MAIL INVOICE TO:

**AIA SHORT FORM CONSTRUCTION CONTRACT** Company Name

Address

CONTRACTING ENTITY: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

PROJECT NAME: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

PROJECT NUMBER: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ DATE: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

CONTRACTOR: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ ARCHITECT/DESIGNER

CODE NO.: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**1. WORK.**  Contractor agrees to perform and furnish all labor, supervision, materials, equipment, tools, scaffolding, machinery, transportation and supplies as necessary to perform the work herein outlined in a good and workmanlike manner:

Location of Work: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Description of Work and List of Drawings and Specifications:

Contractor is to commence work on: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ To be completed by: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**2. CONTRACT PRICE.** Owner agrees to pay Contractor for the performance of the work described in this agreement, including all items necessary to accomplish and complete the work, in accordance with all terms and conditions as stated herein, on the basis checked below:

For a total lump sum of: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ ($\_\_\_\_\_\_\_\_\_\_\_\_\_)

Retainage to be withheld on each progress payment until final payment \_\_\_\_\_\_%.

For the Cost of the Work as defined herein, plus the mark-up percentages stated below.

For the Unit Prices stated below.

Mark-up percentages for Cost of the Work contracts, and for cost changes (adds or deducts) to the work, shall be: Labor burden over direct labor costs \_\_\_\_\_\_%. Contractor’s overhead \_\_\_\_\_\_%. Contractor’s profit \_\_\_\_\_\_%. If Contractor uses Subcontractors, Subcontractor’s overhead and profit shall not exceed Contractor’s, and Contractor may add \_\_\_\_\_\_%.

Unit Prices for Unit Price contracts, and for unit price changes (adds or deducts) to the Work, including all materials and equipment, tools, installation, labor, fringe benefits, insurance, taxes, overhead and profit shall be:

Work Unit Unit Price

Guaranteed Maximum Cost for Cost of the Work or Unit Price contracts, including all costs, overhead and profit, shall not exceed

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ ($\_\_\_\_\_\_\_\_\_\_\_\_)

Final payment shall be made within \_\_\_\_\_\_ days after final completion and acceptance of the work.

3. SPECIAL PROVISIONS.

By executing this contract, Contractor acknowledges having read and understood all Terms and Conditions printed on the reverse side of this Contract and agrees to same.

Contractor: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Owner:

By: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ By: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Title: Title:

Lic. No.: \_\_\_\_\_\_\_\_\_\_\_ Incorporated in: \_\_\_\_\_\_\_\_\_\_\_\_\_\_

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| --- | --- |
| Additional Terms and Conditions | |
| **4. Time.** Time is of the essence of this agreement. Contractor agrees to punctually and diligently perform all parts of his work at the time scheduled by the Owner, which shall be subject to change by the Owner as deemed necessary or convenient to the overall progress of the project. In this connection, Contractor agrees that he will keep himself continually informed of the progress of the job and will, upon his own initiative, confer with the Owner so as to plan his work in coordinated sequence with the work of the Owner and of others and so as to be able to expeditiously undertake and perform his work at the time most beneficial to the entire project, however, he shall not proceed with any phase of his work ahead of the time designated by the Owner. The Contractor will be liable for any loss, costs or damages sustained by the Owner for delays in performing the work hereunder. If in the opinion of the Owner, Contractor is not complying with the progress schedule or will not meet a completion date, Owner may require him to provide additional manpower, or work overtime, or expedite materials, and Contractor shall take the necessary steps to comply. Contractor shall be responsible for all subcontractors working directly for him.  **5. TAXES.** Contractor is solely responsible for and shall properly account for and pay all unemployment insurance, social security insurance, withholding taxes, sales taxes, or any other taxes or royalties related to his work.  **6. PERMITS.** Upon notice to proceed, Contractor shall obtain all required permits to perform the work and furnish the Owner with a copy of same. Contractor shall comply with all applicable codes, safety ordinances, local, state and federal laws, and the like applicable to or related to the Work.  **7. PAYMENTS.** Unless otherwise provided, progress payments will be made by the 30th of each calendar month following the billing period or as soon thereafter as practicable. These payments shall be made based on Contractor’s billing submitted by the 25th of the billing month and in the form prescribed by the Owner. If required by the Owner, Contractor shall provide a copy of all paid invoices and lien releases for all previous months’ requisitions. Partial payments do not relieve the Contractor from full performance of this agreement. Prior to final payment for the work, Contractor shall provide Owner with proof of release of all claims against Owner for work performed under this agreement. Should Owner sustain any cost, expenses, or damage, including attorney fees, as a result of any claim related to this agreement, Contractor will be liable for same and Owner may use any funds due Contractor to reimburse himself for same. Owner shall have the right to audit the Contractor’s books as they relate to the Work.  **8. SHARING OF RISKS.** Owner accepts all risks covered by a standard builder’s all risk insurance policy subject to a deductible, in the name of Owner and Contractor including the interest of subcontractor on: (1) the Work that is to be done; and (2) all insurable items of work and materials to be incorporated in the work, title to which has been acquired by Owner, but such insurance shall not cover any property owned, leased or otherwise used in connection with the work by Contractor or his subcontractors. Contractor shall be responsible for the first $10,000 of any loss covered by a standard builder’s all risk coverage insurance policy. Nothing in this agreement shall relieve Contractor of any responsibility for any loss for which Owner is not required to provide insurance, or for the risk of loss and the responsibility for all injuries or damages to persons or property, including the work of subcontractors that may arise through the prosecution of the work. Contractor hereby indemnifies and agrees to save the Owner harmless against any liability claims whatsoever that may arise in connection with the work, and agrees, at his expense, to defend any legal action and pay any attorney fees incurred by Owner in connection therewith.  **9. CONTRACTOR’S INSURANCE.** Contractor shall provide at all times the following insurance as approved by Owner as follows:  a. Workmen’s Compensation Insurance complying with the laws of the State in which the work is to be performed.  b. Employer’s Liability Insurance in the amount of $1,000,000.  c. Public Liability Insurance in an amount not less than $1,000,000 combined single limit to cover bodily injury or accidental death, and property damage, including contractual liability coverage for Contractor’s indemnity in paragraph 7.  d. Automobile Liability Insurance in the amount not less than $1,000,000 combined single limit to cover bodily injury, accidental death, and property damage.  **10. WORKING CONDITIONS.** Contractor has made himself thoroughly familiar with the work to ascertain all site conditions and limitations. The Work shall be performed with the absolute minimum interference with the Owner’s operations, and Contractor shall be subject to Owner’s reasonable directions to enforce same. Contractor shall use only authorized entrances, elevators and storage areas, as designated by Owner’s representative. Contractor shall effectually secure and protect the Work to be done hereunder and assume full responsibility for the condition thereof until finally accepted by Owner. Contractor shall be liable for any loss or damage to any work in place or any equipment and materials on jobsite caused by him. Contractor shall provide for removal of all trash and debris on a daily basis and if the area isn’t maintained, Owner has the right with 24 hours written notice to employ his own forces to maintain the area and charge costs to Contractor. Owner may partially occupy and use portions of the Work which will not constitute | acceptance of same.  **11. CHANGES; TERMINATION.** Owner may order Contractor in writing to make changes in the Work, or to work overtime when not required to maintain schedule. Contractor shall not proceed with these changes (either additions or deletions) without such order being signed by both Owner and Contractor and the order stating the method of payment or amount of dollars and the time involved in the change. Owner shall at all times have the right to terminate this agreement upon 5 days written notice without cause or default by Contractor by paying the Contractor the reasonable value for all work performed to date of the termination including reasonable profit, but in no event more than a percent of the contract sum equal to the percent of the Work performed at the termination date.  **12. GUARANTY.** Contractor warrants and guarantees in addition to all other warranties provided by law or otherwise and not in limitation of periods of applicable statutes of limitation, that Contractor shall at his expense replace or repair all defects to the Work which occur, appear or result within one year after final acceptance by Owner. Contractor hereby assigns all equipment and vendor warranties to Owner and will deliver all manuals, books, etc., to Owner.  **13. DRAWINGS.** The Contractor shall maintain an accurate set of as built drawings of all work performed to be provided to the Owner as a condition for final payment. Contractor shall provide any and all samples and or shop drawings as required by the Owner.  **14. WORKMANSHIP.** Every part of this Work herein described shall be executed in strict accordance with the Description of Work in the most sound, workmanlike, and substantial manner. All workmanship shall be of the best of its several kinds, and all material and equipment used in the Work herein described shall be furnished in ample quantities to facilitate the proper and expeditious execution of the Work, and shall be new and the best of their respective kinds, except such materials as may be expressly provided for in the Description of Work to be otherwise.  **15. SATISFACTORY EMPLOYEES.** Employment of labor by Contractor shall be effected under conditions which are satisfactory to Owner. Contractor shall remove or cause to have removed from the project any employee or employees who are considered unsatisfactory by the Owner. Contractor assumes the responsibility for assuring that his working forces are compatible with other forces on the job and Contractor is responsible for making himself aware of those forces. Contractor will furnish a competent representative who is to be kept available to the site to represent the Contractor for the purpose of receiving notices, orders and instructions.  **16. COST OF THE WORK.**  (1) Where used herein the term “Cost of the Work” shall be the actual, reasonable, and necessary cost of the work including:  a. Actual wages paid to all direct labor either on site or in shop and required supervision. Weekly time cards shall be submitted, signed and approved by the Owner and the mark-ups shall be as stated on the front of this agreement.  b. Net costs of all materials incorporated into the Work including all applicable taxes, freight or delivery charges, less discounts, refunds, returns, surplus material sales, etc.; copies of all invoices shall be submitted to support pay requests.  c. Costs of all permits, inspection fees, testing fees, required for the Work.  d. Where not available, all costs for temporary on site utilities and temporary facilities.  e. Actual rental charges for rented equipment and tools.  f. Net amounts of all required subcontracts with copies of subcontract invoice submitted with pay request.  (2) Cost of the Work shall not include the following and the cost shall be part of Contractor’s overhead and profit:  a. Services and traveling expense of Contractor’s executives, general supervisory or administrative personnel not actually performing labor incorporated into the work, and clerical, and accounting services performed at Contractor’s office or any other location.  b. Contractor’s office supplies, expenses, or furniture either at the site or in his office.  c. Transportation of employees to or from the Work.  d. Amounts due to shop equipment, machinery, small hand tools, and non-electric tools either rented or purchased.  e. Costs of rework, warranty, damage claims, and indemnification and defense required herein.  f. Contractor’s interest, taxes, depreciation, general overhead expense, general conditions, and profit.  **17.** This contract expresses the total agreement between the parties. All oral or written negotiations and prior or subsequent dealings are merged into this contract. Contractor may not assign or subcontract this contract without the express written consent of the Owner. This contract is binding on all heirs, successors, and administrators of the Contractor. Any amendment of this contract must be in writing signed by both parties hereto and all terms and conditions shall remain in effect. All notices shall be in writing to the addresses stated herein. |