice or other communication shall be deemed given, delivered, and received on its actual receipt, except that if it is mailed in accordance with this paragraph, then it shall be deemed given, delivered, and received on the delivery date or the date on which delivery is refused by the addressee, in either case, in accordance with the U.S. Postal Service's return receipt. Any party to this Agreement may give a notice of a change of its address to the other party(ies) to this Agreement.

(23.) This Agreement does not create a partnership relationship. Sub-Contractor does not have authority to enter into contracts on Contractor's behalf.

(24.) Sub-Contractor may not assign or subcontract any rights or obligations under this Agreement without Contractor's prior written approval.

(25.) Sub-Contractor Billing Information: Company Name _____

Address: _____

Phone# _____ Email: _____ Contact _____

IN WITNESS WHEREOF, the Contractor has hereunto caused this agreement to be executed by its duly authorized office and the Sub-Contractor has hereunto executed this agreement, and the effective date of this agreement is the ____ day of _____ 2014

**Regency Construction Corporation
(DBA-Regency DKI)**

SUB-CONTRACTOR

By: _____

By: _____

Printed Name

Printed Name

Title

Title

Tax ID

Date

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