

# SAGE INTELLIGENCE

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*Project clarity before contract approval.*

MASTER

# SUBCONTRACTOR

# AGREEMENT

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*Sage Intelligence is not a contractor you chase. It is a project control system you engage.*

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**Document Reference:** SI-SUB-AGREEMENT-v1.0

**Governing Law:** State of Texas — El Paso County

**Issued By:** Sage Intelligence LLC

**Service Area:** El Paso, Texas and surrounding areas

**Contact:** rich@sageintelligence.io

**City Registration:** LCCR26-00183 (City of El Paso)

**EIN:** 41-4792729

## IMPORTANT NOTICE TO SUBCONTRACTOR

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This is a legally binding contract between you and Sage Intelligence LLC. Read every Article before you sign. If any provision is unclear, consult a licensed Texas construction attorney before executing this Agreement. By signing, you confirm that you have read, understood, and agreed to every term, that you have had the opportunity to seek independent legal counsel, and that you are signing as an authorized representative of your business.

This Agreement governs the relationship between Sage Intelligence and your business across all projects. It is the framework. Each project will have its own written Scope of Work (SOW) that controls the price, scope, and timeline of that specific job.

Sage Intelligence operates as a project-management-led general contractor. We do not self-perform trade work. You are the licensed, insured, qualified professional performing the physical work. We sell trust, scope control, communication, and protection to our clients. You deliver the work that backs that promise. The standards in this Agreement exist to protect both parties, the client, and the project.

***Read it. Understand it. Sign it. Then perform to it.***

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## PARTIES

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This Master Subcontractor Agreement (the "Agreement") is entered into as of the date last signed below (the "Effective Date") by and between the following parties:

**Contractor**

**Sage Intelligence LLC**

A Texas Limited Liability Company

Service Area: El Paso, Texas and surrounding areas

Notice Email: rich@sageintelligence.io

City of El Paso Registration No.: LCCR26-00183

EIN: 41-4792729

("Sage Intelligence" or the "Contractor")

**Subcontractor**

**Legal Business Name:**

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**DBA (if applicable):**

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**Business Type (LLC / Sole Prop / Corp / Partnership):**

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**Principal Address:** \_\_\_\_\_

**City, State, ZIP:** \_\_\_\_\_

**Phone:** \_\_\_\_\_

**Email:** \_\_\_\_\_

**Federal EIN or SSN (for IRS Form 1099 reporting):**

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**Texas Trade License Number (if required):**

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**License Type / Trade:**

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**License Expiration Date:**

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(the "Subcontractor")

## RECITALS

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WHEREAS, Sage Intelligence is a project-management-led general contracting company registered with the City of El Paso (LCCR26-00183), maintains commercial general liability insurance, and operates a bonded general contracting business in Texas;

WHEREAS, Sage Intelligence does not self-perform trade work and instead engages vetted, licensed, and insured trade professionals to perform the physical work on its projects;

WHEREAS, Subcontractor represents that it is an independent, properly licensed, insured trade professional with the experience, equipment, workforce, and authority to perform the trade work described in any Scope of Work (SOW) issued by Sage Intelligence; and

WHEREAS, the parties intend to establish a master framework under which Subcontractor may be engaged by Sage Intelligence on one or more construction or remodeling projects in El Paso County and the surrounding service area;

NOW THEREFORE, in consideration of the mutual covenants set forth herein and other good and valuable consideration, the receipt and sufficiency of which are acknowledged, the parties agree as follows. This Master Agreement governs all work performed by Subcontractor for Sage Intelligence unless and until superseded by a Project-Specific Subcontract for a particular project, in which case the Project-Specific Subcontract controls for that project and this Master Agreement governs all matters not addressed in it.

## ARTICLE 1 INDEPENDENT CONTRACTOR STATUS

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**1.1 Independent Contractor.** Subcontractor is and shall remain an independent contractor. Nothing in this Agreement creates an employer-employee relationship, joint venture, partnership, or agency relationship between Sage Intelligence and Subcontractor. Sage Intelligence has no right to control the means, methods, sequencing, or manner of Subcontractor's work — only the defined scope, schedule, and result described in the applicable SOW.

**1.2 No Employee Benefits.** Subcontractor and its workers are not entitled to any employee benefits from Sage Intelligence, including but not limited to health insurance, retirement plans, paid time off, unemployment insurance, sick pay, holiday pay, or workers' compensation coverage.

**1.3 Tax Responsibility.** Subcontractor is solely responsible for all federal, state, and local taxes — including self-employment taxes — arising from compensation paid under this Agreement. Sage Intelligence will issue IRS Form 1099-NEC for any calendar year in which total payments to Subcontractor equal or exceed the IRS reporting threshold. Subcontractor shall complete and return a current IRS Form W-9 before any payment is issued.

**1.4 Texas DWC Affirmation.** By signing this Agreement, Subcontractor affirms that it meets the qualifications of, and operates as, an independent contractor under Texas Labor Code Section 406.121, and that it is not an employee of Sage Intelligence for purposes of workers' compensation coverage under the Texas Workers' Compensation Act.

**1.5 Sub-Subcontractors.** Subcontractor's workforce — including any employees, helpers, day labor, or sub-subcontractors — is the sole responsibility of Subcontractor. Subcontractor warrants that every person performing work on a Sage Intelligence project is paid by Subcontractor, supervised by Subcontractor, insured under Subcontractor's policies where applicable, and authorized to work in the United States. Sub-subcontracting is further governed by Section 20.6.

## ARTICLE 2 SCOPE OF WORK AND PROJECT AUTHORIZATION

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**2.1 Per-Project Authorization Required.** No work shall commence under this Agreement until Sage Intelligence issues a written Scope of Work ("SOW") or Project-Specific Subcontract for a specific project, signed by an authorized representative of Sage Intelligence. Verbal authorizations are not valid. Subcontractor shall not mobilize, order materials, or perform any work in reliance on a verbal instruction.

**2.2 Bid Validity.** Subcontractor's written bid for a defined scope is valid for thirty (30) days from the date of issuance unless a different validity period is stated in the bid in writing. Sage

Intelligence relies on quoted pricing to construct client proposals; Subcontractor shall honor its quoted pricing within the validity period.

**2.3 Scope Compliance.** Subcontractor shall perform only the work described in the applicable SOW. Work outside the written scope shall not be performed without a written Change Order executed by an authorized representative of Sage Intelligence before the work begins.

**2.4 Exclusions.** Each SOW shall clearly state what is excluded from Subcontractor's scope. Subcontractor shall not assume any work is included unless it is explicitly listed in the SOW.

**2.5 Project Standards.** All work shall be performed in a good and workmanlike manner, in compliance with applicable building codes, manufacturer specifications, permit requirements, and the standards of the trade. Subcontractor shall comply with all applicable federal, state, and local laws, ordinances, and regulations.

**2.6 No Unauthorized Work.** Subcontractor acknowledges that performing unauthorized work — work outside the approved SOW without a signed Change Order — creates no obligation for Sage Intelligence to pay for that work, regardless of its quality or necessity.

## ARTICLE 3 LICENSING, REGISTRATION, AND COMPLIANCE

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**3.1 License Requirement.** Subcontractor represents and warrants that it holds all licenses, registrations, certifications, and permits required by the State of Texas, El Paso County, and the City of El Paso (and any other governing jurisdiction in which it performs work for Sage Intelligence) to perform the trade work described in any SOW issued under this Agreement. Subcontractor shall maintain all such licenses, registrations, and certifications in good standing throughout the term of this Agreement.

**3.2 License Verification.** Subcontractor shall provide copies of all applicable licenses and registrations to Sage Intelligence prior to commencing any work and shall promptly notify Sage Intelligence — in writing within forty-eight (48) hours — of any suspension, revocation, expiration, lapse, citation, or material change in license status.

**3.3 Permit Responsibility.** Unless otherwise specified in the applicable SOW, Subcontractor is responsible for obtaining and paying for all trade-specific permits required for its scope of work. Sage Intelligence may, at its sole discretion, pull the general building permit. Subcontractor shall not begin permitted work until the applicable permit is issued and posted at the job site.

**3.4 Code Compliance.** All work shall comply with the International Building Code (IBC), International Residential Code (IRC), National Electrical Code (NEC), International Plumbing Code (IPC), International Mechanical Code (IMC), and any locally adopted amendments in effect in El Paso, Texas at the time the work is performed. Work that fails inspection shall be corrected by Subcontractor at no additional cost to Sage Intelligence.

**3.5 Continuous Compliance.** Compliance is a continuing obligation. Subcontractor shall not perform work on a Sage Intelligence project at any time during which its required license,

insurance, or registration is suspended, lapsed, or revoked. Any such work shall be deemed a material breach of this Agreement.

## ARTICLE 4 INSURANCE REQUIREMENTS

**4.1 Required Coverage.** Before commencing any work under this Agreement, Subcontractor shall procure and maintain, at its sole expense, the following minimum insurance coverage:

Coverage Type	Minimum Limit	Notes
Commercial General Liability — Each Occurrence	<b>\$1,000,000</b>	Required for all subcontractors
Commercial General Liability — General Aggregate	<b>\$2,000,000</b>	Required for all subcontractors
Products and Completed Operations Aggregate	<b>\$1,000,000</b>	Required for all subcontractors
Workers' Compensation	<b>Texas statutory</b>	Required if Subcontractor has any employees
Employers' Liability	<b>\$500,000 / \$500,000 / \$500,000</b>	Required if Subcontractor has any employees
Commercial Auto Liability	<b>\$500,000 CSL</b>	Required if any vehicle is used in performance of work
Tools and Equipment	<b>Replacement cost</b>	Recommended; Subcontractor's sole risk if uninsured

**4.2 Additional Insured.** All Commercial General Liability policies shall name Sage Intelligence LLC as an Additional Insured on a primary and non-contributory basis. The Additional Insured endorsement shall apply to both ongoing operations and completed operations and shall extend to Sage Intelligence's clients, property owners, and lenders where required by the applicable SOW.

**4.3 Certificate of Insurance.** Subcontractor shall provide a current Certificate of Insurance (ACORD 25 or equivalent) naming Sage Intelligence LLC as Certificate Holder and Additional Insured before any work begins and upon each policy renewal. Certificates shall be sent to rich@sageintelligence.io. Sage Intelligence reserves the right to verify any certificate directly with the issuing insurer.

**4.4 Workers' Compensation Waiver.** If Subcontractor is a sole proprietor with no employees and elects not to carry workers' compensation insurance, Subcontractor shall execute and

deliver the Sole Proprietor Workers' Compensation Waiver attached as Exhibit B before commencing any work. Subcontractor expressly assumes full personal risk for any injury sustained during the performance of work under this Agreement.

**4.5 Policy Requirements.** All policies shall be issued by carriers licensed to do business in Texas with an A.M. Best rating of A- VII or better. Subcontractor shall provide at least thirty (30) days' prior written notice to Sage Intelligence of any cancellation, non-renewal, or material reduction in coverage. Self-insured retentions and deductibles are the responsibility of Subcontractor.

**4.6 Annual Re-Verification.** Subcontractor's insurance shall be re-verified by Sage Intelligence annually on each policy renewal date. Failure to deliver a renewed Certificate of Insurance with the required Additional Insured endorsement within ten (10) calendar days of policy expiration automatically suspends Subcontractor's eligibility to perform any work on Sage Intelligence projects until the deficiency is cured.

**4.7 No Limitation of Liability.** The insurance requirements in this Article establish a minimum and do not limit Subcontractor's liability or obligations under this Agreement, including indemnification.

## ARTICLE 5 PAYMENT TERMS

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**5.1 Compensation.** Sage Intelligence shall pay Subcontractor the amount specified in the applicable SOW or Project-Specific Subcontract for satisfactory completion of the defined scope of work. No payment shall be made for work not included in the written scope unless authorized by a signed Change Order.

**5.2 Payment Schedule (Default).** Unless otherwise specified in the SOW, payment shall be structured as follows:

- (a) Deposit / Mobilization: up to twenty percent (20%) of the subcontract amount, payable upon execution of the SOW and verification of current insurance, license, and W-9.
- (b) Progress Payment(s): tied to verified completion of defined milestones or phases, as set forth in the SOW.
- (c) Final Payment: balance due upon Sage Intelligence's written confirmation of satisfactory completion, receipt of all required closeout documents, resolution of all punch list items, and receipt of all required lien waivers.

**5.3 Pay-When-Paid.** Subcontractor acknowledges that Sage Intelligence's obligation to make progress and final payments is conditioned upon Sage Intelligence's timely receipt of corresponding payment from the property owner or client for the work performed by Subcontractor. This is a pay-when-paid provision, not a pay-if-paid provision. Sage Intelligence shall use commercially reasonable efforts to collect payment from the client and shall pay Subcontractor within ten (10) business days of receipt of corresponding funds, subject to retainage.

**5.4 Invoicing.** Subcontractor shall submit invoices in writing (email to rich@sageintelligence.io is acceptable) and shall include: (i) the project name and address; (ii) the SOW reference number; (iii) a description of work completed; (iv) the milestone or phase invoiced; (v) the amount requested; and (vi) any required lien waivers for the period invoiced. Invoices submitted without required documentation may be held until documentation is provided.

**5.5 Retainage.** Sage Intelligence reserves the right to withhold retainage of up to ten percent (10%) of each progress payment until final acceptance of Subcontractor's scope of work, resolution of all punch list items, receipt of all required closeout documents, and delivery of all required final lien waivers. Retainage shall be released within fifteen (15) business days of final acceptance.

**5.6 Disputed Amounts.** If Sage Intelligence disputes any portion of an invoice, it shall notify Subcontractor in writing within five (5) business days of receipt of the invoice describing the basis of the dispute. Sage Intelligence shall pay undisputed amounts on schedule, and the parties shall work in good faith to resolve disputed amounts.

**5.7 Texas Prompt Pay Act.** Payments under this Agreement shall be made consistent with the Texas Prompt Payment Act, Chapter 28 of the Texas Property Code, except where this Agreement provides for a longer period that is permitted by law (such as retainage under Section 5.5).

**5.8 Lien Rights.** Subcontractor retains all lien rights afforded under Chapter 53 of the Texas Property Code. Subcontractor agrees to provide Sage Intelligence with written notice of any intent to file a lien at least ten (10) business days before filing, to allow Sage Intelligence the opportunity to resolve any payment dispute. Nothing in this Agreement constitutes a waiver of Subcontractor's statutory lien rights.

**5.9 Lien Waivers.** As a condition of each progress payment and final payment, Subcontractor shall execute and deliver to Sage Intelligence a lien waiver in the statutory form required by Chapter 53, Subchapter L of the Texas Property Code (conditional waiver and release on progress payment, unconditional waiver and release on progress payment, conditional waiver and release on final payment, or unconditional waiver and release on final payment, as applicable). Subcontractor shall also obtain and deliver corresponding lien waivers from its sub-subcontractors and material suppliers for the period covered by the payment.

**5.10 No Direct Payment From Client.** Subcontractor shall not accept payment, cash, deposits, advances, tips, or compensation of any kind directly from a Sage Intelligence client, property owner, tenant, or any party other than Sage Intelligence for work performed on a Sage Intelligence project. Any such payment received in error shall be turned over to Sage Intelligence within two (2) business days. Violation of this Section is grounds for immediate removal from the Sage bench under Section 16.5.

**5.11 Set-Off.** Sage Intelligence may set off against amounts owed to Subcontractor any amounts owed by Subcontractor to Sage Intelligence under this Agreement, including back-charges for defective work, completion costs, damages from delays, or amounts paid by Sage Intelligence to cure Subcontractor's breach.

## ARTICLE 6 CHANGE ORDERS

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**6.1 Written Authorization Required.** No change to the scope, timeline, materials, or compensation shall be binding on Sage Intelligence unless documented in a written Change Order signed by an authorized representative of Sage Intelligence before the changed work is performed.

**6.2 Verbal Authorizations.** Subcontractor shall not rely on verbal instructions from any person — including Sage Intelligence's project manager, site supervisor, property owner, client, tenant, real estate agent, lender, or inspector — as authorization for additional or changed work. Verbal instructions do not create a payment obligation. Reliance on a verbal instruction is at Subcontractor's sole risk.

**6.3 Change Order Process.** When Subcontractor identifies work that it believes is outside the approved scope, Subcontractor shall stop and notify Sage Intelligence in writing before proceeding. Sage Intelligence shall evaluate the request and respond with a written Change Order, a denial, or a revised SOW within a commercially reasonable time.

**6.4 Hidden Conditions.** If Subcontractor encounters concealed or unforeseen conditions at the project site that materially differ from the conditions described in the SOW — including, but not limited to, mold, asbestos, lead paint, prior unpermitted work, structural defects, or hidden water damage — Subcontractor shall immediately notify Sage Intelligence in writing, secure the area as required by law, and stop work in the affected area. No additional work related to hidden conditions shall be performed without a written Change Order.

**6.5 Client-Initiated Change Requests.** If a property owner, client, or any other party requests a change directly from Subcontractor, Subcontractor shall not act on the request. Subcontractor shall route the request to Sage Intelligence in writing within twenty-four (24) hours and continue performing the original scope until a written Change Order is issued.

## ARTICLE 7 SCHEDULE AND PERFORMANCE

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**7.1 Project Schedule.** Subcontractor shall mobilize and complete work in accordance with the schedule specified in the applicable SOW. Time is of the essence.

**7.2 Schedule Updates.** Subcontractor shall promptly notify Sage Intelligence in writing of any actual or anticipated delay, including the cause, expected duration, and proposed recovery plan. Notice required by this Section is in addition to the communication standard set forth in Article 10.

**7.3 Excusable Delays.** Delays caused by events beyond Subcontractor's reasonable control — including acts of God, declared emergencies, weather-driven inspection delays, or material supply disruptions outside Subcontractor's control — may constitute excusable delays. Subcontractor must provide written notice within forty-eight (48) hours of the onset of the delay.

Excusable delays extend the schedule but do not entitle Subcontractor to additional compensation unless otherwise agreed in writing.

**7.4 Non-Excusable Delays.** Delays caused by Subcontractor's failure to mobilize, maintain adequate labor or materials, order materials timely, hold required inspections, or otherwise comply with the SOW schedule are non-excusable. Sage Intelligence reserves the right to recover documented damages caused by non-excusable delays, including but not limited to liquidated damages assessed by the client, expedited freight charges, and additional supervision costs.

**7.5 Failure to Mobilize or Maintain Manpower.** If Subcontractor fails to mobilize on the agreed start date or fails to maintain adequate manpower to meet the schedule, Sage Intelligence may, after providing forty-eight (48) hours' written notice to cure, supplement Subcontractor's workforce or assign the affected scope to another subcontractor. Reasonable costs incurred by Sage Intelligence to remedy the deficiency shall be set off against amounts owed to Subcontractor.

## ARTICLE 8 WORKMANSHIP, QUALITY, AND PUNCH LIST

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**8.1 Standard of Care.** All work shall be performed in a good and workmanlike manner using materials of the quality specified in the SOW. Subcontractor shall employ qualified, experienced workers appropriate to the trade.

**8.2 Sage Intelligence Inspection.** Sage Intelligence or its designated project manager shall have the right to inspect work at any time. Subcontractor shall not cover or conceal work that requires inspection by Sage Intelligence or by a governmental authority without prior written approval. Work covered without authorization shall be uncovered and re-inspected at Subcontractor's sole expense.

**8.3 Photo Documentation.** Subcontractor shall provide photographic documentation of its work at each milestone defined in the SOW (including pre-work, demolition, rough-in, finish, and final). Photos shall be delivered to Sage Intelligence via email or designated project channel on the day of milestone completion. Photo documentation supports Sage Intelligence's client communication standard and is a material obligation under this Agreement.

**8.4 Punch List.** Upon substantial completion of Subcontractor's scope, Sage Intelligence will conduct a punch list inspection and deliver a written punch list to Subcontractor. Subcontractor shall complete all punch list items within the timeframe specified in the SOW or, if not specified, within five (5) business days of receipt of the punch list.

**8.5 Defective Work.** If Sage Intelligence determines that any work is defective, non-conforming, or not in compliance with the SOW, Subcontractor shall promptly correct or replace the defective work at no additional cost to Sage Intelligence. If Subcontractor fails to correct defective work within five (5) business days of written notice, Sage Intelligence may have the work corrected by others and back-charge the cost to Subcontractor.

**8.6 Cleanliness and Debris Removal.** Subcontractor shall maintain its work area in a clean and orderly condition throughout the project and shall remove its debris, waste, and surplus materials from the site at the end of each work day and at final completion. Failure to maintain cleanliness may result in cleanup back-charges.

## ARTICLE 9 WARRANTY

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**9.1 Workmanship Warranty.** Subcontractor warrants that all work performed under this Agreement shall be free from material defects in workmanship for a period of one (1) year from the date of final acceptance by Sage Intelligence, unless a longer warranty period is required by applicable law or specified in the SOW.

**9.2 Materials Warranty.** Subcontractor warrants that all materials furnished shall be new, of the quality specified in the SOW, and free from material defects. Subcontractor shall pass through to Sage Intelligence and the property owner any manufacturer warranties applicable to materials installed.

**9.3 Warranty Response.** If a warranty claim is submitted during the warranty period, Subcontractor shall respond within forty-eight (48) hours of notification and shall complete warranty repairs within a commercially reasonable time at no additional cost to Sage Intelligence or the property owner.

**9.4 No Limitation.** Nothing in this Article limits Subcontractor's liability for defective work beyond the warranty period where the defect results from fraud, gross negligence, willful misconduct, or a latent defect that could not reasonably have been discovered during the warranty period.

## ARTICLE 10 COMMUNICATION STANDARD

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**10.1 Sage Communication Standard.** Sage Intelligence's value to its clients depends on active, structured communication. Subcontractor is bound to the same standard while engaged on any Sage project.

**10.2 Response Time.** Subcontractor shall return calls, texts, and emails from Sage Intelligence within four (4) business hours during business hours. Repeated failure to meet this response standard is grounds for tier demotion or removal from the Sage bench under Article 16.

**10.3 Written Confirmation of Material Decisions.** Any material decision affecting scope, pricing, schedule, materials, or safety shall be confirmed in writing (email or designated project channel). Verbal confirmations are not binding and are not relied upon by Sage Intelligence.

**10.4 Project Communication Tool.** Subcontractor shall use the project communication tool designated by Sage Intelligence (email, ClickUp, project text thread, or other tool specified at

project kickoff) for all project correspondence, photo submission, RFI submission, and Change Order requests.

**10.5 No Direct Client Communication.** Subcontractor shall not communicate directly with the property owner, client, tenant, or representative regarding scope, pricing, change orders, schedule, warranty, or project decisions without prior authorization from Sage Intelligence. Routine on-site courtesy interactions are permitted; substantive project communication is not.

## ARTICLE 11 SITE RULES, CONDUCT, AND DOCUMENTATION

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**11.1 Site Access.** Subcontractor shall coordinate site access with Sage Intelligence's project manager. Subcontractor shall not access the project site outside of approved hours, on weekends, or on holidays without prior written authorization. Subcontractor shall not provide site access to any third party not authorized by Sage Intelligence.

**11.2 Safety.** Subcontractor is solely responsible for the safety of its employees, workers, and sub-subcontractors at the job site. Subcontractor shall comply with all applicable OSHA standards, manufacturer safety requirements, and any site-specific safety requirements communicated by Sage Intelligence. Subcontractor shall provide its workers with appropriate personal protective equipment (PPE) at Subcontractor's sole expense.

**11.3 Client Property Care.** Subcontractor shall protect adjacent finishes, fixtures, landscaping, and personal property of the client during the performance of work. Damage caused by Subcontractor's negligence shall be repaired or replaced at Subcontractor's sole cost.

**11.4 Professional Conduct.** Subcontractor and its workers shall conduct themselves professionally at all times on a Sage Intelligence project, including in interactions with the client, neighbors, tenants, inspectors, and other trades. Profanity, harassment, intimidation, discriminatory language, or any conduct that creates a hostile or uncomfortable environment for the client is prohibited and is grounds for immediate removal from the project and the Sage bench.

**11.5 Non-Discrimination.** Subcontractor shall comply with all applicable federal, state, and local laws prohibiting discrimination based on race, color, national origin, ancestry, religion, sex, gender identity, sexual orientation, age, disability, marital status, veteran status, or any other protected characteristic, in both employment practices and client interactions.

**11.6 Photo and Video on Client Property.** Subcontractor may take photos solely for documentation of Subcontractor's scope and for delivery to Sage Intelligence under Section 8.3. Subcontractor shall not post photos, videos, or any client information to social media, marketing materials, or any public channel without prior written authorization from Sage Intelligence.

**11.7 Confidentiality.** Subcontractor shall not disclose to any third party the terms of this Agreement, Sage Intelligence's pricing, client identity, client contact information, project details, financial information, or any other proprietary or confidential information obtained through this relationship.

## ARTICLE 12 WORKER ELIGIBILITY AND BACKGROUND CHECKS

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**12.1 Work Authorization.** Subcontractor warrants that every person performing work on a Sage Intelligence project — including employees, helpers, day labor, and sub-subcontractors — is legally authorized to work in the United States. Subcontractor shall comply with all applicable immigration laws, including IRCA and Form I-9 verification requirements, and shall maintain records sufficient to demonstrate compliance.

**12.2 Background Check Authorization.** Sage Intelligence reserves the right to require, at its sole discretion, a criminal background check on any individual performing work on a residential or occupied client property under this Agreement. Subcontractor shall cooperate with such requests and shall not assign any individual to a Sage Intelligence site who has been excluded by Sage Intelligence for legitimate, lawful, and non-discriminatory reasons consistent with applicable Texas and federal law.

**12.3 Disqualifying History.** Subcontractor shall not knowingly assign to a Sage Intelligence project any worker with an unresolved active warrant, current sex offender registration where the project is at a residential property, or a recent (within five (5) years) conviction for theft from a client, violent felony, or fraud against a contracting party. Subcontractor remains solely responsible for its hiring decisions.

**12.4 Sex Offender Registry.** For projects at residential properties, Subcontractor shall verify that no assigned worker appears on the Texas Department of Public Safety Sex Offender Registry or any equivalent national registry. Verification records shall be maintained by Subcontractor and made available to Sage Intelligence upon request.

## ARTICLE 13 DRUG-FREE AND SAFE WORKPLACE

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**13.1 Prohibited Substances.** The use, possession, distribution, or being under the influence of alcohol, illegal drugs, marijuana (regardless of state legality), or any controlled substance not lawfully prescribed to the individual is strictly prohibited on any Sage Intelligence project site, including parking areas adjacent to the site.

**13.2 Right to Remove.** Sage Intelligence may immediately remove any worker from a project site who is reasonably suspected of being under the influence of a prohibited substance. Such removal is at Subcontractor's risk and shall not extend the project schedule.

**13.3 Firearms and Weapons.** Firearms, knives beyond standard work tools, and other weapons are prohibited on residential client properties unless required by trade, lawfully carried, and pre-approved in writing by Sage Intelligence.

**13.4 Incident Reporting.** Subcontractor shall report any workplace incident, injury, near-miss, or property damage to Sage Intelligence in writing within twenty-four (24) hours of occurrence.

## ARTICLE 14 BRANDING, IDENTITY, AND NON-SOLICITATION

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**14.1 No Sage Branding.** Subcontractor shall not wear Sage Intelligence apparel, display Sage Intelligence signage, magnets, decals, or any other branded item on its vehicles, equipment, or person, and shall not represent to any third party — including clients and inspectors — that it is an employee, agent, partner, or representative of Sage Intelligence. Subcontractor is an independent contractor and shall be clearly identifiable as such.

**14.2 No Cards or Marketing on Sage Sites.** Subcontractor shall not distribute its own business cards, flyers, magnets, or marketing materials on or to occupants of a Sage Intelligence project site, and shall not solicit follow-on work directly from a Sage Intelligence client.

**14.3 Non-Solicitation.** During the term of this Agreement and for a period of twenty-four (24) months following the later of (i) termination of this Agreement or (ii) Subcontractor's last work performed on a Sage Intelligence project, Subcontractor shall not directly or indirectly solicit, contact, accept, or perform work for any client, property owner, property manager, tenant, real estate agent, or lender introduced to Subcontractor through a Sage Intelligence project, without the prior written consent of Sage Intelligence.

**14.4 Liquidated Damages for Solicitation Breach.** The parties acknowledge that calculating damages from a breach of Section 14.3 is difficult. Accordingly, if Subcontractor performs unauthorized direct work for a protected party in breach of Section 14.3, Subcontractor shall pay Sage Intelligence, as liquidated damages and not as a penalty, an amount equal to the gross revenue Subcontractor received from such work, payable within thirty (30) days of demand.

## ARTICLE 15 INDEMNIFICATION

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**15.1 Subcontractor Indemnification.** To the fullest extent permitted by Texas law, including the limitations of Texas Civil Practice and Remedies Code Section 130.002 and Chapter 151, Subcontractor shall indemnify, defend (with counsel reasonably acceptable to Sage Intelligence), and hold harmless Sage Intelligence LLC, its members, managers, officers, employees, agents, and the project owner from and against all claims, damages, losses, fines, penalties, and expenses, including reasonable attorneys' fees and costs of defense, arising out of or resulting from:

- (a) Subcontractor's performance of work under this Agreement;
- (b) Any negligent act, error, omission, or willful misconduct of Subcontractor, its employees, agents, sub-subcontractors, or suppliers;
- (c) Subcontractor's failure to comply with applicable laws, codes, regulations, or this Agreement;
- (d) Bodily injury, sickness, disease, death, or property damage caused by Subcontractor's work or workers;

- (e) Mechanic's liens, claims for unpaid labor or materials, or stop-payment notices filed by Subcontractor's workers, sub-subcontractors, or suppliers; or
- (f) Subcontractor's breach of any representation, warranty, or obligation under this Agreement.

**15.2 Comparative Fault.** Subcontractor's indemnification obligation shall be reduced to the extent the claim, damage, or loss is caused by the negligence or willful misconduct of Sage Intelligence or its other contractors, consistent with Texas law.

**15.3 Survival.** The indemnification obligations in this Article shall survive termination or expiration of this Agreement.

## **ARTICLE 16 TERMINATION AND REMOVAL FROM SAGE BENCH**

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**16.1 Termination for Cause.** Sage Intelligence may terminate this Agreement or any SOW immediately upon written notice if Subcontractor:

- (a) Fails to perform work in accordance with the SOW or this Agreement and fails to cure such failure within forty-eight (48) hours of written notice;
- (b) Abandons the project or fails to maintain adequate labor or materials;
- (c) Becomes insolvent, files for bankruptcy, or makes an assignment for the benefit of creditors;
- (d) Loses or fails to maintain required licenses, insurance, or registrations;
- (e) Violates any site rule, safety requirement, communication standard, or client-interaction restriction; or
- (f) Commits fraud, theft, gross negligence, or willful misconduct.

**16.2 Payment Upon Termination for Cause.** If Sage Intelligence terminates for cause, Subcontractor shall be entitled to payment only for work satisfactorily completed and accepted prior to the termination date, less any damages, costs of completion, costs to cure, or other amounts owed to Sage Intelligence.

**16.3 Termination for Convenience.** Sage Intelligence may terminate this Agreement or any SOW for convenience upon seven (7) days' written notice. In the event of termination for convenience, Subcontractor shall be entitled to payment for work satisfactorily completed and accepted through the termination date, plus reasonable, documented demobilization costs. Subcontractor shall not be entitled to lost profits, anticipated profits, or consequential damages on unperformed work.

**16.4 Subcontractor Termination.** Subcontractor may terminate this Agreement upon thirty (30) days' written notice if Sage Intelligence fails to make undisputed payments when due and fails to cure such failure within fifteen (15) business days of written notice.

**16.5 Cause for Immediate Removal from Sage Bench.** In addition to termination of this Agreement, any of the following acts is grounds for permanent removal from the Sage

Intelligence subcontractor bench. Removal under this Section is final and is documented in Subcontractor's bench file.

- (a) Performing work on a Sage Intelligence project without active, verified insurance;
- (b) Performing scope changes without written Sage Intelligence authorization;
- (c) Soliciting Sage Intelligence clients for direct work in violation of Article 14;
- (d) Mistreating a Sage Intelligence client — verbally, professionally, or operationally;
- (e) Misrepresenting license status, insurance coverage, completed work, or any other material representation;
- (f) Walking off a Sage Intelligence project without authorized notice;
- (g) Substance use or possession on a client property in violation of Article 13;
- (h) Accepting cash or any other payment directly from a Sage Intelligence client in violation of Section 5.10.

## ARTICLE 17 DISPUTE RESOLUTION

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**17.1 Good Faith Negotiation.** In the event of any dispute arising out of or relating to this Agreement, the parties shall first attempt to resolve the dispute through good faith negotiation between authorized representatives. Either party may initiate this process by delivering written notice of the dispute to the other party.

**17.2 Mediation.** If the dispute is not resolved within thirty (30) days of the written notice, either party may submit the dispute to non-binding mediation administered by a mutually agreed mediator in El Paso, Texas. The cost of mediation shall be shared equally by the parties.

**17.3 Arbitration.** If mediation fails or is not completed within sixty (60) days of the mediation request, the dispute shall be finally resolved by binding arbitration in El Paso County, Texas, administered under the Construction Industry Arbitration Rules of the American Arbitration Association (AAA) in effect at the time of the dispute. The arbitrator's decision shall be final and binding and may be entered as a judgment in any court of competent jurisdiction.

**17.4 Governing Law and Venue.** This Agreement shall be governed by and construed in accordance with the laws of the State of Texas, without regard to conflict-of-law principles. For any matter not subject to arbitration — including injunctive relief to enforce Article 14 — the parties consent to exclusive jurisdiction and venue in the state and federal courts located in El Paso County, Texas.

**17.5 Attorneys' Fees.** In any arbitration or litigation arising out of this Agreement, the prevailing party shall be entitled to recover its reasonable attorneys' fees and costs from the non-prevailing party.

**17.6 Continued Performance.** Pending resolution of any dispute, Subcontractor shall continue to perform its obligations under any active SOW unless Sage Intelligence directs otherwise in writing.

## ARTICLE 18 RIGHT TO AUDIT AND ANNUAL RE-VERIFICATION

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**18.1 Right to Audit.** Sage Intelligence reserves the right, upon reasonable written notice, to audit Subcontractor's insurance policies, license records, payroll and worker eligibility records, lien waiver records, and project documentation related to any Sage Intelligence project. Subcontractor shall reasonably cooperate with any such audit.

**18.2 Annual Re-Verification.** On each annual anniversary of the Effective Date, Sage Intelligence may require Subcontractor to deliver updated insurance certificates, license documentation, W-9, and any other documentation reasonably required to confirm continued compliance. Failure to deliver updated documentation within fifteen (15) calendar days of request suspends Subcontractor's eligibility to perform work until cured.

**18.3 Successor Entity.** This Agreement is personal to the Subcontractor entity named on the signature page. If Subcontractor reorganizes, sells, merges, dissolves, or transfers its business to a successor entity, this Agreement does not automatically transfer. The successor entity must execute a new Master Subcontractor Agreement and complete the Sage Intelligence vetting process before performing work.

## ARTICLE 19 REPRESENTATIONS AND WARRANTIES

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Subcontractor represents and warrants to Sage Intelligence, as of the Effective Date and continuously throughout the term of this Agreement, that:

- (a) Subcontractor is duly organized, validly existing, and in good standing under the laws of the State of Texas (or its state of formation, if other);
- (b) Subcontractor holds all licenses, registrations, and certifications required to perform the trade work described in any SOW issued under this Agreement, and all such licenses are current and in good standing;
- (c) Subcontractor carries all insurance required by Article 4 and will maintain such coverage throughout the term;
- (d) Subcontractor has no pending or threatened legal proceedings, regulatory actions, license suspensions, or insurance non-renewals that would impair its ability to perform under this Agreement;
- (e) Subcontractor's workers are legally authorized to work in the United States, and Subcontractor complies with all applicable immigration and employment laws;
- (f) Subcontractor has not been debarred, suspended, or excluded from participation in any federal, state, or local government program or contract; and
- (g) The person signing this Agreement on behalf of Subcontractor has full corporate authority to do so and to bind Subcontractor to its terms.

## ARTICLE 20 GENERAL PROVISIONS

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**20.1 Entire Agreement.** This Agreement, together with any executed SOW or Project-Specific Subcontract and any signed Change Orders, constitutes the entire agreement between the parties with respect to its subject matter and supersedes all prior negotiations, representations, warranties, and understandings, whether oral or written.

**20.2 Amendments.** This Agreement may not be amended, modified, or supplemented except by a written instrument signed by authorized representatives of both parties.

**20.3 Severability.** If any provision of this Agreement is held invalid, illegal, or unenforceable, the remaining provisions shall continue in full force and effect, and the parties shall negotiate in good faith to replace the invalid provision with a valid provision that most closely approximates the original intent.

**20.4 Waiver.** No failure or delay by either party in exercising any right under this Agreement shall constitute a waiver of that right, nor shall any single or partial exercise preclude further exercise.

**20.5 Assignment.** Subcontractor shall not assign this Agreement or any rights or obligations hereunder, by operation of law or otherwise, without the prior written consent of Sage Intelligence. Any attempted assignment without consent shall be void.

**20.6 Sub-Subcontracting.** Subcontractor shall not sub-subcontract any portion of the work without the prior written approval of Sage Intelligence. Any approved sub-subcontractor shall be bound by written terms no less protective of Sage Intelligence than those contained in this Agreement, including insurance, license, indemnification, and lien waiver requirements. Subcontractor remains fully responsible for the acts and omissions of its sub-subcontractors.

**20.7 Notices.** All notices required or permitted under this Agreement shall be in writing and delivered by (i) email with read receipt or confirming reply; (ii) certified U.S. mail, return receipt requested; or (iii) recognized overnight courier. Notices to Sage Intelligence shall be sent to rich@sageintelligence.io, which Sage Intelligence designates as its primary notice address. Notices to Subcontractor shall be sent to the email and physical address listed in the Parties section. Each party shall promptly notify the other in writing of any change to its notice contact information.

**20.8 Counterparts and Electronic Signatures.** This Agreement may be executed in counterparts, each of which shall be deemed an original, and all of which together shall constitute one and the same instrument. Electronic signatures and PDF signatures shall be deemed valid and binding.

**20.9 Force Majeure.** Neither party shall be liable for delays or failures in performance resulting from causes beyond its reasonable control — including acts of God, declared national emergencies, government-mandated shutdowns, or material supply disruptions — provided the affected party gives prompt written notice and uses commercially reasonable efforts to resume performance.

**20.10 Headings.** Section and Article headings are inserted for convenience only and shall not affect the interpretation of this Agreement.

**20.11 No Third-Party Beneficiaries.** Except for the indemnified parties identified in Section 15.1, this Agreement is for the sole benefit of the parties and creates no rights in any third party.

## ARTICLE 21 ACKNOWLEDGMENT AND SIGNATURES

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By signing below, each party acknowledges that it has read this Agreement in its entirety, understands its terms, has had the opportunity to consult with legal counsel, and agrees to be bound by all provisions of this Agreement.

Subcontractor specifically acknowledges that it has read and understands the following key provisions, which place affirmative obligations on Subcontractor or limit Subcontractor's rights:

- Article 4 — Insurance Requirements (including Additional Insured and annual re-verification)
- Section 5.10 — No Direct Payment From Client
- Article 6 — Written Change Orders Required
- Article 10 — Communication Standard (4-hour response, written confirmations)
- Article 14 — Branding, Identity, and Non-Solicitation (24-month restriction)
- Article 15 — Indemnification
- Section 16.5 — Cause for Immediate Removal from Sage Bench
- Article 17 — Dispute Resolution (binding arbitration in El Paso County, Texas)

### SAGE INTELLIGENCE LLC

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**Signature:** \_\_\_\_\_

Printed Name: Rich Meza

Title: Founder / Managing Member

**Date:** \_\_\_\_\_

### SUBCONTRACTOR

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**Signature:** \_\_\_\_\_

**Printed Name:** \_\_\_\_\_

**Title:** \_\_\_\_\_

**Company:** \_\_\_\_\_

**Date:** \_\_\_\_\_

**EXHIBIT A****PROJECT SCOPE OF WORK (SOW) — TEMPLATE**

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**Purpose:** This SOW template is issued by Sage Intelligence for each project. A signed SOW is required before any work begins. The SOW controls the price, scope, and schedule for the specified project; the Master Subcontractor Agreement governs all other matters.

**Project Identification****SOW Number (Sage to assign):**

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**Project Name:** \_\_\_\_\_**Project Address:** \_\_\_\_\_**Sage Project Manager:**

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**Issue Date:** \_\_\_\_\_**Subcontractor****Company:** \_\_\_\_\_**Primary Contact:** \_\_\_\_\_**Phone:** \_\_\_\_\_**Email:** \_\_\_\_\_**Scope of Work (Included)**

List every line item. Reference materials, finishes, fixtures, and code requirements where applicable. No "and related work" language.

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**Exclusions**

Anything not listed in the Included scope above. Restate any high-risk exclusions explicitly (e.g., hidden conditions, material upgrades, work by other trades).

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**Permits**

**Permits Required:** \_\_\_\_\_

**Responsible Party (Sage / Sub / Owner):**  
\_\_\_\_\_

**Schedule**

**Start Date:** \_\_\_\_\_

**Substantial Completion Date:**  
\_\_\_\_\_

**Milestones (list each with target date):**  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**Compensation and Payment**

**Total Subcontract Amount (\$):**  
\_\_\_\_\_

**Deposit / Mobilization (up to 20%):**  
\_\_\_\_\_

**Progress Milestones (list with \$ amounts):**  
\_\_\_\_\_  
\_\_\_\_\_

**Retainage (up to 10%):**  
\_\_\_\_\_

**Final Payment Trigger:**  
\_\_\_\_\_

**Acceptance**

**Sage Intelligence Signature / Date:**  
\_\_\_\_\_

**Subcontractor Signature / Date:**  
\_\_\_\_\_

**EXHIBIT B****TEXAS SOLE PROPRIETOR WORKERS' COMP WAIVER**

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**Eligibility:** This waiver may be executed only by a sole proprietor with no employees, no helpers, no day labor, and no sub-subcontractors performing work on Sage Intelligence projects. If at any time Subcontractor engages any worker, this waiver is void and statutory workers' compensation coverage is required.

I, the undersigned, am a sole proprietor doing business under the name listed below. I do not employ any persons in my business. I am performing work on Sage Intelligence projects as an independent contractor under the Master Subcontractor Agreement dated below.

I acknowledge that under Texas law I am not required to carry workers' compensation insurance for myself as a sole proprietor with no employees. I have voluntarily elected not to carry workers' compensation insurance covering my own work.

I expressly assume full personal risk for any injury, illness, disability, or death I sustain during the performance of work for Sage Intelligence, and I waive any claim against Sage Intelligence LLC, its members, managers, employees, agents, clients, and property owners for any such injury, illness, disability, or death, except where caused by the gross negligence or willful misconduct of Sage Intelligence.

I agree to notify Sage Intelligence in writing within forty-eight (48) hours of engaging any employee, helper, day laborer, or sub-subcontractor. Upon any such engagement, this waiver is void and statutory Texas workers' compensation coverage is required before continuing work.

This waiver is executed in connection with the Master Subcontractor Agreement and incorporated into it by reference.

**Sole Proprietor Signature:**

\_\_\_\_\_

**Printed Name:** \_\_\_\_\_

**Business Name (DBA):**

\_\_\_\_\_

**Date:** \_\_\_\_\_

**EXHIBIT C****SUBCONTRACTOR ONBOARDING DOCUMENT CHECKLIST**

All documents below must be on file with Sage Intelligence before Subcontractor performs any work on a Sage Intelligence project. Sage Intelligence maintains the document library; Jessica Meza owns ongoing document hygiene.

Required Document	Submitted By	On File
Signed Master Subcontractor Agreement	Subcontractor	<input type="checkbox"/>
IRS Form W-9 (current)	Subcontractor	<input type="checkbox"/>
Trade License copy (if required for trade)	Subcontractor	<input type="checkbox"/>
Certificate of Insurance — General Liability (\$1M / \$2M)	Subcontractor	<input type="checkbox"/>
Additional Insured Endorsement (naming Sage Intelligence)	Subcontractor	<input type="checkbox"/>
Workers' Compensation COI (if Subcontractor has employees)	Subcontractor	<input type="checkbox"/>
Sole Proprietor Workers' Comp Waiver (Exhibit B, if no employees)	Subcontractor	<input type="checkbox"/>
Commercial Auto COI (if vehicles used)	Subcontractor	<input type="checkbox"/>
Two written / phone-verified references	Subcontractor / Sage	<input type="checkbox"/>
Photo portfolio of recent work	Subcontractor	<input type="checkbox"/>
Banking information for payment (ACH)	Subcontractor	<input type="checkbox"/>
Background check authorization (if residential)	Subcontractor	<input type="checkbox"/>
Bench Tier assignment (Tier 1 / 2 / 3 / Probation)	Sage	<input type="checkbox"/>
Renewal reminder set in ClickUp	Sage	<input type="checkbox"/>

**Sage Internal Sign-Off:** Subcontractor is cleared for project assignment when all required items are checked and the bench tier has been assigned.

**Reviewed By (Sage):**

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**Date Cleared:** \_\_\_\_\_

**Initial Bench Tier:** \_\_\_\_\_

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*This document is a template prepared for Sage Intelligence LLC's internal use. It does not constitute legal advice. Sage Intelligence LLC and Subcontractor are each advised to have this Agreement reviewed by a licensed Texas construction attorney before execution.*