

FORM 6 - COMMERCIAL MASTER AGREEMENT

A) The Parties. This Commercial Master Agreement (“Agreement”) made **Date**, is made by and between:

Contractor: Power Vac Ontario/National Duct with a mailing address of 50 Goebel Avenue, Unit 2, Cambridge, ON, N3C 1Z1

AND

Subcontractor: **Name of the person, Mailing Address**

NOW, THEREFORE, FOR AND IN CONSIDERATION of the mutual promises and agreements contained herein, the Contractor hires the Subcontractor to work under the terms and conditions hereby agreed upon by the parties:

B) Termination Date. This agreement does not have an ending date. Both parties are free to terminate without prior notice at will. The Contractor reserves the right to update this agreement from time to time. If the Subcontractor refuses the update upon notice, the agreement shall terminate immediately.

C) Subcontractor Duties. The Subcontractor agrees to perform work for the Contractor on the terms and conditions set forth in this Agreement and agrees to devote all necessary time and attention, within reason, to the performance of the duties as follows: Complete the work awarded based on specifications given by the Contractor (“Duties”). Subcontractor further agrees that in all aspects of their Duties, he/she/they shall comply with the policies, standards, and regulations of the Contractor to the best of their ability.

D) Payment Amount. The Contractor agrees to pay the Subcontractor the following compensation for the Duties performed under this Agreement:

1. $\frac{1}{3}$ of the value of the contract (“Subcontract”) awarded to the Contractor, is disbursed to the Subcontractor and shared with other Subcontractor(s) if any based on the Contractor’s Standard Split System.
 - 1.1 The Maximum Rate (“Maximum”) is defined as Hours on Site x \$75. The Subcontractor will be paid the **lesser** of Maximum and $\frac{1}{3}$ of the Subcontract, subject to the Contractor’s Standard Split System.
2. The Standard Split System allocates points based on the designation of the Subcontractor. A Subcontractor designated as Lead has 52 points while a Subcontractor designated as Helper has 48 points.
 - 2.1 If a job is done by 1 Subcontractor, $\frac{1}{3}$ of the value of the contract is paid to the Subcontractor, regardless of the designation of the Subcontractor.
 - 2.2 If a job is done by a Lead and a Helper, the Lead shall get $\frac{52}{(52+48)}$ or 52% of the Subcontract and the Helper shall get $\frac{48}{(52+48)}$ or 48% of the Subcontract.
 - 2..3 If a job is done by 2 Leads and 1 Helper, both Leads shall get

52/(52+52+48) or 34.2% and the Helper shall get 48/(52+52+48) or 31.6% of the Subcontract.

- 2.4 If a job is done by 1 Lead and 2 Helper, the Lead shall get 52/(52+48+48) or 35.1% and both Helpers shall get 48/(52+48+48) or 32.45% of the Subcontract.
- 2.5 If the work requires an overnight stay(s), the Contractor may provide the Subcontractor with upfront travelling costs. These costs will be deducted from the value of the contract before calculating the $\frac{1}{3}$ Subcontract value
- 2.6 If a job requires input from the Contractor's employee(s), the Contractor shall carve out a portion of the job/value for the Subcontractor(s).

E) Subcontractor Obligations

1. If a job is cancelled or is found impossible to perform, the Subcontractor will not be paid even if he/she has gone to the job site.
2. If the Contractor cannot collect the proceeds for the job due to the Subcontractor's work deficiency, the Subcontractor will not be paid
3. If the client short-pays the invoice due to the Subcontractor's work deficiency, the amount short will be deducted from the Subcontractor's Payment Amount.
4. If the Contractor has to reimburse the client for work deficiency or damages due to the Subcontractor's work deficiency, the cost will be deducted from the Subcontractor's Payment Amount.
5. If amounts in clauses E)-2 to E)-4 are determined after the Subcontractor has been paid for the specific job, the Contractor shall make deductions from any amounts owed to the subcontractor.
6. If the client refuses to pay the Contractor without reason, the Subcontractor shall still be paid for the full value of the Subcontract.
7. Within 25 business days of the completion of a job, the Contractor may claw back up to 25% of the share of the Subcontractor if it determines that the Subcontractor has exhibited abusive or negligent behaviour that will materially hurt the Contractor's reputation and decrease the Contractor's future prospect of obtaining work from that customer.

F) Payment Method. The Payment Amount shall be paid by the Contractor to the Subcontractor by cheque or direct deposit within 15 business days of submitting Form 7 for approval by the Contractor.

G) Inspection of Duties. Any Payment Amount shall be subject to the Contractor inspecting the completed Duties of the Subcontractor up to one (1) year from the date of completed Duties. If any of the Duties performed by the Subcontractor pursuant to this Agreement are defective or incomplete, the Contractor shall have the right to notify the Subcontractor, at which time the Subcontractor shall promptly correct such work within a reasonable time at its own cost.

H) Return of Property. Upon the completion of a day's job, all property provided by the Contractor, including, but not limited to vehicle, cleaning supplies, special tools, equipment, and

any other items, must be returned by the Subcontractor. Failure to do so may result in a delay in any payment made by the Contractor. The Subcontractor is responsible to bring and replace his/her own standard tools at his/her own cost.

I) Damages. The Subcontractor shall indemnify the Contractor for any damage incurred during the completion of the Duties. This indemnification includes but is not limited to damages caused in and around the client's property, damages to third-party property or damages to the Contractor's properties. The Contractor may deduct indemnities from amounts owed to the Subcontractor.

J) Independent Contractor Status. Subcontractor acknowledges that he/she/they are an independent contractor and not an agent, partner, joint venture, nor an employee of the Contractor. As such, the Contractor is not responsible for any payroll-related deductions.

K) HST. The Contractor shall pay the Subcontractor HST at the prescribed rate on the Subcontract after the Subcontractor has provided to the Contractor an HST number and a copy of the Subcontractor's HST registration.

L) Governing Law. This Agreement shall be governed by and shall be construed in accordance with the laws of the Province of Ontario, Canada.

IN WITNESS WHEREOF, the parties hereto agree to the above terms and have caused this Agreement to be executed in their names by their duly authorized representatives or principals.

Contractor Signature _____ **Date** _____

Print Name _____

Subcontractor Signature _____ **Date** _____

Print Name _____