DRAFT AIA Document C404 - 2021

Standard Form of Agreement Between Contractor and Consultant for

Delegated Design Services

AGREEMENT made as of the « » day of « » in the year « » (*In words, indicate day, month, and year.*)

BETWEEN the Contractor:

(Name, legal status, address, and other information)

« »« »
« »
« »

and the Consultant:

(Name, legal status, address, and other information)

« »« »
« »
« »
« »

Consultant's discipline:

« »

The Contractor has made an agreement, hereinafter known as the Prime Contract, dated: (In words, indicate month, day, and year of the Prime Contract.)

« »

with the Contractor's Client:

(Name, legal status, address, and other information)

« »« »
« »
« »
« »

for the following Project:

(Include detailed description of Project, location, address, and scope.)

« » « » « »

The Contractor and Consultant agree as follows.

ADDITIONS AND DELETIONS: The author of this document has added information needed for its completion. The author may also have revised the text of the original AIA standard form. An Additions and Deletions Report that notes added information as well as revisions to the standard form text is available from the author and should be reviewed.

This document has important legal consequences. Consultation with an attorney is encouraged with respect to its completion or modification.



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ARTICLE 1 GENERAL PROVISIONS

§ 1.1 A copy of the Contractor's agreement with the Contractor's Client for the Project, referred to as the Prime Contract (from which compensation amounts may be deleted), is attached as Exhibit A and is made a part of this Agreement.

§ 1.2 The portion of the Project for which the Consultant shall provide services is hereinafter called This Portion of the Project. Except as set forth herein, the Consultant shall not have any duties or responsibilities for any other portion of the Project. This Portion of the Project consists of the following:

(Fully describe the Portion of the Project for which the Consultant shall provide the services set forth in Article 3 of this Agreement.)

« »

- § 1.3 To the extent that the provisions of the Prime Contract apply to This Portion of the Project, the Contractor shall assume toward the Consultant all obligations and responsibilities that the Contractor's Client assumes toward the Contractor, and the Consultant shall assume toward the Contractor all obligations and responsibilities that the Contractor assumes toward the Contractor's Client. Insofar as applicable to this Agreement, the Contractor shall have the benefit of all rights, remedies, and redress against the Consultant that the Contractor's Client, under the Prime Contract, has against the Contractor, and the Consultant shall have the benefit of all rights, remedies, and redress against the Contractor that the Contractor, under the Prime Contract, has against the Contractor's Client. Where a provision of the Prime Contract is inconsistent with a provision of this Agreement, this Agreement shall govern.
- § 1.4 The parties shall agree upon protocols governing the transmission and use of Instruments of Service or any other information or documentation in digital form.
- § 1.4.1 Any use of, or reliance on, all or a portion of a building information model without agreement to protocols governing the use of, and reliance on, the information contained in the model shall be at the using or relying party's sole risk and without liability to the other party and its contractors or consultants, the authors of, or contributors to, the building information model, and each of their agents and employees.

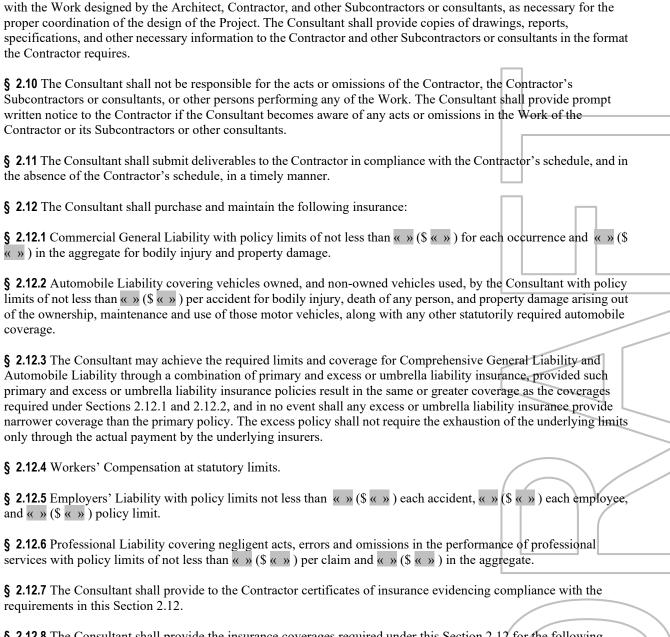
§ 1.5 The Contractor identifies the following representative in accordance with Section 5.2: (List name, address, and other information.)
<pre> « » « » « » « » « » « »</pre>
§ 1.6 The Consultant identifies the following representative in accordance with Section 2.2: (List name, address, and other information.)
<pre> « » « » « » « » « » « »</pre>
ARTICLE 2 CONSULTANT'S RESPONSIBILITIES § 2.1 The Consultant shall perform its services consistent with the professional skill and care ordinarily provided by professionals practicing in the same or similar locality under the same or similar circumstances. The Consultant shall perform its services as expeditiously as is consistent with such professional skill and care and the orderly progress of the Project. § 2.2 The Consultant shall identify a representative authorized to act on behalf of the Consultant with respect to the
Project. § 2.3 The Consultant shall be licensed to perform the services described in this Agreement in the jurisdiction where the Project is located, or shall cause such services to be performed by appropriately licensed design professionals.
§ 2.4 The Consultant is an independent contractor. The Consultant is responsible for methods and means used in performing its services under this Agreement and is not an employee, agent, or partner of the Contractor. The Contractor shall not be responsible for the acts or omissions of the Consultant.
§ 2.5 The Consultant shall be entitled to rely upon the adequacy and accuracy of the performance and design criteria provided in the Contract Documents incorporated in the Prime Contract. The Consultant shall provide prompt written notice to the Contractor if the Consultant becomes aware of any errors, omissions, or inconsistencies in such performance and design criteria.
§ 2.6 The drawings, calculations, specifications, certifications, Shop Drawings, and other submittals prepared under this Agreement shall be signed and sealed by the Consultant or the appropriately licensed design professional who prepared the submittals.
§ 2.7 If the Contract Documents require certification that the Work has been performed in accordance with the performance and design criteria, the Consultant shall furnish such certification to the Contractor.
§ 2.8 The Consultant shall recommend to the Contractor the appropriate investigations, surveys, tests, analyses, reports, and the services of other consultants that should be obtained for the proper execution of the Consultant's

§ 2.9 The Consultant shall coordinate its services with those of the Contractor, and other Subcontractors or consultants in order to avoid unreasonable delay in the orderly and sequential progress of the Contractor's, or other Subcontractors' or consultants' services. The Consultant shall coordinate all aspects of its design or other services

services. The Consultant shall review the information provided by the Contractor and shall promptly notify the

Contractor if the Consultant needs further information to perform its services.

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§ 2.12.8 The Consultant shall provide the insurance coverages required under this Section 2.12 for the following

period after completion of the Work:

If the Contractor and Consultant do not include a period of time for the Consultant to provide the insurance coverages required under this Section 2.12 following completion of the Work, the Consultant shall provide such coverages for the same period of time that the Contractor is required to provide the same or similar coverages under the Prime Contract.

§ 2.13 Except as authorized by the Contractor, all communications between the Consultant and the Owner, Architect, or Subcontractors or other consultants for the Project shall be forwarded through the Contractor.

SCOPE OF CONSULTANT'S SERVICES

The Consultant shall provide the Delegated Design services set forth below or as described in an exhibit attached to

« »

this Agreement.

(Specify the Consultant's Services or identify the attached Exhibit that contains a description of the Consultant's Services.)

« »

ARTICLE 4 ADDITIONAL SERVICES

Additional Services are services in addition to those required in Article 3. Additional Services may be provided after execution of this Agreement without invalidating the Agreement. Upon recognizing the need to perform Additional Services, the Consultant shall notify the Contractor. The Consultant shall not provide such services until the Consultant receives the Contractor's written authorization. The Contractor has no obligation to compensate the Consultant for any Additional Services performed without such written authorization. Except for services due to the fault of the Consultant, any Additional Services provided in accordance with this Section shall entitle the Consultant to compensation pursuant to Section 10.2.

CONTRACTOR'S RESPONSIBILITIES ARTICLE 5

- § 5.1 The Contractor shall provide to the Consultant all performance and design criteria that the Consultant's services must satisfy.
- § 5.2 The Contractor shall identify a representative authorized to act on the Contractor's behalf with respect to the Project.
- § 5.3 If the Consultant reasonably requests information from investigations, surveys, tests, analyses, and reports, or the services of other consultants not within the scope of the Consultant's services, the Contractor shall request that the Contractor's Client furnish the information or services.
- § 5.4 The Contractor shall be entitled to rely on the adequacy and accuracy of the services, certifications, and approvals performed or provided by the Consultant. The Contractor shall provide prompt written notice to the Consultant if the Contractor observes or otherwise becomes aware of any errors, omissions, or inconsistencies in such services or information. The Contractor is not required to ascertain that the services, certifications, and approvals performed or provided by the Consultant are in accordance with applicable laws, statutes, ordinances, codes, rules and regulations, or lawful orders of public authorities, but the Contractor shall promptly report to the Consultant any nonconformity discovered by or made known to the Contractor.
- § 5.5 The Contractor shall submit the drawings, calculations, specifications, certifications, Shop Drawings, and other submittals prepared by the Consultant for review, approval, or other action as required by the Prime Contract.
- § 5.6 Within seven days after receipt of a written request, the Contractor shall request information from the Contractor's Client as necessary and relevant for the Consultant to evaluate, give notice of, or enforce lien rights. Within seven days of receipt of such information from the Contractor's Client, the Contractor shall furnish the information to the Consultant.
- § 5.7 The Contractor shall promptly, upon request of the Consultant, furnish a copy or permit a copy to be made of any bond covering payment of obligations arising under this Agreement.

COPYRIGHTS AND LICENSES

- § 6.1 Instruments of Service are representations, in any medium of expression now known or later developed, of the tangible and intangible creative work prepared by the Contractor, Consultant, or other Project Participants. Instruments of Service may include, without limitation, studies, surveys, models, sketches, drawings, specifications, and other similar materials. Project Participants include, but are not limited to, the Owner, the Architect and its subconsultants, the Contractor, Subcontractors, suppliers, and others who perform services to assist with the design of the Project.
- § 6.2 The Contractor and the Consultant represent that in transmitting Instruments of Service or any other information, the transmitting party is the copyright owner of such information or has permission from the copyright owner to transmit such information for its use on the Project.

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- § 6.3 The Contractor, Consultant, and other Project Participants, shall be deemed the authors and owners of their respective Instruments of Service, and will retain all common law, statutory and other reserved rights, including copyrights. No party shall own or claim a copyright in the Instruments of Service of any other party. Submission or distribution of Consultant's documents to meet official regulatory requirements or for similar purposes in connection with the Project is not to be construed as publication in derogation of the Consultant's reserved rights.
- § 6.4 Upon execution of this Agreement, the Consultant grants to the Contractor a limited, irrevocable, and nonexclusive license to use the Consultant's Instruments of Service solely and exclusively in connection with the Project. The Consultant shall obtain similar limited, irrevocable, and nonexclusive licenses from the Consultant's subconsultants consistent with this Agreement. The license granted under this Article 6 permits the Contractor to authorize its other consultants and other Project Participants to reproduce applicable portions of the Instruments of Service solely and exclusively for use in performing services in connection with the Project.
- § 6.5 Except for the licenses granted in this Article 6, no other license or right shall be deemed granted or implied under this Agreement and no permission is granted to the Contractor or other Project Participants to assign, delegate, sublicense, pledge, or otherwise transfer any license granted herein to another party without the prior written agreement of the Consultant. Any unauthorized use of the Instruments of Service shall be at the Contractor's or other Project Participant's sole risk and without liability to the Consultant and its subconsultants.
- § 6.6 Except as otherwise stated in Section 6.5, the provisions of this Article 6 shall survive the termination of this Agreement.

ARTICLE 7 CLAIMS AND DISPUTES

§ 7.1 General

- § 7.1.1 Any claim, dispute or other matter in question arising out of or related to this Agreement shall be subject to the same dispute resolution provisions as set forth in the Prime Contract, except that if the claim, dispute or other matter in question is unrelated to a dispute between the Contractor and Contractor's Client, or if the Consultant is legally precluded from being a party to the dispute resolution procedures set forth in the Prime Contract, then claims, disputes or other matters in question shall be resolved in accordance with the procedures set forth in Section 7.2 and, if applicable, Section 7.3. If such matter relates to or is the subject of a lien arising out of the Consultant's services, the Consultant may proceed in accordance with applicable law to comply with the lien notice or filing deadlines prior to resolution of the matter under the dispute resolution provisions set forth in the Prime Contract.
- § 7.1.2 The Consultant shall indemnify and hold the Contractor and the Contractor's officers and employees harmless from and against damages, losses, and judgments arising from claims by third parties, including reasonable attorneys' fees and expenses recoverable under applicable law, but only to the extent they are caused by the negligent acts or omissions of the Consultant, its employees, and consultants in the performance of services under this Agreement. The Consultant's obligation to indemnify and hold harmless the Contractor and its officers and employees does not include a duty to defend.
- § 7.1.3 The Contractor shall indemnify and hold the Consultant and the Consultant's officers and employees harmless from and against damages, losses, and judgments arising from claims by third parties, including reasonable attorneys' fees and expenses recoverable under applicable law, but only to the extent they are caused by the negligent acts or omissions of the Contractor, its employees, subcontractors, and consultants. The Contractor's obligation to indemnify and hold harmless the Consultant and its officers and employees does not include a duty to defend.
- § 7.1.4 Disputes between the Contractor and Consultant arising out of the acts, omissions, or responsibilities of the Contractor's Client under the Prime Contract shall be resolved in accordance with the binding dispute resolution method in the Prime Contract. In the event of such a dispute, the Consultant shall be entitled to relief only to the same extent and according to the same provisions as the Contractor is entitled to recover from the Contractor's Client after deduction for the Contractor's costs incurred in presenting and litigating or arbitrating the claim, including legal fees, normal overhead costs, and apportionment to other affected consultants.

§ 7.2 Mediation

§ 7.2.1 If claims, disputes, or matters in question are unrelated to a dispute between the Contractor and Owner, or if the Consultant is legally precluded from being a party to the dispute resolution procedures set forth in the Prime Contract, then such claims, disputes or matters in question shall be subject to mediation as a condition precedent to the method of binding dispute resolution set forth below. Unless the parties mutually agree otherwise, mediation shall be administered by the American Arbitration Association in accordance with its Construction Industry Mediation Procedures in effect on the date of this Agreement. A request for mediation shall be made in writing, delivered to the other party to this Agreement, and filed with the person or entity administering the mediation. The request may be made concurrently with the filing of a complaint or other appropriate demand for binding dispute resolution, but, in such event, mediation shall proceed in advance of binding dispute resolution proceedings, which shall be stayed pending mediation for a period of 60 days from the date of filing, unless stayed for a longer period by agreement of the parties or court order. If an arbitration proceeding is stayed pursuant to this section, the parties may nonetheless proceed to the selection of the arbitrator(s) and agree upon a schedule for later proceedings.

§ 7.2.2 The parties shall share the mediator's fee and any filing fees equally. The mediation shall be held in the place where the Project is located, unless another location is mutually agreed upon. Agreements reached in mediation shall be enforceable as settlement agreements in any court having jurisdiction thereof.

§ 7.2.3 If the parties do not resolve a dispute through mediation pursuant to this Section 7.2, the method of binding dispute resolution shall be the following: (Check the appropriate box.)

[« »] Arbitration pursuant to the terms and conditions set forth in Section 7.3

[« »] Litigation in a court of competent jurisdiction

[**« »**] Other: (Specify)

« »

If the Contractor and Consultant do not select a method of binding dispute resolution, or do not subsequently agree in writing to a binding dispute resolution method other than litigation, the dispute will be resolved in a court of competent jurisdiction.

§ 7.3 Arbitration

§ 7.3.1 If the parties have selected arbitration as the method for binding dispute resolution in this Agreement, any claim, dispute or other matter in question arising out of or related to this Agreement subject to, but not resolved by, mediation shall be subject to arbitration, which, unless the parties mutually agree otherwise, shall be administered by the American Arbitration Association in accordance with its Construction Industry Arbitration Rules in effect on the date of this Agreement. A demand for arbitration shall be made in writing, delivered to the other party to this Agreement, and filed with the person or entity administering the arbitration.

§ 7.3.1.1 A demand for arbitration shall be made no earlier than concurrently with the filing of a request for mediation, but in no event shall it be made after the date when the institution of legal or equitable proceedings based on the claim, dispute or other matter in question would be barred by the applicable statute of limitations. For statute of limitations purposes, receipt of a written demand for arbitration by the person or entity administering the arbitration shall constitute the institution of legal or equitable proceedings based on the claim, dispute or other matter in question.

§ 7.3.2 The foregoing agreement to arbitrate, and other agreements to arbitrate with an additional person or entity duly consented to by parties to this Agreement, shall be specifically enforceable in accordance with applicable law in any court having jurisdiction thereof.

§ 7.3.3 The award rendered by the arbitrator(s) shall be final, and judgment may be entered upon it in accordance with applicable law in any court having jurisdiction thereof.

§ 7.3.4 Consolidation or Joinder

- § 7.3.4.1 Either party, at its sole discretion, may consolidate an arbitration conducted under this Agreement with any other arbitration to which it is a party provided that (1) the arbitration agreement governing the other arbitration permits consolidation; (2) the arbitrations to be consolidated substantially involve common questions of law or fact; and (3) the arbitrations employ materially similar procedural rules and methods for selecting arbitrator(s).
- § 7.3.4.2 Either party, at its sole discretion, may include by joinder persons or entities substantially involved in a common question of law or fact whose presence is required if complete relief is to be accorded in arbitration, provided that the party sought to be joined consents in writing to such joinder. Consent to arbitration involving an additional person or entity shall not constitute consent to arbitration of any claim, dispute or other matter in question not described in the written consent.
- § 7.3.4.3 The Contractor and Consultant grant to any person or entity made a party to an arbitration conducted under this Section 7.3, whether by joinder or consolidation, the same rights of joinder and consolidation as the Contractor and Consultant under this Agreement.
- § 7.4 To the extent damages are covered by property insurance, the Contractor and Consultant waive all rights against each other and against the contractors, consultants, agents, and employees of the other for damages, except such rights as they may have to the proceeds of such insurance as set forth in AIA Document A201® -2017, General Conditions of the Contract for Construction. The Contractor or the Consultant, as appropriate, shall require of the contractors, consultants, agents, and employees of any of them, similar waivers in favor of the other parties enumerated herein.

TERMINATION OR SUSPENSION ARTICLE 8

- § 8.1 Except as otherwise provided below, the Contractor may terminate this Agreement or suspend the Consultant's services pursuant to the same terms and conditions set forth in the Prime Contract, under which the Contractor's Client may terminate the Prime Contract or suspend the Contractor's services under the Prime Contract. Additionally, the Consultant may terminate this Agreement or suspend its services pursuant to the same terms and conditions under which the Contractor may terminate the Prime Contract or suspend its services under the Prime Contract.
- § 8.1.1 Except as provided in Section 8.1.2, in the event of termination of this Agreement not due to the fault of the Consultant, the Contractor shall pay the Consultant a Termination Fee and, for the Contractor's continued use of the Consultant's Instruments of Service, a Licensing Fee as set forth below:

(Set forth below the amount of any termination or licensing fee, or the method for determining any termination or licensing fee.)

4	-		. •	-
.1	Tern	าเทล	tion.	Fee:



.2 Licensing Fee:



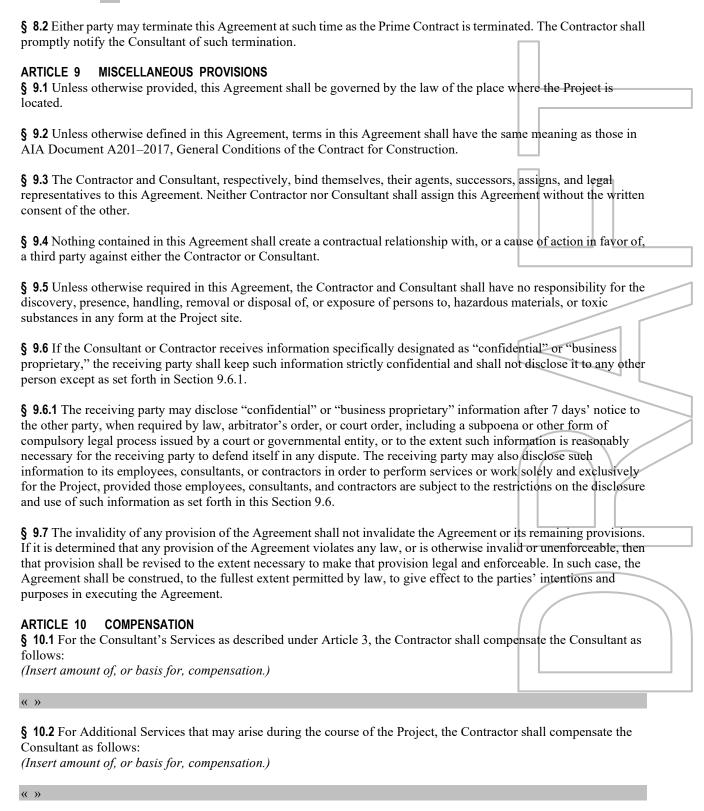
§ 8.1.2 Notwithstanding Section 8.1.1, in the event of termination of this Agreement due to the termination of the Prime Contract by the Contractor's Client for the convenience of the Contractor's Client, and if the Contractor receives payment of a Termination Fee and Licensing Fee from the Contractor's Client, the Contractor shall pay the Consultant a Termination Fee and, for the continued use of the Consultant's Instruments of Service by the Contractor's Client, a Licensing Fee as set forth below:

(Set forth below the amount of any termination or licensing fee, or the method for determining any termination or licensing fee.)

.1 Termination Fee:



.2 Licensing Fee: **«** »



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§ 10.3 Compensation for Reimbursable Expenses The Contractor shall reimburse the Consultant for the Reimbursable Expenses necessarily incurred by the Consultant for the Consultant's employees directly relating to the Project and specified below plus we percent (we we will be expenses incurred. Reimbursable Expenses are in addition to compensation for the Consultant's services and Additional Services. (List expenses to be reimbursed.)
« »
§ 10.4 Payments to the Consultant § 10.4.1 The Consultant shall submit invoices for services and Reimbursable Expenses. The Contractor shall review such invoices and, if they are considered incorrect or untimely, the Contractor shall, within ten days from receipt of the Consultant's billing, review the matter with the Consultant and confirm, in writing to the Consultant, the Contractor's understanding of the disposition of the issue.
§ 10.4.2 Payments to the Consultant shall be made promptly after the Contractor is paid by the Contractor's Client under the Prime Contract. The Contractor shall exert reasonable and diligent efforts to collect prompt payment from the Contractor's Client. The Contractor shall pay the Consultant in proportion to the amounts received from the Contractor's Client which are attributable to the Consultant's services rendered and Reimbursable Expenses incurred.
ARTICLE 11 SPECIAL TERMS AND CONDITIONS Special terms and conditions that modify this Agreement are as follows:
« »
ARTICLE 12 SCOPE OF THE AGREEMENT § 12.1 This Agreement represents the entire and integrated agreement between the Contractor and the Consultant and supersedes all prior negotiations, representations or agreements, either written or oral. This Agreement may be amended only by written instrument signed by both Contractor and Consultant.
 12.2 This Agreement is comprised of the following documents: AIA Document C404TM–2021, Standard Form Agreement Between Contractor and Consultant for Delegated Design Services Prime Contract between the Contractor's Client and Contractor including all applicable exhibits thereto, attached as Exhibit A Other Exhibits incorporated into this Agreement: (Clearly identify any other exhibits incorporated into this Agreement)
.4 Other documents: (List other documents, if any, forming part of the Agreement.) « »
This Agreement entered into as of the day and year first written above.
CONTRACTOR (Signature) « »« » (Printed name and title) CONSULTANT (Signature) « »« » (Printed name and title)

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