

SUBCONTRACTOR EXPENSE REIMBURSEMENT TERMS AND CONDITIONS

This Subcontractor Expense Reimbursement Agreement (the "Agreement") is entered into as of _____, by and between:

Contractor: _____

Subcontractor: _____

This Agreement governs the protocols, requirements, and procedures for the reimbursement of expenses incurred by the Subcontractor during the performance of services under the primary service agreement dated _____.

1. General Principle

The Subcontractor shall be reimbursed only for reasonable, necessary, and actual out-of-pocket expenses directly incurred in connection with the performance of services for the Contractor, subject to the limitations, pre-approval requirements, and documentation standards set forth herein.

2. Pre-Approval Requirements

Any single expense exceeding _____ or cumulative expenses exceeding _____ per _____ must receive written pre-approval from the Contractor's designated representative. Unapproved expenses that exceed these thresholds shall not be eligible for reimbursement.

3. Eligible Expenses

Subject to the limitations in Section 4, the following categories of expenses are eligible for reimbursement:

- Travel:** Economy-class airfare, standard rail transport, or mileage reimbursed at a rate of _____ per mile/kilometer.
- Lodging:** Standard hotel accommodations not to exceed _____ per night, unless otherwise authorized in writing.
- Meals:** Actual cost of meals during travel, up to a maximum daily per diem of _____.
- Materials & Supplies:** Materials directly consumed in the performance of services, provided they are pre-approved and billed at cost without markup.

4. Ineligible Expenses

The following expenses are strictly non-reimbursable:

- Alcoholic beverages.
- Entertainment, luxury services, or recreational activities.
- Fines, parking tickets, or traffic violations.
- First-class or business-class travel upgrades.
- Expenses incurred by spouses or guests of the Subcontractor.
- General overhead or administrative expenses of the Subcontractor's business.

5. Documentation and Receipt Submission

To receive reimbursement, the Subcontractor must submit an itemized expense report. Every requested reimbursement item must be accompanied by:

1. An original, legible receipt or invoice showing the vendor name, date, itemized list of purchases, and total amount paid.
2. A brief written explanation of the business purpose for each expense.
3. Proof of written pre-approval where applicable.

Expense claims must be submitted within _____ days of incurring the expense. Claims submitted after this window may be denied at the Contractor's sole discretion.

6. Payment and Audit Terms

Approved reimbursement claims will be paid within _____ days of receipt of a complete and compliant expense report. The Contractor reserves the right to audit the Subcontractor's financial records related to any billed expenses for a period of _____ years following termination of the primary agreement.

7. Governing Law

This Agreement shall be construed in accordance with and governed by the laws of the State/Jurisdiction of _____.

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

For Contractor:

Authorized Signature

Name: _____

Title: _____

Date: _____

For Subcontractor:

Authorized Signature

Name: _____

Title: _____

Date: _____