



MASTER SUBCONTRACTOR AGREEMENT

This Master Subcontractor Agreement is entered between **ON TRAC, INCORPORATED**
of 6019 Ontario Circle, Morristown, Tennessee and
[REDACTED] of [REDACTED],
and shall be effective as per official date of Attestation by Notary Public

DECLARATION OF VALUES

On Trac, Inc. offers this broad agreement with **SUBCONTRACTOR** in good faith, and with invitation to partner with On Trac, Inc. toward advancement of the Fiber-to-the-Home industry and related telecommunication networks and connections. In doing so, On Trac, Inc. holds and declares critical values essential to successful partner relations. These declaration statements should not be viewed as an exhaustive list, but rather as evidence of expectations:

- “Over-the-top” professionalism and excellence in performance
- Consistent Integrity and honesty in both personal and business dealings
- Maintaining high level trust for long-term relationships
- Strong work ethic with value-added services and sacrifices
- Taking ownership and responsibility for decisions and actions
- Building better communities through local investments
- Uncomplicated business bureaucracies or hierarchies
- Decisive leadership governed by humility
- Authenticity without ego
- Respectful honor and treatment of field personnel
- Investment in growing and developing talented people
- Always learning- always improving
- Best tools, in the best hands, bring best results
- Safety always trumps dollars saved or minutes shaved

DECLARATION OF SUPPORT

On Trac, Inc. exercises care in selecting partners for FTTH projects and places a great deal of responsibility with high expectation of quality service. In turn, On Trac, Inc. stands by our partner companies and provides critical support toward successful completion of projects, and successful relationship in general. On Trac is committed to developing and grooming partners through shared training, enhanced expertise, performance measurements, challenging standards, and high industry exposure with the FTTH Council and other telecommunications networks.

In addition, On Trac, Inc. provides administrative oversight and bears the corporate financial overhead for successful FTTH projects. These services, on any given project, may include some or all of the following areas:

- Local project management and site supervision
- Local operation centers
- Front office management (dispatch/data/provisioning)
- Local operation invoicing/billing services
- Corporate payment processes and records
- Local back-office systems (Service Order management)
- Field level quality control and quality assurances
- Technician Training and Certifications
- End user management
- Materials procurement and warehousing
- Materials distribution (inventory management)
- Customer advocacy and intervention (retention)
- Daily interaction with Service Provider

Further, On Trac, Inc. commits dedicated personnel and resources toward new business development and project refinements to maximize growth opportunities for both On Trac, Inc. and its partners.

DECLARATION OF PRIMARY AGREEMENTS

SUBCONTRACTOR acknowledges that they are an independent entity and not affiliated with On Trac, Incorporated, in any other way. **SUBCONTRACTOR** represents that they are legally permitted to conduct business in the United States of America and are in the business of performing Fiber-to-the-Home (FTTH) related work including but not limited to Inside Wiring (premise and commercial) installations, Outside Plant fiber connections (aerial and underground), and drop fiber splicing and/or mainline fiber splicing. Further, **SUBCONTRACTOR** understands sole responsibility for performing all said FTTH related work in a professional manner that meets all requirements of On Trac, Inc., as well as all telecommunication industry standards, and various customer projects of On Trac, Inc., whose specifications shall be final and binding.

Both On Trac, Inc. and **SUBCONTRACTOR** acknowledge that this Master Subcontractor Agreement is in no way a guarantee of a specific number of projects or location of projects, nor a

guarantee of a specific volume of work/orders (whether daily, weekly or monthly), nor can On Trac, Inc. guarantee a specific length-of-term (whether weeks, months or years) for any specific project. Therefore, this Master Subcontractor Agreement is entered as an “open ended” arrangement. Each specific, localized project shall be individually negotiated utilizing a separate signed **Partner Project Agreement** including specific agreement language relative to the work of that particular project and customer along with all relative **Exhibits** (Scope of Work declarations + Rates).

SUBCONTRACTOR shall be responsible for paying all taxes and obtaining all permits, business licenses, and authorizations required by Federal, State, and/or municipal governmental authorities in relation to its work; copies of which will be provided to On Trac, Inc. for each project-specific locale. **SUBCONTRACTOR** will comply with the requirements of all such permits, licenses and authorizations. **SUBCONTRACTOR** and its employees, subcontractors/workers, agents or representatives shall observe and comply with all applicable rules, policies, regulations and laws concerning nondiscrimination, equal opportunity employment, drug and alcohol use, ethical business practices and other applicable regulations, including without limitation those relating to environmental protection and labor/workplace laws. **SUBCONTRACTOR** shall provide documentation, as necessary and as requested by On Trac, Inc., to show compliance with the above-referenced rules, policies, regulations and laws. **SUBCONTRACTOR** acknowledges that, given reasonable cause, On Trac, Inc. may require random drug screening on personnel working in/on active projects for On Trac, Inc., and that **SUBCONTRACTOR** shall bear related expenses.

SUBCONTRACTOR agrees to maintain a successful partnership through financial solvency and creditworthiness, and therefore promote evidence of good business practice and stability. Further, **SUBCONTRACTOR** acknowledges that this Master Subcontractor Agreement (reference “Securities” section) contains penalties in matters of financial default or insolvency, and that On Trac, Inc. is protected and Held Harmless in these regards. Further, **SUBCONTRACTOR** agrees in matters of legal dispute with On Trac, Inc. that adjudication of any disagreements shall be processed in Hamblen County, Tennessee.

SUBCONTRACTOR agrees that they shall not, either during the term of its engagement with On Trac, Inc., or at any time thereafter, disclose or use confidential or proprietary information acquired during the term of this agreement except as may be required (a) to fulfill the specific tasks that **SUBCONTRACTOR** is retained to perform or (b) by the open record laws of the State of Tennessee as they may apply to On Trac, Inc. Subject to thus laws all information regarding the business of On Trac, Inc. and **SUBCONTRACTOR** or any related or affiliated entity including, but not limited to, all information regarding On Trac, Inc. or **SUBCONTRACTOR** customers, customer lists, customer contacts, other partner companies, contracts and contract terms, pricing / rates, business and construction / installation techniques, procedures, methods, and other proprietary information of any kind shall be presumed to be confidential and proprietary, except to the extent the same shall have been made available to the general public by **SUBCONTRACTOR** or On Trac, Inc. without restriction.

SUBCONTRACTOR agrees to own and exercise all precautions necessary for accident/injury prevention. **SUBCONTRACTOR** agrees that they and all its employees, subcontractors, and/or agents have undergone proper safety training, and are engaged in ongoing safety training, and are properly skilled with regard to safe techniques of the work to be performed and safe operation of

related machinery and equipment required in the work to be performed. **SUBCONTRACTOR** also agrees that they and all its employees, subcontractors, and/or agents have undergone proper safety training and are properly skilled in power zone standards used in conjunction with the trade as required by the State or Federal law, or as mutually agreed to by both parties, and shall provide qualified 3rd party certifications as proof of training. **SUBCONTRACTOR** shall supply at its own expense all protective equipment to its workers and assumes all liability and responsibility for training its employees, subcontractors, and/or agents regarding safe work habits and safety standards, including but not limited to working in the power zone. **SUBCONTRACTOR** will, at its own expense, comply with all specific health and safety requirements of the Federal or state Occupational Safety and Health Acts, or any other applicable authorities. **SUBCONTRACTOR** also agrees to defend, at its own expense, and maintain responsibility for fines or penalties of any nature assessed by such agencies for non-compliance by the company, its employees, subcontractors/workers, agents and/or representatives.

SUBCONTRACTOR acknowledges the expectations and related performance measurements from On Trac, Inc. to conduct all fieldwork and customer relationships in a professional manner, with the shared goal to raise the standards of FTTH installation contracting and to achieve excellence in this industry. Therefore, **SUBCONTRACTOR** shall be responsible to maintain a uniform appearance of all workers and vehicles (reference "Subcontractor Vehicle Standards" document) and to comply with On Trac, Inc. appearance standards for customer continuity, including condition/appearance of fleet vehicles and equipment, with standard decaling, and appearance of standard uniforms for all workers. Further, **SUBCONTRACTOR** shall supply all equipment, vehicles, tools and personnel necessary to perform the work in a professional manner, and in compliance with project/customer specifications and scope of work. Necessary equipment in this case also applies to required phone/two-way systems, as dictated by project-specific standards of dispatch and field communications. Further, and where applicable, **SUBCONTRACTOR** shall be responsible for providing on-site supervision at all times and will identify a single point of contact and shall be responsible for informing On Trac, Inc. of appropriate contact person(s) with contact information. And further, **SUBCONTRACTOR** agrees to professional standards in removing any/all trash, debris and/or surplus materials remaining or resulting from the performance of its work and agrees to restore grounds or work area/environment in a manner that displays careful work practices and customer sensitivity.

SUBCONTRACTOR shall warranty all work, as outlined in project-specific **Exhibits** (Scope of Work declarations + Rates), for a period of one (1) year from the date of installation.

SUBCONTRACTOR shall at its own expense, be responsible for repair or correction of any work not meeting customer specifications, industry standards, or standards set forth by On Trac, Inc. On Trac, Inc. may at its discretion, make necessary repairs or corrections and deduct any cost from **SUBCONTRACTOR** invoice to address said repairs or corrections, following proper advance notification. Furthermore, **SUBCONTRACTOR** shall be directly responsible for damage(s) or loss to property, structures, materials, equipment or furnishings caused directly or indirectly by **SUBCONTRACTOR**, its employees, subcontractors/workers, agents, or representatives.

SUBCONTRACTOR agrees that through the duration of this partner relationship, **SUBCONTRACTOR** will not directly or indirectly, hire or solicit any of the employees, or partner employees, from On Trac, Inc., or induce any employees from On Trac, Inc. or, partner employees, to terminate their employment or relationship with On Trac, Inc. In turn, On Trac, Inc. will not

directly or indirectly, hire or solicit any of the employees from **SUBCONTRACTOR** or induce said employees to terminate their employment or relationship with **SUBCONTRACTOR**. However, through the duration of this partner relationship both On Trac, Inc. and **SUBCONTRACTOR** are allowed to discuss and negotiate employee or partner solicitations and hires when doing so presents a mutually beneficial prospect to all parties involved.

SUBCONTRACTOR agrees that any **SUBCONTRACTOR** personnel (whether employees or subcontractors/workers) assigned or recruited to On Trac, Inc. project(s) shall first be presented to On Trac, Inc. project site management for evaluation and approval prior to any training or production work. **SUBCONTRACTOR** shall comply with On Trac, Inc. standards by providing evidence of a clear criminal background check and a valid DMV license on any/all person(s) conducting business with/for an On Trac, Inc. project. **SUBCONTRACTOR** further agrees to present for review, should a situation merit such investigation, any credentials or certifications, work histories and/or other pertinent data on said assigned partner personnel (whether employees or subcontractors/workers) to the On Trac, Inc. project site management or to and On Trac, Inc. Corporate Officer.

DECLARATION OF SECURITIES

To engage this Master Subcontractor Agreement, **SUBCONTRACTOR** agrees to secure liability through the following insurances and retainage, with appropriate documentation, and further agrees to adhere to the requirement to Hold Harmless; understanding that these matters of liability are non-negotiable and further requirements may be added as addendum to this Agreement. Further, the provision of the following securities should not be interpreted as guarantee of work.

A: Workman's Compensation:

SUBCONTRACTOR shall provide On Trac, Inc. with an annual, valid certificate of Workman's Compensation Policy covering **SUBCONTRACTOR** and employees showing On Trac, Incorporated as additional insured. **SUBCONTRACTOR** shall also provide evidence that any/all independent contractors/workers and their employees/helpers maintain Workman's Compensation coverage.

B: Liability Insurance:

SUBCONTRACTOR shall provide On Trac, Inc. with an annual certificate of insurance with On Trac, Inc. listed as additional insured in the following amounts:

General Liability: Each Occurrence	\$1,000,000.00
Damage to Rented Premises	\$ 100,000.00
Med Exp. any one person	\$ 10,000.00
Personal & ADV injury	\$1,000,000.00
General Aggregate	\$1,000,000.00
Product-Comp/Op Ag	\$1,000,000.00

Auto Liability: Hired / Non Owned \$1,000,000.00

Umbrella: Excess / Contingency \$1,000,000.00

C: Vehicle Insurance:

SUBCONTRACTOR shall provide annual evidence of automobile insurance for all fleet vehicles operating for On Trac, Inc. projects.

D: Master Retainage:

On Trac, Inc. shall pay **SUBCONTRACTOR** for the performance of work as outlined in specific **Partner Project Agreements** and shall retain _____% of all **SUBCONTRACTOR** weekly invoices toward an accumulated “tier” retainage based on average annual revenue, with no accumulated retainage to exceed a \$10,000 tier cap. The four revenue tiers are established as follows:

1st Tier: \$0 to \$250,000 average annual invoicing (base retainage of \$2,500)

2nd Tier: \$251,000 to \$500,000 average annual invoicing (retainage of \$5,000)

3rd Tier: \$501,000 to \$750,000 average annual invoicing (retainage of \$7,500)

4th Tier: \$751,000 to \$1,000,000+ in invoicing (retainage of \$10,000)

Once a tier is reached, accumulated retainage shall remain constant unless advancing to a higher tier of annual invoicing. Retainage shall be sustained at the highest previous tier(s) regardless of any decline in average annual invoicing. The total accumulated retainage is considered a singular “Master Retainage” for the operating partnership and shall cover any active On Trac, Inc. **Partner Project Agreements**. Given official conclusion of this Master Subcontractor Agreement or the cessation of ongoing projects, or a customer-initiated conclusion of project(s), On Trac, Inc. and **SUBCONTRACTOR** will negotiate and confirm a Canceled Agreement Date (CAD) and return the accumulated Master Retainage after a settlement period of 120 calendar days from the date of the CAD. On Trac, Inc. will then forward **SUBCONTRACTOR** the total accumulated retainage, less any withholdings, by check or wire transfer. On Trac, Inc. agrees to not unreasonably withhold accumulated retainage.

During the settlement period, On Trac, Inc. will investigate all projects and performance, and report accordingly any findings to **SUBCONTRACTOR**. Based upon findings, On Trac, Inc. may withhold the whole or part of any payment to such extent as may be necessary to protect itself from loss on account of (a) defective or damaged work not remedied or warranties not met; (b) claims filed or reasonable evidence indicating filing of claims against **SUBCONTRACTOR**; (c) failure of **SUBCONTRACTOR** to make payments properly to its subcontractors/workers or for materials, labor/wage, leases, rents, equipment, or other defaults; (d) unsettled damage to another partner subcontractor; (e) damage to or loss of On Trac, Inc. furnished materials or property; or (f) **SUBCONTRACTOR’S** failure to meet any performance warranties required by this agreement.

*In rare cases, On Trac, Inc. may withhold the whole or part of any retainage payment for reasons of criminal activity, or egregious breach of trust, or other actions on the part of **SUBCONTRACTOR** which create irreparable damage to the reputation and/or continued customer contract relationships.*

E: Indemnify, Defend and Hold Harmless:

SUBCONTRACTOR will indemnify, defend and hold harmless On Trac, Inc. and its officers, directors, stockholders, affiliates, employees, agents, and other representatives (collectively, the "Indemnities") from and against claims, damages, liabilities, losses, penalties, injuries, and expenses (including attorney's fees) incurred or suffered for personal injury or property damage and which arise in any way out of the subject matter of this Agreement. Further, **SUBCONTRACTOR** will indemnify, defend and hold harmless the Indemnities from and against any claims of default or non-payment from **SUBCONTRACTOR** employees and/or independent contractors/workers or helpers, or claims of default or non-payment from businesses or individuals related to **SUBCONTRACTOR** in matters of leases, rents, purchases, agreements, contracts or other financial debts incurred. Further, **SUBCONTRACTOR** will indemnify, defend and hold harmless the Indemnities to the fullest extent.

DECLARATION OF TERMINATION

Either On Trac, Inc. or **SUBCONTRACTOR** may terminate this Master Subcontractor Agreement in a mutually agreeable manner with appropriate notice and with appropriate measures of protection to any current projects and/or customers to safeguard ongoing work. In most cases, given good standing by both parties, this Master Subcontractor Agreement comes to termination by the official conclusion or cessation of ongoing projects, or by customer-initiated conclusion of project(s).

However, On Trac, Inc. may elect to terminate this Master Subcontractor Agreement (and specific Partner Project Agreements) without notice for matters of performance or matters of violation. These matters may include, but are not limited to, the following:

1. Failure of **SUBCONTRACTOR** to perform its work properly, diligently, efficiently and honestly or in accordance with scope of work, schedule of work or specifications of work.
2. Failure of **SUBCONTRACTOR** to maintain professionalism and decorum as a representative of On Trac, Inc. and/or the core customer(s) of On Trac, Inc., in all manner of operations and particularly in the critical area of customer end user (subscriber) experience.
3. Breach of Agreement by **SUBCONTRACTOR** of the provisions and/or stipulations of this Master Subcontractor Agreement.
4. Violation of trust and/or confidentiality, or gross impropriety.
5. Failure of **SUBCONTRACTOR** to sustain financial solvency, including filing a voluntary petition in bankruptcy or for reorganization or has filed against it an involuntary petition, or taking any other similar actions, or engaging in default reflecting an inability to meet financial obligations.

ATTESTATION

IN WITNESS WHEREOF, the parties hereto have executed this Master Subcontractor Agreement under their respective signatures on the _____ of _____, in the year _____.

PARTNER SUBCONTRACTOR

BY/SIGNATURE: _____

Full Name: _____

Title: _____

FEIN# or SS#: _____

WITNESS: _____

----- NOTARY -----

State of _____) SS: County of _____)

On this, the _____ day of _____, 20_____, before me a notary public, the officer noted above, personally appeared _____, known to me (or satisfactorily proven) to be the person whose name is subscribed to this instrument, and who, after being duly sworn, did depose and say that he has been selected as a partner subcontractor for On Trac, Incorporated of Morristown, Tennessee (Hamblen County). In witness hereof, I hereunto set my hand and official seal.

Notary Public

{ SEAL }

ON TRAC, INCORPORATED

BY/SIGNATURE: _____

Full Name: Mark A. Tichenor

Title: Vice President of Operations

WITNESS: _____