**Kavanagh Strategic Properties LLC**

**CONTRACTOR AGREEMENT**

This Agreement is made on \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, between Kavanagh Strategic Properties, LLC, aka KSP LLC (hereinafter jointly referred to as “Company”)

and \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ (“Contractor”).

Company has hired Contractor as an Independent General Contractor, which also includes all of Contractor’s subcontractors and employees. The terms of this Agreement will apply to each job or service conducted by the Contractor for or on behalf of the Company.

**ARTICLE 1: THE WORK**

**§ 1.1** Contractor agrees to:

(a) Provide and pay for all labor, supervision, and equipment per Company specifications and in accordance with the scope of work detailed in Article 9 below;

(b) Complete all Work to Company standards prior to invoicing (See Standards Website);

(c) Supervise all phases of the onsite work;

(d) Complete the Work in a timely manner and according to Company schedule;

(e) Perform the Work in compliance with all applicable codes;

(f) Pay all applicable taxes for labor and material Contractor provides;

(g) Comply with OSHA and all federal, state and municipal occupational hazard acts;

(h) And, keep a clean and safe work site.

**§ 1.2** Company agrees to provide:

(a) Plans and specifications, when applicable;

(b) Timely notices of changes in the Work;

(c) Timely payment of Contractor invoices per the terms herein;

(d) Access to the job site for Contractor’s work.

(e) Timely communication (24 hour response) to Contractor inquiries

**ARTICLE 2: CONTRACT TERM AND PAYMENT**

**§ 2.1 TERMS OF PAYMENT.** Company agrees to pay the Contractor for satisfactory performance of Contractor’s Work upon receipt of an invoice, subject to the following conditions:

(a) Company shall pay Contractor no later than thirty (30 days) after satisfactory completion of work and receipt of invoice;

(b) Company, as a current internal business practice, pays invoices every week on Friday. As a matter of routine, any invoice received prior to 8 a.m. EST on the Monday of a bill pay week will be paid on the Friday of that week; thus, all payments made to Contractor for Work satisfactorily performed will generally be made no later than fourteen (14) days and no sooner than five (5) days from receipt of invoice.

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(c) Company reserves the right to use either a NET 30 payment term, specified in Section 2.1(a), or the current model, specified in Section 2.1(b), which is a NET 14 payment term by default.

**§ 2.2 CONTRACT TERM.** This agreement shall be for the calendar year of 2022. At the expiration of the initial term, this agreement shall continue from year to year under its existing conditions unless and until a party hereto gives the other no less than 30 days written notice of termination prior to expiration of the initial term. In the event that Company wishes to revise its standard Contractor Agreement, Company will provide Contractor with a copy of any proposed new contract no fewer than 30 days from the intended implementation date. During that 30-day period, Contractor may choose to agree to contract anew, negotiate terms or discontinue its contractual relationship with Company.

**ARTICLE 3: PERFORMANCE**

**§ 3.1 FAILURE TO PERFORM.** If the Contractor fails to complete Work by the promised delivery date, Company will be awarded $200.00 per day in liquidated damages; and, Company may refrain from making any further payments to the Contractor until the entire project shall be fully completed and accepted by Owner following completion of any punch list related work.

**§ 3.2 DELAYS IN PERFORMANCE.** 3.2 DELAYS IN PERFORMANCE. If the Contractor fails to complete Work by the promised delivery date, Company will be awarded $200.00 per day in liquidated damages; and, Company may refrain from making any further payments to the Contractor until the entire project shall be fully completed and accepted by Company following completion of any punch list related work. If Contractor and Company agree further work shall not be completed by Contractor but awarded to someone else, at the Company's discretion; Company agrees to pay Contractor for all Work completed prior to awarding to another Contractor. Any delays out of Contractor control preventing the job from being completed on promised delivery date shall not cause Contractor to be at fault and in such situation Company shall not be awarded any liquid damages. Contractor may be required to submit proof of delays out of their control such as, but not limited to, additions to or changes in scope of work, weather, issues related to quarantines, issues related to other Contractors not hired by Contractor but hired directly by Company, issues related to jurisdictional permits and other issues as deemed out of Contractor control to be reviewed by both parties

**ARTICLE 4: INSURANCE**

**§ 4.1** In no event shall Contractor commence work without having provided proper insurance certificates to Company. Contractor shall not be entitled to any payment otherwise due hereunder unless the necessary insurance has been in place during the entire period for which Contractor has performed any portion of the Work. Contractor shall procure and maintain in force for the duration of the Work, at its sole cost and expense a minimum amount of coverage as specified in Section 4.2.

**§ 4.2** Prior to providing any work or materials, Contractor will obtain the following insurance and furnish the Company with certificate, **showing Kavanagh Strategic Properties, LLC as an additional insured on a primary and noncontributory basis including completed operations (ISO form CG 2010 1185 edition or its equivalent), including a waiver of subrogation where allowed by state statute,** covering the period the Contractor is performing hereunder, to wit:

(a) Workmen’s Compensation Insurance in accordance with law and Employer’s Liability with limit liability of $500,000.00

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(b) Comprehensive General Liability Insurance including the liability assumed under Paragraph 4 above (which includes the Company as named insured) with the following minimum limits of liability: Bodily Injury - $1,000,000/$1,000,000 property damage - $1,000,000 each occurrence.

(c) Comprehensive Automobile Liability Insurance with Liability limits of: Bodily Injury - $1,000,000/$1,000,000 property damage - $1,000,000 each person.

(d) Excess Liability: Umbrella Policy - $1,000,000

The above Insurance shall provide that the same may not be canceled or changed without thirty (30) day prior notice to the Company by Certified Mail. In the event the Contractor fails to carry the insurance specified herein, the Company may obtain such insurance the cost shall be deducted from Contractors’ contract. The contract consideration does not include, and the Contractor so warrants and represents, any amount for insurance other than stated above.

**ARTICLE 5: INDEMNIFICATION AND LIENS**

**§ 5.1 INDEMNIFICATION.** The Contractor shall hold harmless the Company, agents and employees of Company’s from and against claims, damages, losses and expenses, including but not limited to attorneys fees, arising out of or resulting from performance of the work, provided that such claim, damage, loss or expense is attributable to bodily injury, sickness, disease or death, or to injury to or destruction of tangible property (other than the work itself), but only to the extent caused by the negligent acts or omissions of the Contractor, a sub-subcontractor, anyone directly or indirectly employed by them or anyone for whose acts they may be liable, regardless of whether or not such claim, damage loss or expense is caused in whole or part by a party indemnified herein.

**§ 5.2 MECHANICS’ LIENS.** Contractor will keep the project performed for Company and the lands upon which they are situated free from all mechanic’s liens, other liens, and all other claims by reason the Work, or any labor, materials or other things used therein. If Contractor fails to do so, Company shall have the right to withhold sufficient funds from Contractor hereunder. Nothing herein shall prevent Contractor from filing its own lien if otherwise entitled to do so.

**ARTICLE 6: WARRANTY AND LICENSING**

**§ 6.1 WARRANTY.** Contractor warrants that all materials and equipment furnished and incorporated by it shall be new unless otherwise specified and or agreed, and that all Work under this Agreement shall be of good quality, free from faults and defects and in conformance with the Contract Documents for a period of one (1) year from the date of Substantial Completion of the Project, or longer if required by the Contract Documents. Contractor agrees to promptly correct or replace any such defective work, at its sole cost and expense.

**§ 6.2 LICENSING.** By signing below, Contractor acknowledges that it is a licensed subcontractor in the jurisdiction where the Work is to be performed and has secured all licenses necessary to perform the Work.

**ARTICLE 7: TAXES**

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**§ 7.1** Contractor is responsible for all taxes resulting from this Agreement and the Work, including without limitation federal and state income taxes and federal self-employment tax, as well as any federal and state payroll taxes pertaining to Contractor’s employees. This includes all state and local sales taxes.

**ARTICLE 8: DISPUTES**

**§ 8.1** This agreement shall be governed by the laws of the State of Georgia. In the event that a dispute arises regarding this Agreement, performance hereunder or any work or payment performed or owed by Company or Contractor, the parties agree that the Circuit Court of Muscogee County, GA, shall be the exclusive forum for any lawsuit arising out of or in any way related to any such dispute. The parties agree that the only court for any lawsuit shall be the Columbus, GA. As a precondition to filing any legal action however, the parties agree to first request and participate in non-binding mediation. If the parties are unable to agree on the selection of a mediator within 30 days of a demand for mediation by either party, they shall request that the Presiding Judge of the Circuit Court of Muscogee County, GA, appoint a mediator who is experienced in construction disputes. Company and Contractor agree to each pay one-half of the mediator’s fee. This requirement of participation is non-binding mediation and may be waived by written agreement of both Owner and Contractor.

**ARTICLE 9: SCOPE OF WORK**

**§ 9.1** The scope of the Contractor’s Work shall be defined by the approved bid or estimate for each job. For the purposes of this section, to be valid, an approval must be made by the Project Manager or the Operations Manager employed by the Company. Contractor agrees to commence work and/or supply materials authorized by the approved bid within the time set out in the documents for the project. Contractor shall include all labor and materials specified by the approved bid and any materials necessary or incidental to completing the work in a manner which complies with this Agreement and the bid document. If a scope of work is to include labor only, it will be specifically stated in the bid or in the bid approval. All Work shall be completed in a professional and workmanlike manner, will meet product and material manufacturer’s requirements, and will comply with applicable laws, regulations, and ordinances.

**ARTICLE 10: SUBCONTRACTOR SUBORDINATE RELATIONSHIPS**

**§ 10.1** Contractor agrees that the provisions set forth in Article 5 shall be imposed upon, assumed and performed by each of its Contractors and Sub-Contractors. In addition, any Sub-Contractors shall be required to carry the same insurance coverage as that stated in Article 4 above or covered by the Contractor’s insurance.

**ARTICLE 11: CONTRACT EXECUTION AND DISCREPANCIES**

**§ 11.1** If the Contractor does not sign this Agreement, or, does not notify us in writing of any discrepancies in this Contractor Agreement, and any work is performed, this Contractor Agreement will be deemed to be accepted in its entirety.

**Company:** Kavanagh Strategic Properties, LLC

Peter M. Kavanagh, CEO

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**Contractor:** \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_Company Name

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