

MASTER SERVICE AGREEMENT

This Master Service Agreement (hereinafter the "Agreement") is entered into this \_\_\_\_\_\_\_ day of \_\_\_\_\_\_\_\_\_\_\_\_, 20\_\_\_\_\_\_\_ by and between:

System Services Pipeline, LLC.

1830 West Willow St

Scott, LA 70583

(Hereinafter the "Contractor")

and

(Contractor Name Here)

(Address Here)

(City, State, Zip Here)

 (Hereinafter the “Subcontractor)

1. **RECITALS**

Contractor has entered into an agreement with Atmos Energy and/or Centerpoint Energy (hereinafter the “Owner”) which obligates contractor to perform certain work. Contractor desires the subcontractor perform work designated by contractor. Subcontractor agrees to perform designated work in subject to the covenants, terms, conditions, and provisions set forth within this MSA.

1. **AGREEMENT**
2. SCOPE OF WORK

Subcontractor shall perform the work designated by contractor in accordance with all plans, specifications, and requirements set forth by contractor and owner (the “Work”). Subcontractor shall commence, and complete, all work required pursuant to this Agreement in accordance with the dates set forth by contractor.

1. START AND COMPLETION

Unless earlier terminated, the start date and completion date(s) of any and all work shall be set forth in the applicable job documentation. The Work shall progress in compliance with the schedule set forth by the Contractor and shall be completed by completion dates determined and set forth by the Contractor. Contractor can request at any time a written progress report, describing the progress the Subcontractor has completed in the performance on the job. Any activities or tasks included with assigned jobs that are behind schedule or will be delayed, shall be submitted to Contractor with a plan for mitigating the delay and getting the job back on schedule.

It is acknowledged that Contractor would suffer substantial damages if the work is not performed in accordance with the determined schedule set forth by the Contractor. Such damages include but are not limited to increased costs of construction, increased expenses, costs associated with acceleration of work or portions thereof in connection with work, lost revenues, lost profits, direct and consequential losses arising from any delay in the use of the Work by the Contractor, and the Contractor’s loss of all or part of its equity in the Work. Accordingly, if the Subcontractor fails to achieve completion, either substantial or final, of the Work by a determined completion date set forth by the Contractor for any reason, Subcontractor agrees to pay Contractor as liquidated damages, and not as penalty, the amount set forth by the Contractor in the applicable job documentation for each day after the final completion date. Should substantial completion of final completion not be achieved on schedule both parties acknowledge and agree that the terms, conditions, and amounts fixed as liquidated damages pursuant to this agreement, considering the loss of revenues, rentals and actual damages that the Contractor will incur if the Subcontractor fails to achieve substantial or final completion by the applicable completion dates determined and set forth by the Contractor. The receipt of liquidated damages shall not affect the Contractor’s rights to terminate this agreement, or any other rights or remedies under this agreement, and in no event shall the Contractor’s right to collect liquidated damages be construed as a limitation or cap on Contractor’s right to damages or other claims or causes of action. Subcontractor will pay the liquidated damages on a payment schedule determined and set forth by the Contractor. Any unpaid amounts due to the Contractor may be deducted from unpaid amounts owed to Subcontractor under this master agreement.

1. STATUTORY EMPLOYER RELATIONSHIP

Contractor and Subcontractor hereby agree, stipulate, and recognize that contractor is a statutory employer of subcontractor’s employees, whether such employees are Subcontractor’s direct employees or statutory employees of subcontractor.

All work required pursuant to this Agreement is an integral part of and is essential to the ability of Contractor to generate Contractor’s goods, products, and/or services, including, without limitation, the goods, products, and/or services required pursuant to Contractor’s agreement with Owner.

All work required pursuant to this Agreement is contemplated by and included in the agreement between the Contractor and the Owner.

1. MATERIALS

Subcontractor is responsible for all materials necessary to complete the Work designated by Contractor unless stated and agreed upon otherwise. Upon delivery of materials provided by contractor to subcontractor, all risk of loss or damage to the said materials shall be borne by subcontractor, and subcontractor shall defend, indemnify, and hold contractor harmless from and against all such loss and damage.

Subcontractor represents and warrants that it has sufficient equipment, materials, and personnel available to fulfill all of its obligations under this agreement, and it has and shall maintain in effect at all times all permits, licenses, certifications, approvals and authorizations, and has paid all fees, required in connection with performance of its obligations under this agreement.

1. INSURANCE

Prior to commencing the Work under this agreement, subcontractor shall purchase insurance of the types and with at least the limits set forth below and provide Contractor with certificates of insurance verifying the existence of such insurance. Contractor shall maintain all such insurance in effect throughout its performance of this Agreement. All such insurance policies shall name Contractor as an additional insured, and shall contain a provision requiring the insurer to give Contractor at least 30 days’ notice prior to cancellation or reduction of the coverage provided thereunder. The obligations under this section shall not limit or be construed to limit any obligation of subcontractor under this agreement or by law to indemnify or defend Contractor and or Owner.

**Details of Certificate of Insurance**

Certificate Holder shall read:

System Services Pipeline, LLC.

1830 West Willow St

Scott, LA 70583

Both certificate holder and customer (and both Atmos Energy & CenterPoint Energy Direct/Indirect subsidiaries). must be **named as additional insured** on all lines of coverage **except worker’s comp**.

A **30 day notice of cancellation** must be included under the cancellation section of all certificates.

Coverage requirements:

**General Liability**: X

* $1,000,000 per occurrence.
* $1,000,000 personal and adv injury.
* $1,000,000 general aggregate.
* $1,000,000 products.

**Automobile Liability**: X

* $1,000,000 combined single limit.

**Worker’s Comp**: X

* $500,000 each accident/each employee/policy limit.

Must provide coverage for all workers (residents and non-residents) for the state or states in which work will be performed.

Sample Description Wording:

System Services Pipeline, LLC and Atmos Energy and Centerpoint Energy, affiliates, parent companies and utility pole providers shall be named as additional insured on all lines of coverage except worker’s comp. All policy lines of coverage also include waiver of subrogation in favor of System Services Pipeline, LLC. and Atmos Energy and Centerpoint Energy, affiliates, parent companies and utility pole providers. Proprietors, partners’ executive officers and members of insured are included in worker’s compensation coverage.

1. WORKMANSHIP

Notwithstanding Contractor's inspection and/or acceptance of Subcontractor's work, materials, or products, Subcontractor warrants that all the Work shall be performed in a good and workmanlike manner, and that all materials and products furnished by Subcontractor shall be free from any defects. Subcontractor hereby expressly represents and agrees that all express and implied warranties, including without limitation the implied warranties of merchantability and fitness for a particular purpose, are in full force and effect and are not, and shall not be, disclaimed by Subcontractor.

In addition to any requirement or warranty imposed by this Agreement or by law, Subcontractor agrees to correct promptly all work, materials, or products found to be faulty or defective or not in accordance with this Agreement. Contractor may elect to accept the nonconforming or defective work, materials, or products and, in that event, Contractor may require an appropriate reduction in the consideration due to Subcontractor instead of requiring correction.

1. UNDERGROUND FACILITIES

Subcontractor shall locate all buried cables, utilities, pipelines, and other structures and facilities, including but not limited to all electrical, telephone, cable TV, fiber optic cable, water, gas, sewer, or other utilities, prior to performing any excavation or other underground work, and shall protect all such underground facilities from damage. Subcontractor shall excavate the area around utility locates by hand as required by law. Subcontractor shall expose any and all lines to be crossed before boring or trenching.

1. ENTRY OF PRIVATE PROPERTY

Subcontractor shall obtain the consent of the landowner prior to entering any portion of the landowner's property other than easements which are adjacent to a public road, and prior to placing equipment or materials on the landowner's property. Subcontractor shall not unduly interfere with the landowner's use or enjoyment of the property. After completion of the Work, Subcontractor shall clean up and remove all scrap materials and other debris from the property, and shall promptly repair any damage done to the landowner’s property. Subcontractor shall keep the property in a reasonably clean condition, and Subcontractor's trucks, equipment, and employees and representatives shall be neat and clean in appearance, while the Work is being performed.

1. COMPLIANCE WITH STATE AND FEDERAL LAWS

Subcontractor shall comply with all statutes, ordinances, rules, regulations, orders, and other obligations or duties imposed by law, which relate to Subcontractor's obligations under or performance of this Agreement.

1. DAMAGES

Contractor shall not be liable or responsible for loss or damage to the equipment, tools, materials, products, facilities or other personal property owned, rented, or used by Subcontractor, or anyone employed by Subcontractor, in the performance of the Work or its other obligations under this Agreement; and Subcontractor shall take such protective action as it deems desirable with respect to such property.

Except to the extent of any proceeds actually received by Contractor for the benefit of Subcontractor under a policy of property, builders risk or fire insurance, Contractor shall not be liable or responsible for any loss or damage to any work performed by Subcontractor, and Subcontractor shall be responsible for the correction or restoration of any loss or damage to such work, or to the Work of Contractor or any other subcontractor, resulting from the operations of Subcontractor, or its subcontractors, agents, servants or employees. Subcontractor shall take reasonable precautions to protect the work performed hereunder from loss or damage prior to acceptance by Contractor.

The ownership of Subcontractor shall be held personally responsible for any and all costs associated with property damage, general liability, auto claims or any other claim that are not covered for any reason whatsoever under his/her company’s insurance policy including any deductibles or items otherwise not covered by insurance as a result of any action by subcontractor which could result in future liability exposure to Contractor regardless of amount of any time lapse from date of manifestation and/or time of discovery of such exposure and regardless of whether or not Subcontractor is still “in business”, licensed as a business, sold,  merged, under another name, otherwise consolidated and/or still “in business” and regardless of the amount of expenses related to those damages including any associated legal fees.

Subcontractor shall immediately notify Contractor of any bodily injury, sickness, disease or death, or damage to or destruction of property (including loss of use thereof), caused by, arising out of, resulting from, or occurring in connection with the performance of the obligations under this Agreement by Subcontractor or its subcontractors, or their agents, servants, or employees. Notification will be completed through contractor’s “Incident/Accident Report” as soon as possible but within three hours.

Subcontractor waive claims against Contractor and Owner for consequential damages arising out of this Agreement for damages incurred by the Subcontractor for principal office expenses including the compensation of personnel stationed there, for losses of financing, business and reputation, and for loss of profit except anticipated profit arising directly from services provided under this Agreement.

1. ASSIGNMENT

Subcontractor shall not assign this Agreement, or any amounts due or to become due hereunder, or subcontract any portion hereof, without the prior written consent of Contractor. Subcontractor shall not be relieved of its duties and obligations hereunder by any assignment or subcontract and shall remain fully responsible for the acts and omissions of its assignees and subcontractors.

1. HEALTH, SAFETY, AND ENVIRONMENTAL

Contractor is committed to the health and safety of all personnel, and the protection of the

environment. These are fundamental responsibilities of Subcontractor in the performance of the Work for Contractor. No aspect of the Work is of greater importance than ensuring the health and safety of all personnel, and protection of the environment.

Every executive, manager, supervisor and employee of Subcontractor, and its subcontractors, is to be committed to the fulfillment of Contractor’s stated policy objectives while providing best-in-class products and services to Contractor and Owners.

It is understood Subcontractor is an independent contractor and as such, Subcontractor is

responsible for ensuring that the performance of the Work is conducted in a manner consistent with appropriate health, safety and environmental considerations, including, but not limited to, Contractor’s policies thereon, and Contractor’s Health, Safety and Environmental Policy requirements below. Subcontractor covenants, warrants and represents that all the Work performed by Subcontractor hereunder shall be performed in the safest manner possible, consistent with industry standards and in strict compliance with all applicable rules, regulations, statutes, policies, and procedures of each governmental authority having jurisdiction over the work performed. Subcontractor and its employees, agents, and subcontractors shall abide fully with all applicable Contractor safety rules and regulations.

Subcontractor will perform all Work in compliance with all applicable federal, state and local laws, orders, codes, rules, and regulations relating to health and safety and such health and safety procedures as required by Contractor. Subcontractor will initiate and maintain all necessary safety precautions and programs to conform with the Law and the health and safety requirements of Contractor, wherever the Work is performed, that are designed to prevent injury to persons or damage to property on, about, or adjacent to the Work site. Subcontractor will strictly conform to Contractor’s safety programs and policies. Subcontractor will be solely responsible for the safety of all persons employed by it or its subcontractors or any other person at the Work site for any purpose relating to Subcontractor’s performance of the Work.

All Subcontractor personnel are required to wear appropriate Personal Protective Equipment (“PPE”) while at the worksite. Appropriate PPE will include, as a minimum, hard hats, safety toed work boots, reflective vests, and safety glasses meeting ANSI Z.87.1-2003. Any employee of subcontractor found to be in violation of the PPE regulations set forth in this policy will be immediately disqualified from service of Contractor.

Subcontractor will ensure that all Subcontractor personnel and subcontractors have received all training regarding health and safety or any other matters required by Law or applicable governmental authorizations. Training or implementation of any additional health and safety measures appropriate for the Work will be specified by Contractor. Subcontractor will provide Contractor written documentation of said training and worker qualifications.

When requested by Contractor, Subcontractor will provide a dedicated, qualified health and safety professional to monitor the Work being performed under this Agreement.

Subcontractor will provide Contractor health and safety statistics related to its prosecution of the Work from time to time, as so directed by Contractor, and at completion of the Work. Subcontractor will provide the Experience Modifier Rate for the last three years below before commencing work designated by Contractor:

|  |
| --- |
| EXPERIENE MODIFIER RATE |
| YEAR | N/A | EMR | N/A |
| YEAR | N/A | EMR | N/A |
| YEAR | N/A | EMR | N/A |

Subcontractor will complete a “Job Hazard Analysis” (JHA) before beginning each job, each day. The JHA can be completed electronically through a free software or physically on paper. Each JHA is valid for twelve hours. In the event that a single job exceeds the twelve-hour limit, a new JHA for that job must be completed. In the event that the scope of work, personnel changes occur, or an accident/incident occurs; a new JHA must be completed. All documentation must be completed in it’s entirety including “N/A” in any fields that are not applicable to the Work designated by the Contractor to the Subcontractor. Training on the completion of a contractor’s JHA will be provided at no cost to Subcontractor management.

In the event of an accident/incident or damage to property, Subcontractor will complete a “Incident/Accident Report” and submit it to Contractor within three hours. The Incident/Accident report can be completed electronically through a free software or physically on paper. All reports must be accompanied by pictures of proof of occurrence. All reports must be completed in their entirety with as much detail as possible. It is the responsibility of Subcontractor management to ensure its employees and subcontractors adhere to this policy at all times.

Contractor strictly prohibits the use of illegal or controlled substances by Subcontractor, its employees, representatives, agents and subcontractors. Contractor strictly prohibits the consumption of alcoholic beverages during the performance of the Work, or for a period of not less than 24 hours prior to the performance of the Work. Any person under the influence of alcohol, or in possession of alcohol, any illegal drug or controlled substance, will be removed from the Work at Subcontractor’s expense. Subcontractor will have in place a drug and alcohol testing program in accordance with regulatory requirements and will furnish to Company proof of compliance with such requirement. Such proof will consist of a copy of Subcontractor's drug and alcohol testing plan and an affidavit stating that Contractor is in compliance and will remain in compliance for the duration of the Agreement. Upon request, Subcontractor will furnish Contractor with copies of the records of employee drug and/or alcohol test results. Notwithstanding anything to the contrary in this Agreement, Subcontractor will defend, indemnify and hold harmless the Contractor from any and all liability related to: (a) Subcontractor Group's employees who fail a drug and/or alcohol test; and (b) any claims made by a Subcontractor Group employee resulting from removal from the Work, as provided in this Section. If Subcontractor fails to comply with these regulations while performing under this Agreement, such non-compliance will be deemed a breach of such Agreement and Subcontractor will be liable for such breach as well as for all damages arising out of such non-compliance.

**ANYONE PREFORMING THE WORK UNDER THIS AGREEMENT FOR THE SUBCONTRACTOR SHALL SUBMIT TO A DRUG SCREEN, BACKGROUND CHECK, MVR AND OTHER SCREENS AND CHECKS REQUIRED BY THE CONTRACTOR AND/OR OWNER. COST OF THESE SCREENS AND CHECKS SHALL BE PAID IN FULL BY THE SUBCONTRACTOR. THESE SCREENS AND CHECKS SHALL BE PERFORMED BY A VENDOR APPROVED BY THE CONTRACTOR AND/OR OWNER. ONLY THOSE MEETING THE REQUIREMENTS SET FORTH BY THE CONTRACTOR AND/ OWNER SHALL BE ALLOWED TO PERFORM THE WORK ASSOCIATED WITH THIS AGREEMENT.**

Subcontractor covenants that it will comply with the requirements of all applicable environmental laws, treaties, conventions, rules and regulations relating to the control of pollution, including, without limitation, the Federal Water Pollution Control Act, the Oil Pollution Act of 1990, the Act to Prevent Pollution from Ships, the Ocean Dumping Act, the Refuse Act, the Comprehensive Environmental Response, Compensation and Liability Act, the Solid Waste Disposal Act, the Toxic Substances Control Act, the Resource Conservation and Recovery Act, the Ports and Waterways Safety Act, and all applicable laws, rules and regulations administered by the Maritime Administration, the United States Coast Guard (the “USCG”), the United States Customs Service, the Federal Communications Commission, the United States Environmental Protection Agency and their successors, and any other United States agency, state agency, or local governmental entity in connection with the performance of the Work under this Agreement, including the handling, storage, treatment, or disposal of waste material, including hazardous waste.

1. **WAGES, TAXES, WITHHOLDINGS, AND EXPENSES**

Subcontractor shall properly and timely pay, at Subcontractor’s own cost, all wages, salaries, taxes, withholdings, and other expenses in connection with the Work required pursuant to this Agreement, including, without limitation, all state and federal payroll taxes, unemployment taxes, income taxes, sales taxes, use taxes, and excise taxes. In accordance with applicable law, Subcontractor shall properly and timely withhold from all payments to its employees or agents, and properly and timely remit, all amounts required by law, including, without limitation, all federal and state income taxes, Federal Insurance Contributions Act taxes or withholdings, and/or Medicare taxes or withholdings.

1. **DEFAULT-REMEDIES**

Should Subcontractor at any time (a) fail to supply the labor, materials, equipment, supervision, or other things required of it in sufficient quantities and of such quality to perform its obligations under this Agreement with the skill, conformity, promptness, or diligence required hereunder, (b) become insolvent, or (c) breach or fail in the performance or observance of any of the covenants, terms, conditions, or provisions of this Agreement, each of which shall constitute a default by Subcontractor, then Contractor may without notice to Subcontractor exercise any one or more of the following remedies:

i. Withhold payment of any consideration which may be due or become due to Subcontractor;

ii. Remedy the default by whatever means Contractor may deem necessary or appropriate, including but not limited to, correcting, furnishing, performing, or otherwise completing the Work required under this Agreement or any part of it, by itself, or through others;

iii. Terminate this Agreement without thereby waiving or releasing any rights or remedies against Subcontractor, and take possession of the Work required hereunder and Subcontractor’s materials, equipment, and products, and recover all costs of Contractor or others in continuing or completing the Work, plus an allowance for administrative burden equal to fifteen (15%) percent of such costs) and other damages under this Agreement and for the breach hereof; and

iv. Recover from Subcontractor and its sureties all losses, damages, penalties, and fines, whether actual or liquidated, direct or consequential, and all reasonable attorney’s fees suffered or incurred by Contractor by reason of or as a result of Subcontractor’s default.

The foregoing remedies shall be considered separate and cumulative and shall be in addition to every other remedy given under this Agreement, or now or hereafter existing at law or in equity.

1. **CONSIDERATION**

As consideration for the performance of its obligations hereunder, Subcontractor shall be paid in accordance with a schedule 32 days within receipt of invoice- and Owner’s acceptance and approval of completed work. Contractor reserves the right to withhold 5% retainage capped at $20,000 beginning with the first invoice, and any other consideration which may be due or become due to Subcontractor in an amount sufficient to: (a) defend, satisfy and discharge any asserted claim that Subcontractor (or its subcontractors or suppliers) has failed to make any payment to other(s) related to this Agreement; or (b) remedy any other default by Subcontractor under this Agreement. In addition, Contractor’s obligation to pay any consideration to Subcontractor is subject to the express and absolute condition precedent of payment by Owner. Subcontractor expressly assumes the risk of nonpayment by Owner.

1. **TERMINATIONS**

Contractor, upon 24 hours written notice to Subcontractor, may terminate this Agreement in whole or in part whenever Contractor considers termination to be in its best interest. In that event, Subcontractor shall be compensated for the reasonable cost of all the Work performed or materials furnished; however, no profit shall be due for unperformed work nor shall consequential damages of any kind (including without limitation, lost profits, damage to business, destruction of business or damage to reputation) be payable to Subcontractor. In no event shall the total sum paid to Subcontractor exceed the consideration which would have been due to Subcontractor under this Agreement upon full and complete performance by Subcontractor.

If Owner terminates its agreement with Contractor or stops the Work thereunder for any reason, then Contractor may immediately terminate this Agreement, and Subcontractor's rights and remedies (including the basis of compensation) shall be limited to the corresponding rights and remedies available to Contractor under its agreement with Owner. In no event shall Subcontractor be entitled to consequential damages of any kind on portions of the Work not yet performed.

1. **DEFAULT BY CONTRACTOR**

Any default by Contractor shall be deemed waived by Subcontractor unless Subcontractor shall have given Contractor written notice of the default within 7 days after the occurrence of such default. Subcontractor shall not be entitled to stop its performance of the Work required hereunder on account of a default by Contractor unless such default shall have continued for more than 10 days after Contractor's receipt of written notice of such default from Subcontractor. Further, Subcontractor shall not be entitled to stop its performance of the Work required hereunder or terminate this Agreement on account of Contractor's failure to pay an amount claimed due hereunder so long as Subcontractor shall not have adequately substantiated the amount due or so long as a good faith dispute exists as to the amount due.

Subcontractor shall not be entitled to terminate this Agreement except for a substantial and material breach by Contractor which shall have continued, uncured, for at least an additional 30 days after (1) Subcontractor shall have stopped the Work in accordance with the requirements of this Paragraph, and (2) Contractor shall have received 10 days written notice of Subcontractor's intention to terminate this Agreement.

1. **INDEMNITY**

To the fullest extent permitted by law, Subcontractor shall fully indemnify, hold harmless, and defend Contractor, any surety, and Owner and their agents, members, manager, servants and employees, from any and all claims, damages, losses, costs, and expenses (including all fines and penalties as well as attorneys’ fees, consultant fees, and litigation expenses) directly or indirectly arising out of or resulting from or related to any of the following: (i) actual or alleged failure of Subcontractor or any of its Sub-subcontractors to comply with applicable law, applicable codes and standards, or safety requirements under this Agreement; (ii) actual or alleged contamination, spill, release, discharge, or pollution arising out of (a) acts or omissions of Subcontractor, or the use, handling, or disposal of hazardous materials generated or brought on the Project site or any other property during the performance of the Work by Subcontractor or any Sub-subcontractor, or any environmental damage of any nature to the extent resulting from the performance of the Work by Subcontractor or any Sub-subcontractor, or (b) failure by Subcontractor or any Sub-subcontractor to stop work after encountering pre-existing contamination at a work site; (iii) claims by any governmental instrumentality as a result of a failure by Subcontractor or any Sub-subcontractor to pay taxes, including state and applicable local sales and use taxes on the Work; (v) failure of Subcontractor to make payments to any Sub-subcontractor in accordance with the respective sub-subcontract; or (iv) personal injury to or death of any person, or damage to or destruction of property of any person, to the extent (for that portion) directly or indirectly arising out of or resulting from or related to the acts or omissions of the Subcontractor (including, without limitation, the performance of the Work), its agents or employees or any third party over whom Subcontractor has control. For the avoidance of doubt, Subcontractor shall not owe defense or indemnity to Contractor, surety, or Owner for any damages, losses, costs, expenses, or claims arising out of or related to the negligent acts or omissions of Contractor, its agents or employees or any third party over whom the Contractor has control.

Subcontractor agrees that this indemnity obligation shall be insured in compliance with the insurance requirements of this Agreement and that this obligation shall be enforced to the fullest extent permitted by LSA-R.S. 9:2780.1.

In any and all claims against Contractor, Owner, or any of their agents or employees by any employee of the Subcontractor, anyone directly or indirectly employed by it, or anyone for whose acts it may be liable, the indemnification obligation under this Section H shall not be limited in any way by any limitation on the amount or type of damages, compensation or benefits payable by or for the Subcontractor under workers' or workmen's compensation acts, disability benefit acts or other employee benefit acts.

In connection with the defense of any claims for which Contractor and/or Owner is entitled to be insured, protected, defended, indemnified and held harmless, Contractor and/or Owner shall have the right to have counsel representing it who is paid for by Subcontractor and/or its insurers, who report to Contractor and/or Owner and who are directed Contractor and/or Owner in all defense activities and which counsel will not have any perceived or actual conflict of interest with Subcontractor, Subcontractor’s Personnel, its Subcontractors and/or their respective insurers. Contractor and/or Owner shall also have the right to have its own separate legal counsel, at its expense, participate in the defense of any claim, demand, suit or action.

The assumption of liability by Subcontractor and its protection, defense, indemnity and hold harmless obligations in this Section H and elsewhere in this Agreement are not limited to the amounts of insurance required to be secured and maintained by Subcontractor, Subcontractor’s Personnel and its Subcontractors. Subcontractor expressly assumes the burden of proof regarding all causation issues hereunder. Subcontractor shall furnish all such records, information and testimony and attend such conferences, discovery proceedings, hearings, trials and appeals as may be requested by Contractor and/or Owner.

Provided Contractor has fulfilled its payment obligations under this Agreement, Subcontractor shall defend and indemnify Contractor and/or Owner from all loss, liability, damage or expense, including reasonable attorney’s fees and litigation expenses, arising out of any lien claim or other claim for payment by Subcontractor or supplier of any tier. Upon receipt of notice of a lien claim or other claim for payment, the Contractor and/or Owner shall notify Subcontractor. Subcontractor shall promptly pay all bills and charges for its labor and other costs in connection with services provided under this Agreement and shall keep the project site and all improvements thereon free and clear of any liens, charges or claims of its Subcontractors, material suppliers, employees and agents. In the event a lien shall be filed in connection with services provided under this Agreement (other than by Subcontractor), Subcontractor shall, at its own cost, cause such lien to be discharged within seven (7) days from recordation of the lien, provided that Subcontractor has been paid by Contractor or Owner for services provided under this Agreement for which such lien relates. If Subcontractor fails or refuses to pay any claims or indebtedness incurred by Subcontractor or any non-paying Subcontractor or materialman in connection with the services or materials as provided hereunder, it is agreed that Contractor and/or Owner shall have the right to pay any such claims or indebtedness out of any money or to become due to Subcontractor hereunder.

All representations, warranties, and indemnities of Subcontractor provided for in this Agreement or by law shall survive the termination of this Agreement.

1. **NOTICES/MISCELLANEOUS**

All written notices provided for in this Agreement shall be deemed given if personally delivered to a responsible representative of the party or if sent by regular mail, or by telecopy facsimile (with a confirmation copy following by regular mail), to the party at the address set forth hereinabove, and shall be deemed received at the time the original written notice or the telecopy facsimile is actually received by the party. Either party may from time to time, by written notice to the other as provided herein, designate a different address to which notices should be sent.

This Agreement shall be governed by and construed in accordance with Louisiana law. With respect to any disputes relating to the validity, performance or interpretation of this Agreement, Subcontractor agrees to venue and jurisdiction in the state courts of Lafayette Parish, Louisiana, and specifically waives its right to be tried in any other jurisdiction.

Although drawn by Contractor, this Agreement shall, in the event of any dispute over its meaning or application, be interpreted fairly and reasonably and neither more strongly for nor against either party. Contractor's waiver or acceptance of any breach by Subcontractor shall not constitute a waiver or acceptance of any other or subsequent breach of the same or any other provision of this Agreement.

In addition to withholdings authorized by any other provision of this Agreement, consideration otherwise due may be withheld by Contractor on account of defective work not remedied, claims filed, reasonable evidence indicating a probability of filing of claims, failure of the Subcontractor to make payments properly to its subcontractors or material men, or reasonable doubt that this Agreement can be completed for the balance then unpaid. If these causes are not removed, then Contractor may rectify same at Subcontractor's expense without notice (unless such notice is required by law and then upon 48 hours written notice).

Contractor reserves the right to pay by check jointly made to Subcontractor and Subcontractor's subcontractors, suppliers, material men or any other person who furnished goods or services to or through Subcontractor as part of its performance of this Agreement. Payment made in this manner constitutes payment towards the consideration provided for herein, thus reducing the amount owed by under this Agreement. If such payments exceed the said consideration, Subcontractor and its sureties agree to reimburse Contractor for such amounts.

This Agreement contains the entire agreement between the parties concerning the matters set forth herein and supersedes all prior agreements between them respecting such matters. This Agreement may be modified only by a written document signed by both parties; an oral modification shall not be effective. Contractor and Subcontractor have jointly participated in the negotiations and drafting of this Agreement. In the event any question of intent or interpretation arises, this Agreement shall be construed as if drafted by all parties.

J. FAIR LABOR STANDARDS ACT

By signing this Master Service Agreement, Subcontractor acknowledges the requirement to (1) pay employees in accordance with the Fair Labor Standard Act (FLSA) and applicable state wage and hour laws (applicable states) or (in all states for which services are provided to Contractor) and (2) meeting the required coverage mandates and deadlines for the Affordable Care Act (ACA).

This Master Service Agreement releases Contractor and/or Owner of any and all claims, costs, or liabilities of any nature which are connected with or result from Subcontractor’s acts or omissions or its failure to fulfill its obligations or its alleged breach of any applicable laws.

In the event Subcontractor fails to comply with the above requirements in any way, including but not limited to, misclassifying its workers as contractors instead of employees, leading to non-compliance, Subcontractor shall indemnify, defend and hold Contractor and/or Owner harmless to the fullest extent provided by law. In this regard, Subcontractor agrees that it is complying with and will continue to comply with Code Section 4980H.

Subcontractor certifies compliance with the FLSA and applicable wage and hour laws for the states in which it intends to provide services. Subcontractor certifies:

• All employees are properly classified as exempt or non-exempt employees, and if contractors are utilized, whether the contractors meet the legal test.

• All non-exempt employees are paid overtime (if applicable) and that the calculation of overtime includes the appropriate remuneration, and is in compliance with the FLSA and applicable state wage and hour laws.

• All non-exempt employees are properly provided meal and break periods, and are paid for all work performed, including but not limited to: on call time, donning and doffing and all other compensable time as prescribed by law.

• Accurate recording of all time worked by employees is in compliance with FLSA and state wages and hour laws.

• Pay stubs and payroll records accurately meet the requirements of the FLSA and state wage and hour laws.



MSA CHECKLIST

All items on this checklist must be completed before MSA is signed and agreed upon.

* Certificate of Insurance with adequate coverage provided by subcontractor. (SECTION B, ITEM 5)
* Experience Modifier Rate for previous three years has been provided by subcontractor. (SECTION B, ITEM 12)
* Please select options below: (SECTION B, ITEM 12)

\_ \_ I intend to complete applicable job documentation (JHA, INCIDENT/ACCIDENT REPORT, ETC.) Electronically utilizing the free software “IAuditor” with training provided by System Services. (Preferred Option)

\_ \_ I intend to complete applicable job documentation (JHA, INCIDENT/ACCIDENT REPORT, ETC.) physically utilizing paper copies provided by System Services.

* List of employees applicable to MSA has been provided by subcontractor.
* Drug testing results for applicable employees have been provided by subcontractor. (SECTION B, ITEM 11)

Any questions and all documentation should be directed to:

**Garan Wilson c/o System Services Broadband.**

**1830 W. Willow St Scott, LA 70583.**

**Phone: (337) 237-8377 ext. 109**

**fax: (337) 237-8378**

**garan.wilson****@1ssb.com**

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the date first above written.

System Services Pipeline, LLC

1830 West Willow St

Scott, LA 70583

Bert Carbo, President

|  |  |  |  |
| --- | --- | --- | --- |
| Signature |  | Date |  |

(Contractor Name Here)

(Address Here)

(City, State, Zip Here)

Owner (Name Print Here)

|  |  |  |  |
| --- | --- | --- | --- |
| Signature |  | Date |  |