

# SUBCONTRACTOR INVOICE AND PAYMENT AGREEMENT

This Subcontractor Invoice and Payment Agreement (the "Agreement") is entered into and made effective as of \_\_\_\_\_ (the "Effective Date"), by and between the following parties:

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

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

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

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

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

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

WHEREAS, Contractor has engaged Subcontractor to perform certain services as detailed in the prime subcontract agreement; and

WHEREAS, the parties desire to establish the clear and mutually agreed terms, schedules, and conditions governing invoicing and payment procedures.

NOW, THEREFORE, in consideration of the mutual covenants contained herein, the parties agree as follows:

## 1. Invoicing Schedule and Frequency

Subcontractor shall submit invoices to Contractor on a \_\_\_\_\_ basis. All invoices must be submitted no later than the \_\_\_\_\_ day of each period for work completed during the preceding period. Invoices received after this deadline may experience processing delays or be deferred to the subsequent payment cycle.

## 2. Required Invoice Documentation

Each invoice submitted by Subcontractor must be itemized and contain the following information and attachments to be deemed complete and valid for processing:

- Invoice number and date of submission.
- Subcontractor's tax identification or business registration number.
- Detailed description of work performed, materials supplied, and milestones achieved.
- Supporting documentation, including but not limited to receipts, timesheets, and progress reports.
- Lien waivers and releases for the period covered by the invoice, signed by the Subcontractor and any secondary suppliers or subcontractors, if applicable.

## 3. Payment Terms and Method

Contractor shall pay Subcontractor within \_\_\_\_\_ days following receipt, verification, and approval of a complete and undisputed invoice. Payments shall be made via \_\_\_\_\_.

## 4. Retainage

Contractor shall withhold a retainage of \_\_\_\_\_ % from each progress payment. This accumulated retainage shall be released and paid to Subcontractor within \_\_\_\_\_ days following the final completion, inspection, and formal acceptance of Subcontractor's scope of work, and receipt of final lien waivers.

**5. Disputed Invoices and Resolution**

If Contractor disputes any portion of an invoice, Contractor shall notify Subcontractor in writing within \_\_\_\_\_ business days of invoice receipt, specifying the reasons for the dispute. Contractor may withhold payment only on the disputed portion of the invoice, and shall pay any undisputed balance within the standard payment terms. Both parties agree to resolve any invoice disputes in good faith within \_\_\_\_\_ days of notification.

**6. Taxes and Independent Contractor Status**

Subcontractor is an independent contractor and is solely responsible for all federal, state, and local taxes, insurance contributions, and payroll deductions associated with the payments received under this Agreement.

IN WITNESS WHEREOF, the parties hereto have executed this Subcontractor Invoice and Payment Agreement as of the Effective Date written above.

**CONTRACTOR:**

\_\_\_\_\_

Authorized Signature

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

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

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

**SUBCONTRACTOR:**

\_\_\_\_\_

Authorized Signature

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

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

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