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JOINT CHECK AGREEMENT

This Joint Check Agreement is entered into this ___ day of _____ 20__.

Whereas, _____ (the "Subcontractor"), has entered into a subcontract agreement (the "Subcontract"), with _____ (hereinafter referred to as the "Contractor"), to provide labor and/or material necessary for the construction of the _____ located at _____ (the "Project"); and

Whereas, **AC Pro** (the "Supplier"), has agreed to furnish labor, material and/or equipment generally described as steel products and/or specially fabricated steel products to Subcontractor for incorporation into the Project; and

Whereas, the Supplier and Subcontractor have requested that, in consideration of Supplier's furnishing such labor, material and/or equipment to the Project, Contractor issue joint check payments to Subcontractor and Supplier; and

Whereas, Contractor has agreed to do so, on the terms and conditions herein stated,

Now, therefore, for and in consideration of and not to exceed \$_____ Dollars and other good and valuable considerations, the parties hereto agree, and have agreed, as follows:

1. Subject to all terms of this Agreement, Contractor shall issue checks made jointly payable to Subcontractor and Supplier in accordance with monthly progress payments to Subcontractor under the Subcontract, but only for materials, labor and/or equipment supplied to the Project by Supplier: (i) that were ordered by the Subcontractor pursuant to the above Subcontract, and (ii) for which the Contractor has been provided, at the time Subcontractor submits its monthly application for payment, copies of invoices or such other documentation as may be reasonably requested by Contractor, establishing and evidencing the debt of Subcontractor to Supplier on the Project.



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2. All joint check moneys shall be applied by the Supplier only to labor, materials and/or equipment furnished by Supplier to Subcontractor for the Project.
3. Subcontractor agrees to endorse each joint check immediately upon presentment, and to forward, or allow the Contractor to forward, the check to Supplier. If at any time Subcontractor refuses to endorse any joint check payable jointly to Supplier, Contractor, at its option, may pay the Supplier directly and charge the amount thereof to Subcontractor's account. All amounts ultimately payable to Supplier, either by joint check or direct payment, shall not be considered as "accounts receivable" to Subcontractor with respect to any present or future assignment of Subcontractor's receivables.
4. Supplier and Subcontractor agree to execute necessary Releases or Partial Releases of Lien upon receipt of payment.
5. Nothing contained herein shall be construed to make Supplier a party to the Subcontract, nor to imply or create responsibility on the part of Supplier or for the performance of the Subcontract.
6. This Agreement shall not create a direct contractual relationship between the Supplier and Contractor within the laws and statutes governed by State of Arizona, **nor shall it constitute a debt incurred by an original contractor under the provisions PURSUANT TO ARIZONA REVISED STATUTES SECTION 33-992.01, SUBSECTION 1**, nor shall it constitute a materialmen's contractual relationship, express or implied, with the Contractor pursuant to the Miller Act (In accordance with Section 33-992.01 and 33-992.02 Arizona Revised Statutes).
7. Supplier does not, by executing this Agreement, waive any of its rights under bond or lien laws of the State of Arizona, nor against any bonds on which it is an intended obligee.
8. The Agreement shall not be construed as a waiver of any of the Contractor's rights or



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remedies against the Subcontractor or others.

9. This Agreement shall in no event create an obligation upon Contractor to make payments in excess of the amounts due Subcontractor under the Subcontract. Supplier acknowledges that the payment terms, if any, contained in the Subcontract determine Subcontractor's entitlement to payment and in no event will Contractor have an obligation to issue a joint check if no payment is due Subcontractor. Contractor shall not be obligated to include Supplier's name on force accounts, back charges, offsets, payroll advances or checks on which any person or entity not a party to the Agreement is a payee or co-payee.
10. This Agreement is not intended to benefit anyone other than the named parties hereto.
11. This Agreement constitutes the entire agreement of the parties on the subject matter hereof and may be modified only in writing signed by the parties.
12. Any dispute arising under this Agreement shall be resolved in the same manner, in the same locale and jurisdiction, and under the same terms as a dispute between the Subcontractor and Contractor is to be resolved under the Subcontract.

IN WITNESS WHEREOF, the parties hereto have executed this Joint Check Agreement.

Subcontractor

By: _____
Title: _____

Contractor

By: _____
Title: _____

AC Pro

Supplier

By: _____
Title: _____