

SBM Management Services LP Subcontractor Terms and Conditions

Dear Valued Subcontractor:

It is SBM's policy that no goods and services can be ordered by anyone in our company without a valid SBM purchase order. Subcontractors are not authorized to be on site prior to all paperwork being received by SBM's Corporate Office.

By accepting a SBM Purchase Order your company is agreeing to the following terms and conditions.

- Payment terms are net 45 days
- Subcontractor will conduct drug screenings and back ground checks on all employees
- Subcontractor's employees will be properly trained for the services they are providing
- SBM may terminate services for any or no reason with a thirty (30) day notice
- Subcontractor may terminate services for any or no reason with a sixty (60) day notice
- Subcontractor will comply fully with all laws, orders, citations, rules, regulations, standards and statutes affecting or relating to the services provided
- Subcontractor will provide a certificate of insurance with the following limits:
 - General Liability - \$1,000,000
 - Auto Liability - \$1,000,000
 - Excess Liability - \$2,000,000
 - Workers Compensation - \$1,000,000
 - SBM Management Services LP and Owner will be named as an additional insured
 - 30 day notice of cancellation or non-renewal
 - Pollution Liability – If applicable
- Subcontractor will not disclose or solicit SBM's Clients during the term of services and for two (2) years following service
- Subcontractor will be subject to the terms and conditions of the Client contract as required by Client
- Subcontractor will indemnify, protect, defend and hold SBM harmless to the fullest extent permitted by law in regards to the services provided
- Disputes that cannot be resolved in the normal course of business will be settled by arbitration in accordance with the Commercial Arbitration Rules of the American Arbitration Association then in effect
- Subcontractor shall not assign, transfer, or sublet any services without the prior written consent of SBM
- Invoices must contain the following information. *NO INVOICES WILL BE PAID WITHOUT A PURCHASE ORDER NUMBER:*
 - Location of Service
 - SBM's Purchase Order Number
 - Description of Services provided
 - An itemized list of all parts and materials required to complete the services

- In addition, SBM subcontractors/suppliers are encouraged to obtain a confirming copy of the SBM purchase order via fax or email from the SBM buyer prior to releasing any orders for goods or services. Discrepancies between the SBM purchase order and invoice will result in SBM paying the purchase order amount only. *Proof of delivery is not considered proof of order or agreement for payment.*
- Submit invoices to: SBM Management Services LP
Attn: Accounts Payable
5241 Arnold Avenue
McClellan, CA 95652

Electronically: AP-SBM@sbmcorp.com

- SBM will not honor late charges or fees
- Payments will be held if there is any disputed work
- Invoices must be received within one hundred twenty (120) days of services being rendered. Invoices received after (120) days will not be honored.
- The following additional documents are required:
 - Subcontractor will submit a completed Safety Questionnaire (form attached)
 - Subcontractor/Supplier will submit a current W-9 (form attached)
 - Subcontractor/Supplier will submit a completed New Supplier Information Sheet (form attached)

Please sign this letter and return it with our other required documentation by faxing it to 402-939-0739 or scan and e-mail it to ContractorSafety@sbmcorp.com or fax to **1-916-471-0432**. Once all documents are received your company will be set up.

Should you have any questions about this policy, feel free to contact me. Thank you for your understanding and compliance.

Best regards,

Richard Fisher
Procurement Specialist
480-940-5770 x4510
rfisher@sbmcorp.com

We (subcontractor name) _____ agree to the terms and conditions stated above.

Signature: _____ Date: _____

To be signed by an Owner or Officer of the Company

Printed Name: _____ Title: _____