



# SUBCONTRACT TEMPLATE

How to complete — internal reference

Everything highlighted in yellow is a fill-in field. Everything else is locked contract text and should not be changed from project to project. Complete the fields below, delete the highlighting, and the agreement is ready to issue.

## FIELDS TO COMPLETE

| FIELD                             | WHERE IT APPEARS                            | NOTES                                         |
|-----------------------------------|---------------------------------------------|-----------------------------------------------|
| Subcontract No.                   | Header box                                  | Job no. + sequential, e.g. 3116-SC-01         |
| Job No.                           | Header box                                  | Zeco job number                               |
| Project                           | Header box; Whereas clause                  | Project name + CIP / Bid no.                  |
| Date                              | Header box; parties clause; signature block | Also fills Day / Month / YY                   |
| Subcontractor                     | Header box; parties table; signature block  | Exact legal name, incl. Inc. / LLC            |
| Trade / Bid Item                  | Header box                                  | Trade + bid item number                       |
| Subcontract Amount                | Header box; Section 6 (numerals and words)  | Include bond premium if bonded                |
| Submittals Due                    | Header box; Section 1 closing paragraph     | STANDARD IS TWO (2) WEEKS                     |
| Address / License / DIR / Contact | Parties table                               | Verify DIR on the DIR registry before issuing |
| Owner                             | Whereas clause                              | Awarding agency, e.g. City of Irvine          |
| Project Address                   | Whereas clause                              | Physical job site address                     |
| Engineer / Architect of Record    | Whereas clause                              | Design firm named in the specifications       |
| Scope line items                  | Section 1 table                             | Item no., description, qty, unit, amount      |
| Scope Includes / Excluded / Notes | Section 1                                   | Delete any block not used                     |

## STANDING RULES

- **BONDS.** Subcontracts over \$200,000 — require 100% payment and performance bonds and ADD the subcontractor's quoted bond percentage to the contract amount. Subcontracts at or under \$200,000 — strike Sections 18 and 25 with a line through the text and initial lines for both parties.
- **PAYMENT.** Section 6 is pay-when-paid: SEVEN (7) DAYS after Zeco is paid by the Owner, for progress payments, final payment and retention. That is the California statutory period — B&P Code §7108.5 for progress payments, Public Contract Code §7107 for retention. Late payment carries a 2% per month penalty plus the subcontractor's attorney's fees. Do not add a net-30 or any other override — it destroys the pay-when-paid protection.
- **SUBMITTALS.** Never list the subcontractor's submittals for them. The contract requires them to furnish everything the Contract Documents require of their scope. Listing them makes the completeness of the list Zeco's problem.
- **PROPOSAL.** Always attach the subcontractor's proposal as Attachment B. It is incorporated for scope description only — its terms, exclusions, precedence and arbitration clauses form no part of the subcontract.
- **ATTACHMENT A.** Keep it. Public works specifications commonly require the agency's termination-for-convenience provision to be physically included in every subcontract.
- **BEFORE ISSUING.** Verify the subcontractor's CSLB licence is active and correctly classified, their DIR registration is current, and they are not on the awarding agency's debarment list. Collect the certificate of insurance, endorsements, bonds and any project labour agreement letter of assent before they mobilise.