

REGAL Contractors Inc.

Commercial Drywall

717 Julep Rd | Waite Park, MN | 56387
Ph: (320) 253-1161 | Fax: (320) 255-9316

To: _____

Date: _____

Dear Subcontractor:

- 1) Enclosed you will find five forms. Please fill them out and return to our office.
 - 1) Subcontractor Tax Liability Form.
 - 2) Subcontractor Certification Form.
 - 3) Worker's Compensation Status Determination Test.
 - 4) Worker's Compensation Disclosure and Release.
 - 5) Request For Identification Number.
- 2) Please have your insurance agent send a Certificate of Insurance directly to our office. Regal Contractors should be listed as the certificate holder, & we need to be listed as additional insured. A sample is enclosed to show the coverage we require.
- 3) Subcontractors are paid every two weeks. **You are to bill only work completed through the end of the work weeks completed. Bills must be in the office no later than Monday to be paid on Friday's pay date. Checks will be mailed unless you indicate on billing that you will pick up. Checks are not available until 2:00 Friday.**
A yearly pay schedule is included.
- 4) Bills must include the following information:
 - 1) Job Name
 - 2) Floor #'s and Unit #'s.
 - 3) Footage per Unit.
 - 4) Prevailing wage Reports must accompany bills to receive check. Checks will not be issued until we have this info. (Only on specified jobs).
- 5) If you receive material on site from one of our suppliers, Please send the delivery tickets to our office.

If you should have further questions. Please feel free to call.

Thank You

Regal Contractors, Inc



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SUBCONTRACTOR TAX LIABILITY FORM

Dear Subcontractor:

Please be advised that your services are being retained by Regal Contractors, Inc. on a contractual basis, and compensation shall be paid according to work performed. The work performed will be measured on a footage basis, or any other method agreed upon in writing; and may vary between projects. **Compensation will be paid on actual work completed.**

As an independent contractor, you are responsible for paying your own federal and state income taxes, and self-employment taxes. You will not be considered an employee for federal or state tax purposes.

As required by state law, you must purchase and maintain Worker's Compensation and liability insurance, and an effective certificate must be submitted to our office prior to any work. No payments will be made until such certificates are received by Regal Contractors, Inc.

Signature

Subcontractor

Date

Federal I.D. #

MN Tax I.D. #



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INDEPENDENT CONTRACTOR CERTIFICATION

Name of Business: _____

Business Address: _____

Contact Name: _____

Phone Number: _____

Nature of Business: _____

Fed I.D. #: _____ Social Security # _____

Contractor Registration #: _____ MN Tax I.D. #: _____

Your Business is: _____ Corporation _____ Sole Proprietorship
_____ Partnership _____ Other

Insurance Information

Agent Name: _____

Address: _____

****PLEASE HAVE AGENT SEND CERTIFICATE OF INSURANCE DIRECTLY.****

The names, titles, and addresses of the owner(s), partners, or officers are:

me: _____ **Title:** _____ **Address:** _____

Do you have Helpers: _____ No _____ Yes

If so, are your helpers classified as employees or subcontractors?: _____

Principal Officer (Please Print)

Signature

March 1, 2004

DEAR INDEPENDENT CONTRACTOR:

The 1996 Minnesota legislature passed a piece of legislation relating to worker's compensation insurance.

This legislation becomes effective July 1, 1996. Under the new law, all independent contractors are treated as employees unless they meet all factors of a Status Determination Test.

Enclosed you will find a Status Determination Test. Please note that you are now required to have a Federal I.D. Number; even if you have no employees. If you are currently using your Social Security Number for tax purposes, you need to apply for a Federal I.D. Number. You may contact our office for an application if you need one.

Also enclosed is a Disclosure and Release Statement. This clarifies that you do not elect to cover yourself under worker's compensation insurance, but that you agree to cover anyone who works for you as an employee.

Regal Contractors, Inc requires all independent contractors to carry a Worker's Compensation and General Liability Policy. Although you may waiver coverage for yourself, you still must maintain a policy.

ANYONE WORKING FOR YOU MUST ALSO COMPLY WITH THE 9-POINT STATUS DETERMINATION TEST OR THEY MAY BE CONSIDERED YOUR EMPLOYEES.

We suggest if you do have independent contractors, you make copies of these forms for them to complete and keep them for you files. They may be requested from your audit

Please complete these forms and return on or before the next billing date.

DISCLOSURE AND RELEASE STATEMENT

I, business proprietor, attest that I meet the requirements of legal status determination as an independent contractor, that I have no employees, and that I do not elect to cover myself under the Workers' Compensation Act.

Notice to the independent contractor: Anyone working for you is considered to be an employee unless they comply with all 9 points of the status determination test.

I will provide a certificate of insurance for workers' compensation for anyone not complying with the status determination test before performing any work.

I will provide a certificate of insurance showing general liability insurance before performing any work.

Based on the above disclosures and representations, I hereby release the general contractor from any claim for damages for injuries based upon any theory of employment both for me and any other person or entity retained, hired, employed, or subcontracted for by me.

By: _____

Date _____

Notice to the general contractor: Your BEST procedure is to insist that all your subcontractors have workers' compensation insurance. Although the 1966 statute makes the independent contractor - employee status more clear, you can still be questioned and be determined to have a financial obligation, by your insurance company, the Minnesota Department of Labor and Industry, and particularly by the Courts.

WORKER'S COMPENSATION STATUS DETERMINATION TEST

Under legislation enacted in 1996, an independent contractor doing commercial or residential building construction or improvements in the public or private sector shall be considered an employee of the general contractor for whom the independent contractor is performing services unless the independent contractor meets all of the following conditions.

Check each of the items for which your answer is yes:

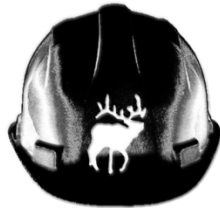
- _____ 1. Do you maintain a separated business with you own office, equipment, and materials?
- _____ 2. Do you have or have you applied for a federal employer identification number?
Federal I.D. # _____
- _____ 3. Do you operate under contract to perform specific services or work for specific amounts of money and under which you control the means of performing the services or work?
- _____ 4. Do you incur the main expenses related to the service or work that you perform under contract?
- _____ 5. Are you responsible for the satisfactory completion of work or services that you have contracted to perform and are you liable for the failure to complete the work or services?
- _____ 6. Do you receive compensation for work or services performed under contract on a commission or per- job or competitive bid basis and not on any other basis?
- _____ 7. Will you realize a profit or suffer a loss under contracts to perform work or service?
- _____ 8. Do you have continuing or recurring business liabilities or obligations?
- _____ 9. Does the success or failure of your business depend on the relationship of business receipts to expenditures?

Name: _____

Date: _____

Signature: _____

*** If you fail to meet any of the above criteria, you must be considered an employee for purposes of worker's compensation insurance coverage.**



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REQUEST FOR IDENTIFICATION NUMBER

It is our understanding that you will be providing services to our company as an independent contractor.

The Internal Revenue Service requires that all independent contractors be provided at year end with a Form 1099 showing the amount of non-employee compensation paid to them by our company.

To conform with this requirement, we ask that you complete this form and return it to our office as soon as possible.

Failure to return this form will require us to withhold 20% of any payments we make to you.

Name of Independent Contractor

Address

City, State, Zip Code

Enter your taxpayer identification number in the appropriate box. For individuals and sole proprietors, this is your Social Security Number. For other entities, or Sub Contractors, it is your Employer Identification Number. Please Also Provide Your State Tax I.D. Number

Social Security Number

Employer Identification Number

MN Tax I.D. Number

Please Sign Here

Date:_____

Return completed form to:

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