



**Subcontractor
Policies and Procedures
Version 2.0 5/2011**

The policies and procedures listed below are subject to change.

I. INSURANCE REQUIREMENTS

Prior to the execution of a Subcontract Agreement and prior to commencement of any work, subcontractors must provide certificates of insurance (COI's) with the following limits:

- A. Comprehensive General Liability Coverage, Bodily Injury, and Property Damage
 - i. \$1,000,000 Each Occurrence (Bodily Injury & Property Damage)
 - ii. \$2,000,000 Products/Completed Operations Aggregate
 - iii. \$2,000,000 General Aggregate (that applies on a per project aggregate)
 - iv. \$1,000,000 Per person or organization on personal or advertising injury
 - v. States 30-day policy cancellation notice

- B. Automotive Liability Coverage, Bodily Injury, and Property Damage
 - i. \$1,000,000 Combined Single Limit
 - ii. Insurance to include and state "Any Automobile Coverage"
 - iii. States 30-day policy cancellation notice

- C. Worker's Compensation Insurance
 - i. \$500,000 E.L. Disease – Policy Limit
 - ii. \$500,000 E.L. Disease – Each Employee
 - iii. \$500,000 E.L. Each Accident
 - iiii. States 30-day policy cancellation notice

Such insurance shall comply with the Florida Worker's Compensation Law.

If you are exempt, provide exemption certification in accordance with the attached Worker's Compensation exemption form.

- D. All insurance certificates must include the project name and location and shall list the Contractor and Project Owner as additional named insured parties.

Insurance providers should fax COI's to the Mad Dog office, at (850) 878-6038, or mail an original copy to Mad Dog Construction, 1203 Miccosukee Road, Tallahassee, FL 32308.

Subcontractors hired by Mad Dog Construction are responsible for assuring that all sub-subcontractors hired to work on a Mad Dog Construction project are properly licensed and carry the same limits of insurance as required of subcontractors.

II. PAYMENT

A. Payment Schedule

All invoices for services for that calendar month must be received in the Mad Dog Construction office by the 25th of the month. Following payment from the Owner, checks will be disbursed within seven (7) days of receipt, subject to lien waiver sign-off.

B. Draw Requests

All subcontractor draw requests submitted for payment shall be submitted on one of the following:

1. AIA forms G702 and G703 *Application and Certificate for Payment*
2. Mad Dog Construction's *Subcontractor Short Form Application for Payment* (see attached)
3. An invoice acceptable to Mad Dog Construction.

If one elects to use one's own invoice, the following information must be included for payment to be processed:

- a. Subcontractor name, address and phone number
- b. Invoice date and number
- c. Original subcontract amount
- d. Change orders to date
- e. Amount of current draw request
- f. Retainage to be held
- g. Remaining contract amount

C. Stored Materials

If you submit an invoice which includes a draw for stored materials, you must submit copies of your supplier's invoices for those materials along with your draw request. In addition, if the materials are stored off the job site, they must be stored in a bonded warehouse and you must submit proof of insurance covering the cost of the stored materials.

D. Lien Waivers

Prior to the release of each payment (with exception of the first payment), Mad Dog Construction must get an unconditional partial or final waiver of lien, especially from all suppliers and sub-subcontractors who have filed a *Notice to Owner*. These waivers must cover labor and/or materials provided prior to the 25th of the previous month. (E.g., A waiver is required covering subcontractors and material vendors through December 25th before the release of the February payment, which is for work completed through January 25th). **No draw request will be processed until all PRIOR month lien waivers are received.**

Mad Dog is required to submit unconditional lien waivers with every application for payment to the Project Owner's lender prior to receiving payment. Your cooperation will ensure that everyone can be paid in a timely manner.