SUBCONTRACTOR AGREEMENT

This Professional Services Agreement ("Agreement") is entered into this _____ day of _____, 20___ ("Effective Date"), by and between TechWorks Inc. ("Company"), an California corporation with offices at 1809 S Street Suite118 Sacramento CA 95811 and ______ ("Subcontractor"), located at ______ for professional and related services to be provided to Company by Subcontractor subject to the terms and conditions of this Agreement.

1. Scope of Services & Rates:

- 2. **Terms of Agreement:** This Agreement shall commence on the Effective Date and, unless otherwise terminated as provided herein, shall remain in effect for one (1) year and shall automatically renew for additional one (1) year periods unless a party provides the other with at least thirty (30) days prior written notice of its intention not to renew.
- 3. **Time Devoted by Subcontractor:** It is anticipated the subcontractor will perform services for company on an as needed basis. The particular amount of time may vary due to the cyclical nature of the Company's business, the availability and proficiency of the Subcontractor.
- 4. **Place Where Services Will Be Rendered:** The Subcontractor will perform most services in accordance with this contract at Company's client locations.
- 5. **Equipment:** Subcontractor will purchase own hardware/software/tools to complete the work.
- 6. **Billing and Payments:** The Subcontractor will submit an itemized statement setting forth the services rendered. Subcontractors will be paid for work quoted once the client has signed off on satisfactory completion of work and paid the companies invoice for work.

7. **Independent Contractor:** Both the Company and the Subcontractor agree that the Subcontractor is an independent contractor in the performance of its duties under this contract. This Agreement shall not constitute or be construed as a partnership, employer-employee relationship, franchisee-franchisor relationship, joint venture or agency agreement between the parties.

Accordingly, the Subcontractor shall be responsible for payment of all taxes including Federal, State and local taxes arising out of the subcontractor's activities in accordance with this contract, including by way of illustration but not limitation, Federal and State income tax, Social Security tax, Unemployment Insurance taxes, and any other taxes or business license fee as required.

In addition, because you are representing yourself to Company as an independent contractor and the parties believe they are creating an independent contractor relationship, if at a later date, the IRS, EDD, or any other taxing authority determines your classification as an independent contractor was incorrect, you agree to indemnify Company for all taxes, interest, and penalties paid by Company as a result of a reclassification of your employment status.

- 8. **Confidential Information:** The Subcontractor agrees that any information received during any furtherance of the subcontractor's obligations in accordance with this contract, which concerns the personal, financial or other affairs of the Company will be treated by the subcontractor in full confidence and in accordance to Company's NDA signed separately.
- 9. **Absent**: a separate written agreement regarding ownership, in entering this agreement, you hereby grant to Company all rights, titles and interest in the works conceived or first produced by Company or its clients and any material produced by you or your employees under this Agreement, and you agree that such materials are "works made for hire" exclusively for Company or its clients under the copyright laws of the United States.

In the event that any such work shall not be a work made for hire under said copyright laws, you hereby assign to Company or its clients all rights, titles, and interest in such work and to execute whatever assignment of copyright or other documents whatsoever as may be required or appropriate to transfer and confirm exclusive title in such work to the copyright therein to Company.

10. **Non-Solicitation and Non-Compete:** Subcontractors will not directly or indirectly employ or recruit for employment any employee or subcontracted person of Company during the term of this Agreement and for three (5) years thereafter without prior written consent of Company. In the event an employee or subcontracted person is hired without prior written consent, during the time specified, subcontractor will pay Company an amount equal to 100% of the gross yearly wages of the employee or subcontracted person as liquidated damages, not as a penalty.

Subcontractor agrees that during the term of this Agreement and for three (5) years thereafter, Subcontractor will not directly or indirectly solicit any current or prospective customers for the purposes of establishing any business relationship to provide services contemplated by this Agreement. Further, during the term of this Agreement and for three (5) years thereafter Subcontractor will not establish a business directly competitive with Company, within territory services by Company.

In addition, the subcontractor agrees to always represent the Company when on client's premises by posting or wearing supplied signs, badges, etc. or if approached by clients to acknowledge he is representing the Company. Subcontractor agrees to never discuss or disclose his or her own business venture or direct personal contact information to the clients and to always direct client to contact Company for any questions or concerns.

The subcontractor agrees to communicate only with Company project manager or project dispatcher on all questions or concerns regarding any scope of work at hand and if contact with client is required to limit his/her communication with the clients to determine or locate locations for products to be installed and/or services to be performed.

The Subcontractor agrees he or she will not promote, recommends, advises or sell products and services that has not been quoted to client by the Company.

In the event subcontractor promotes, recommends, advises or sells any products and services that has not been quoted by Company, during the time specified, subcontractor will pay Company an amount equal to 150% of the gross value of the opportunity as liquidated damages, not as a penalty.

- 11. **Termination:** This agreement may be terminated by either party with or without cause and for any or no reason upon thirty (30) days written notice to the other party. This agreement may be terminated by either party for cause upon three (3) days written notice by the other party. Cause for termination includes, but is not limited to, violation of the covenant not to compete, violation of the confidentiality clause, any other material breach of this Agreement, or if your work product is below the standard relative to the normal quality of work performed by Company.
- 12. **Assignment:** Subcontractor shall not assign any right or interest under this agreement or delegate or subcontract any work or other obligation to be performed or owed under this agreement without the prior written consent of Company.
- 13. **Benefits:** Company does not offer benefits of any kind to the Subcontractor.
- 14. **Insurance:** During the term of this Agreement, Subcontractor shall be solely responsible for maintaining adequate health, auto, workers' compensation, unemployment compensation, disability, liability, commercial liability, automobile and any other type of insurance, as is required by law or as is the common practice in the industry.

Subcontractor agrees to indemnify and hold Company harmless against any claims relating to Subcontractor's failure to provide such insurance.

- 15. **Notice:** All notices required or permitted to be given hereunder shall be deemed duly given if in writing and either sent by e-mail, facsimile transmission or hand delivered or deposited with an express courier service prepaid addressed to Subcontractor or Company, as the case may be, at the address set forth below, or to such other address as the parties may direct by notice as herein provided.
- 16. **Signatures:** Both the Company and the Subcontractor agree to the above contract.

| Subcontractor | Company | |
|---------------|------------|--|
| Signature: | Signature: | |
| Name: | Name: | |
| Title: | Title: | |
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