

# STANDARD SUBCONTRACTOR PAYMENT AND INVOICING POLICY

This Agreement is entered into on this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_, by and between:

**Contractor:** \_\_\_\_\_

**Subcontractor:** \_\_\_\_\_

**Project Name:** \_\_\_\_\_

**Project Location:** \_\_\_\_\_

## 1. SCOPE OF INVOICING

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The Subcontractor shall submit invoices to the Contractor for work completed in accordance with the Schedule of Values agreed upon under Contract Reference \_\_\_\_\_. Invoices shall only reflect actual progress of work completed and materials stored on-site as of the billing cut-off date.

## 2. BILLING SCHEDULE AND CUT-OFF DATES

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1. Invoices must be submitted on a monthly basis.
2. The billing period cut-off date is the \_\_\_\_\_ day of each calendar month.
3. Invoices must be received by the Contractor no later than the \_\_\_\_\_ day of each calendar month. Late submissions may result in payment being deferred to the subsequent payment cycle.

## 3. SUBMISSION REQUIREMENTS

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All invoices must be submitted electronically to \_\_\_\_\_ and must include the following documentation to be considered complete and valid for processing:

- Approved Schedule of Values progress update.
- Partial Lien Waivers for the current billing amount and Unconditional Lien Waivers for previous payments.
- Certified payroll reports (if applicable).
- Receipts for any approved reimbursable materials or expenses.

## 4. PAYMENT TERMS

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1. **Payment Cycle:** The Contractor shall pay the Subcontractor within \_\_\_\_\_ days of receipt of an approved invoice and receipt of payment from the Project Owner (Pay-When-Paid clause).
2. **Retainage:** A retainage rate of \_\_\_\_\_ % will be withheld from each progress payment. Retainage shall be released upon final completion of the Subcontractor's scope of work, final inspection, and approval by the Contractor and Project Owner.

## 5. DISPUTED INVOICES

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In the event of a dispute regarding any portion of an invoice, the Contractor shall notify the Subcontractor within \_\_\_\_\_ business days of invoice receipt, specifying the reasons for dispute. The Contractor reserves the right to withhold payment only for the disputed portion, and shall pay the undisputed balance in accordance with the standard terms of this agreement.

**6. GOVERNING LAW**

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This agreement and the payment terms herein shall be governed by and construed in accordance with the laws of the State of \_\_\_\_\_.

IN WITNESS WHEREOF, the parties hereto have executed this Payment and Invoicing Agreement as of the date first written above.

**CONTRACTOR:**

**SUBCONTRACTOR:**

By: \_\_\_\_\_

By: \_\_\_\_\_

Name:  
\_\_\_\_\_

Name:  
\_\_\_\_\_

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

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

\_\_\_\_\_  
Authorized Representative Signature

\_\_\_\_\_  
Authorized Representative Signature