



**Cornerstone Solutions Group**

(Cornerstone Tree Farm, Inc.; Cornerstone Hardscapes Inc.; Cornerstone Solutions Group Holdings, Inc.; Tree Farm 2, Inc.; Hardscapes 2, Inc.; EMSM Holdings, Inc. ; EMSM Pasco, LLC)

**Subcontractor Agreement**

SUBCONTRACTOR \_\_\_\_\_ DATE \_\_\_\_\_

TRADE CLASSIFICATION \_\_\_\_\_

BUSINESS ADDRESS \_\_\_\_\_

CITY, STATE, ZIP CODE \_\_\_\_\_

BUSINESS PHONE NUMBER \_\_\_\_\_ FAX NUMBER \_\_\_\_\_

FEDERAL TAX ID# \_\_\_\_\_ or SOCIAL SECURITY # \_\_\_\_\_

CONTACT NAME \_\_\_\_\_ PHONE NUMBER \_\_\_\_\_

EMAIL ADDRESS FOR CONTACT PERSON \_\_\_\_\_

24 HOUR EMERGENCY NUMBER OF SUBCONTRACTOR \_\_\_\_\_

Proof of Subcontractor’s general liability insurance attached

Proof of Subcontractor’s Worker’s Compensation attached

Proof of Subcontractor’s auto insurance attached

IRS W-9 Form for Subcontractor attached

1. The purpose of this agreement is to establish the relationship and obligations between Cornerstone Solutions Group (also Cornerstone Tree Farm, Inc, Cornerstone Hardscapes, Inc., Cornerstone Solutions Group, Holdings, Inc., Tree Farm 2, Inc., Hardscapes 2, Inc., EMSM Holdings, Inc. and or EMSM Pasco, LLC.) hereinafter known as the Contractor and the Subcontractor as shown above, with regard to the services provided and performed on any project for the Contractor.

A. The Subcontractor acknowledges that the Contractor is free to contract with any other person or persons for the performance of work for the Contractor’s company which is same or similar to the scope of work performed by the Subcontractor.



- B. Subcontractor shall complete the Work in strict conformity with generally accepted industry standards and/or building practices. All materials incorporated into the Work shall be new, fit for the intended use and the Work shall be completed in a good and workmanlike manner free from defects.
  - C. Subcontractor has satisfied itself as to the location of all utilities that may affect or interfere with the Work and agrees to protect all utilities and keep them operational at all times.
  - D. Subcontractor is an independent contractor. Subcontractor is not an employee of Cornerstone for any purpose.
  - E. Subcontractor is responsible for the manner, method and means of accomplishing the Work; hiring, training, discipline, firing and scheduling its own employees; withholding appropriate amounts for federal, state and local taxes; and providing fringe benefits to employees, including, but not limited to, workers' compensation benefits. Cornerstone shall not be liable for any such items. Cornerstone does not have the cause Subcontractor to take any disciplinary action against its employees except as specifically provided in this Agreement or to assigning work to any Subcontractor's employees.
  - F. Cornerstone reserves the right to (1) inspect all Work to determine, in good faith, whether the Work has been satisfactorily completed, (2) control access to each Cornerstone work site, (3) schedule Work in a logical sequence or to avoid disturbances, and (4) stop Work for safety reasons or to insure conformity of end product with contracted for results.
1. (a) Within five (5) days of Cornerstone issuing a purchase order for any work covered by this agreement, Subcontractor agrees to provide Cornerstone with the names, addresses, telephone numbers, facsimile numbers, e-mail addresses and contacts for all of Subcontractor's agents, sub-subcontractor's, material suppliers and labor suppliers by completion and delivery of the form attached hereto as **Addendum 1**. If the identity or information of the Sub-Subcontractor's change, Subcontractor shall submit a revised **Addendum 1** within five (5) business days of such change. Cornerstone may, at any time and from time to time, at its sole election and discretion, communicate directly with Sub-Subcontractors to determine whether Subcontractor is timely paying Sub-Subcontractors for the work and to permit Cornerstone to determine the scope of work assigned to the Sub-Subcontractor. Subcontractor by its execution hereof authorizes Sub-Subcontractors to communicate with Cornerstone and to provide to Cornerstone information regarding Subcontractor as Cornerstone may request including without limitation Subcontractor's payment history and the terms of any agreement between Subcontractor and Sub-Subcontractor.
  2. Contractor shall provide stated time frames for Subcontractor to submit invoices for the work performed. Invoices not received by the stated time will be processed and paid in the next pay period. Invoices in question will be held in their entirety until the disputed charge is resolved. Payment for a disputed charge may be held from the Subcontractor's total payment regardless of the specific project in dispute. All invoices are paid a minimum of net 60 days from invoice date and upon approval from Contractor. Receipt by Contractor of payment from Owner is a condition precedent to Contractor's obligation to pay Subcontractor. Further payment will be provided only if Subcontractor is in full compliance with its obligations under this agreement and has provided all documentation set forth herein to receive payment. Payment shall be in accordance with the price set forth in the documents with retainage in an amount



determined in accordance with the documents being withheld from each payment and released to Subcontractor upon satisfactory completion of the work and Subcontractor's compliance with other requirements set forth in this agreement including but not limited to providing final releases from Subcontractor and all Sub-Subcontractors and Subcontractors final payment affidavit. If Cornerstone fails to make payment when due under this agreement, Subcontractor shall provide written notice to Cornerstone and Cornerstone shall have fifteen (15) days from receipt of notice to cure prior Subcontractor taking any action against Cornerstone.

- a. Subcontractor agrees to provide notice of price increase to Cornerstone for the longer of completion of current backlog of 120 days. Payment for additions or extra work will be made only pursuant to advance written change orders, which may include purchase orders, signed by Cornerstone's purchasing manager and/or land development manager.
- b. Cornerstone, in its sole discretion, may retain any payment or portion thereof and/or offset such amounts against future payments due to Subcontractor as Cornerstone deems reasonably required to assure satisfactory completion of the work and all service work arising there from or to compensate Cornerstone for any damages Cornerstone suffers as a result of Subcontractor's default of this agreement. Any such retainage shall be paid to the Subcontractor upon satisfactory final completion of any work and/or service work applicable for the warranty period.
- c. In consideration of Cornerstone entering into this agreement, Subcontractor agrees that no liens shall be field or maintained by Subcontractor or Sub-Subcontractor and the principal owner(s) of Subcontractor shall personally guarantee the full and prompt payment to all Sub-Subcontractors. This guarantee of payment shall be memorialized by execution of **Addendum 2** with each principal owner executing a guarantee which shall be joint and several, a principal owner shall include any person or entity which directly or indirectly owns ten percent (10%) or more of Subcontractor.
- d. Subcontractor shall submit to Cornerstone a Requisition for payment showing the current contract value, progress to date, schedule of values and retention. Sample form attached as Addendum 3. And can be found on our website.
- e. Subcontractor shall submit to Cornerstone with Subcontractor's request for payment, executed Contractors Sworn Statement and lien waivers from Subcontractor and all Sub-Subcontractors. Upon completion of the work on any project Subcontractor shall deliver to Cornerstone a Final Waiver and Release of Liens executed by Subcontractor and each Sub-Subcontractor.
- f. Subcontractor shall also provide prior to final payment a Contractor's Final Payment Affidavit in Statutory form. Notwithstanding the foregoing, if Cornerstone, at its sole option, does not require Subcontractor to deliver a release from Sub-Subcontractor's as a condition of any payment, then with each request for payment Subcontractor shall submit a list of Sub-Subcontractors to be paid out of the requested payment or no payment will be issued and in such event Subcontractor shall within ten (10) days of payment obtain releases from each Sub-Subcontractor and deliver them to Cornerstone.
- g. If any Sub-Subcontractor files or maintains any such lien or claim after payment by Cornerstone to Subcontractor, Subcontractor agrees to cause such lien and claim to be satisfied, removed or discharged at its own expense by bond, payment or otherwise within ten (10) days from the day of filing thereof. Upon Subcontractor's failure to satisfy, remove or discharge the lien or claim, Cornerstone shall have the right. In addition to all other rights and remedies provide under the agreement or by law, to cause such lien or claim to be satisfied, removed by whatever means Cornerstone chooses, at the entire cost and expenses of the Subcontractor, including without limitation, legal fees. To the maximum extent permitted by law, Subcontractor agrees to indemnify, protect and save harmless Cornerstone from and against any and all such liens and claims and actions brought or judgments rendered thereon, and from and against any and all loss, damages, liability, costs and expenses, including legal fees, which Cornerstone may sustain or incur in connection there within.





6. Subcontractor agrees to make all repairs and correct any defects under its warranty within three (3) days after notice from Contractor, unless Contractor, in its sole discretion, shall determine that an emergency exists. The Subcontractor shall also be liable its warranty for any loss or damage to other property or work resulting from defective labor, service or with materials which it provides.
7. The Subcontractor shall be responsible to protect, from damage, his own materials and labor, the materials and labor of others that may be affected by his work and the materials supplied for him/her by others for his installation, and shall be responsible for repairing or replacing damage done by him/her or others from lack of proper protection. All usable materials are to be stored in an orderly way that protects them from wind, moisture and provides general site safety. Subcontractor promptly notifies Builder of any defects in any materials supplied by the Contractor.
8. The Subcontractor shall furnish the Contractor with all manufacturer and dealer user information, brochures, and warranties and guarantees on appliances, equipment, and materials and shall furnish all certificates required by state government bodies or agencies.
9. Subcontractor agrees to clean up all debris, trash, and refuse generated by his own trade at the end of each day and deposit into trash bin provided by the Contractor, and shall clean all walls, floors and other finished surfaces soiled as a result of his/her trade. Subcontractor further agrees to deposit into trash bin or haul away all boxes, crates, or containers that may have been used by to bring materials or fixtures to the job site. Subcontractor agrees to leave the job broom clean for the next trade. In the event Subcontractor fails to comply with the above after receiving the proper notice of the problem and the opportunity to correct it. Contractor may back charge Subcontractor for the cost of the debris removal and clean up. The Subcontractor should report to the Contractor if the job has not been cleaned within acceptable practices by the prior Subcontractor.
10. To the fullest extent permitted by law, Subcontractor shall indemnify, defend, protect and hold harmless Cornerstone, its officers, directors, agents or employees of any of them from and against all claims, damages, losses and expenses, including but not limited to attorneys' fees, arising out of or resulting from (a) performance of the work, (b) bodily injury, sickness, disease or death, or to injury to or destruction of tangible property including loss of use or economic loss resulting there from , or (c) Subcontractor's failure to strictly comply with this agreement including but not limited to any Addendum hereto. Provided however that such claim, damage, loss or expense is caused in whole or in part by Subcontractor or any of the Subcontractor's sub-subcontractors, materialmen, or agents of any tier respective employees or anyone for whose acts they may be liable. Such obligation shall not be construed to negate, abridge, or reduce other rights or obligations of indemnity which would otherwise exist as to a party or person described in this Indemnification. Subcontractor agrees that the indemnification given herein shall be limited to the amount of loss suffered by Indemnatee or Five Million Dollars (\$5,000,000.00) per occurrence, whichever is less, which amount is stipulated by the parties to bear a reasonable commercial relationship to the Contract. This Indemnification shall be deemed part of the Subcontract and to fully comply with Section 725.06, Florida Statutes (2006), including any amendments thereto, in all respects.

Any indemnification provided by Subcontractor shall only apply to damages to persons or property caused in whole or in part by any act, or default of:

Subcontractor Initial:

Date:

- a. The Subcontractor;
- b. Any of Subcontractor's sub-subcontractors, materialmen, or agents of any tier or their respective employees; or
- c. The Indemnitees or their officers, directors, members, agents, or employees. Provided, however, that such Indemnification shall not include:
  - i. Claims of, or damages resulting from gross negligence, or willful, wanton or intentional misconduct of the Indemnitees or their other officers, directors, members, agents, or employees; or
  - ii. Claims for failure to comply with a Legal Requirement or punitive damages except and to the extent that failure to comply with a Legal requirement or punitive damages are caused by or result from the acts or omissions of the Subcontractor or any of the Subcontractor's sub-subcontractors, materialmen, or agents of any tier or their respective employees.

The duty to defend under this Indemnification is independent and separate from the duty to indemnify, and the duty to defend exists regardless of any ultimate liability of Subcontractor or any Indemnitee. The duty to defend arises immediately upon presentation of a claim by any part and written notice of such claim being provided to Subcontractor. Subcontractor's obligation to indemnify and defend under this Indemnification will survive the expiration or earlier termination of this Subcontract until it is determined by final judgment that an action against the Indemnitee for the matter indemnified hereunder is fully and finally barred by the applicable statute of limitations.

If any work, clause or provision of this Indemnification is determined not to be in compliance with Section 725.06, Florida Statutes (2006), including any amendments thereto, it shall be stricken and the remaining words, clauses and provisions shall remain in full force and effect. It is the intent of the parties that this Indemnification comply fully with Section 725.06, Florida Statutes (2006), including any amendments thereto, in all respects.

Furthermore, this Indemnification is in addition to and not in lieu of common law indemnification to which the Indemnitee is entitled.

Subcontractor further agrees that it shall reimburse any Indemnitee its reasonable attorneys' fees, paralegals' fees, costs and expenses incurred by such Indemnitee in enforcing Subcontractor's obligations to defend and indemnify hereunder.

11. Subcontractor warrants and represents that it is familiar with and covenants to comply with all laws, regulations and rulings of all federal, state, county and municipal jurisdictions and agencies applicable to this agreement and to the work including, without limitation, OSHA, state occupational safety and health laws, workers' compensation laws, minimum wage and overtime laws, employment discrimination law, building codes, environmental laws and permits, and all regulations and rules promulgated there under. Subcontractor shall maintain all records required for compliance with the Legal Requirements and will indemnify and save Cornerstone harmless from any damage, fine or penalty which may be assessed against Cornerstone and any attorneys' fees and other costs incurred by Cornerstone by reason of the breach or alleged breach of this section by Subcontractor or Subcontractor's employees, suppliers, subcontractors, agents and officers.

- a. At all times, Subcontractor shall:
  - i. conduct, operate and maintain a safe, clean and healthful workplace.
  - ii. provide to its employees the protective clothing, equipment, training and safety devices necessary to ensure compliance with relevant Legal Requirements and industry best practices; and
  - iii. abide by the Drug and Alcohol Addendum attached hereto as **Addendum 3**.



- b. To the maximum extent permitted by law, Cornerstone may withhold from payment to Subcontractor the full amount of any fine, damages or penalty assessed or proposed to be assessed against Cornerstone by local, state or federal authorities as well as a sum sufficient to cover any attorneys' fees and costs that are incurred by Cornerstone as a result of Subcontractor's or Subcontractor's Agents failure to comply with applicable Legal Requirements. When any such amount are actually assessed and paid by Cornerstone, Cornerstone will release to Subcontractor any excess withheld.
- c. Either Subcontractor or Cornerstone may contest responsibility for Subcontractor's or Subcontractor's Agents failure to comply with applicable Legal Requirements. Subcontractor shall reimburse Cornerstone up to the full amount of any legal costs and expenses that Cornerstone may incur to contest responsibility which relates to Subcontractor's or Subcontractor's Agents failure or alleged failure to comply with applicable Legal Requirements.
- d. **COMPLIANCE WITH APPLICABLE OCCUPATIONAL SAFETY AND HELATH STANDARDS IS AN EXPRESS CONDITION OF WORK UNDER THIS AGREEMENT**
- e. **Cornerstone is a federal contractor. As such, the requirements of federal regulations found at 41 CFR Part 60-1 et seq. are incorporated by reference into this agreement to the extent applicable. If your company is deemed a federal contractor or subcontractor, you may have to comply with these requirements.**
- f. Subcontractor shall at all times perform the work in full compliance with all applicable federal, state, county, local or agency laws and regulations including, but not limited to: (1) The Federal Water Pollution Control Act, commonly known as the Clean Water Act, 33 U.S.C. §§ 1251-1387; (2) The applicable National Pollutant Discharge Elimination System Permit pertaining to the site or sites under this agreement; (3) Any other applicable state, county or municipal stormwater ordinance or requirement; (4) Cornerstone's erosion and sediment control policy, receipt of which is hereby acknowledged; (5) Cornerstone's Stormwater Compliance Program, which is available at each site or sites covered by this agreement or from Cornerstone's Stormwater Compliance Representative assigned to such site or sites, who has the authority to oversee, instruct, and direct Subcontractor's employees and Sub-Subcontractors at a project regarding compliance with Cornerstone's Stormwater Compliance Program requirements; and (6) Cornerstone's "Dos & Don'ts List", in the for attached hereto as **Addendum 4**.
- g. The Subcontractor shall circulate the "Dos & Don'ts List" to its employees and Sub-Subcontractors. Subcontractor shall contact Cornerstone's Stormwater Compliance Representative to obtain any additional stormwater compliance information. Cornerstone at its discretion may make an internet site available to assist Subcontractors with information dissemination to its employees and Sub-Subcontractors, which is \_\_\_\_\_, and such internet site is a reference tool that does not substitute for the Subcontractor understanding or ensuring compliance with any applicable stormwater requirements or Cornerstone's Stormwater Compliance Program. Subcontractor will be held responsible for fines and/or costs to repair any damage to erosion and sediment control devices caused by its negligence, misconduct or failure to comply with the above-referenced stormwater requirements, and may be subject to termination hereunder.
- h. Subcontractor shall designate a Subcontractor Representative pursuant to **Addendum 5**, which Contractor Representative shall oversee, instruct and direct employees of Subcontractor and Sub-Subcontractors regarding compliance with stormwater discharge requirements and Cornerstone's written erosion and sediment control policy.
- i. All work shall be performed by qualified tradespersons. Cornerstone reserves the right to reject any materials or work which do not, in Cornerstone's opinion, comply with the terms of this agreement. All materials shall be installed in accordance with applicable Legal Requirements and manufacturer's specifications or recommendations.



12. Subcontractor agrees, at its expense, (a) to remedy any defect in the work due to faulty or unacceptable material or workmanship, (b) to repair or replace any work not in compliance with the documents, and (c) to pay any expenses and costs, including legal fees and dispute resolution costs, incurred by Cornerstone as a result of (i) such defect or (ii) any personal injury or damage to other property caused by Subcontractor or Subcontractor's Agents. Subcontractor shall fully cooperate with Cornerstone in responding to any warranty claims. All warranties made by Cornerstone to its homebuyer, whether under the Cornerstone warranty or applicable law, are, to the extent applicable, deemed made by Subcontractor to Cornerstone.
13. Subcontractor agrees, at the request of Cornerstone, to take delivery or assume custody of materials purchased by Cornerstone from manufactures. Risk of loss of all material and equipment supplied by, delivered to or under the custody of the Subcontractor shall be upon the Subcontractor until the work reaches final completion and is accepted by Cornerstone.
14. Subcontractor shall keep the jobsite free of accumulations of trash and debris. At the conclusion of daily work on any housing unit, Subcontractor shall remove all trash and debris caused by its operations and leave the site broom clean.
15. Subcontractor shall abide by all directives which Cornerstone may publish from time to time.
16. If Subcontractor fails to perform any of its obligations hereunder, Subcontractor shall be in default. If such default is not cured within tow (2) days after oral or written notice, then Cornerstone may pursue any remedy or combination of remedies available at law or equity, including, without limitation: (a) terminating this agreement; (b) applying any retainage or other amounts due to Subcontractor to cure Subcontractor's defaults or compensate Cornerstone for damage suffered; (c) taking any action necessary to perform the work by other means, in which case Subcontractor shall upon demand reimburse Cornerstone for any amounts expended by Cornerstone to complete the work in excess of the price together with interest from the date paid by Cornerstone to the date reimbursed by Subcontractor at the rate of eighteen (18%) per annum or the maximum amount permitted under applicable law; and (d) pursuing an action for damages and recovery of all costs and expenses, including legal fees, incurred by Cornerstone in enforcing this agreement. All remedies shall be cumulative and not exclusive.
17. Cornerstone may terminate Subcontractor's performance under this agreement at any time, at the sole option of Cornerstone and for Cornerstone's own convenience. In such event, Subcontractor will turn over all equipment and materials ordered, purchased for, or delivered to the project, and Cornerstone will pay the Subcontractor any amounts due based on the percentage of completion of the Subcontractor's work that is in compliance with this agreement and the price for work actually accomplished and equipment and materials supplied to the project, excluding any payment for unearned profit and overhead. The payments for percentage completion shall be Subcontractor's sole remedy under this agreement at law or in equity. Subcontractor will facilitate transfer of the work to Cornerstone by assigning its rights under subcontracts and purchase orders.
18. Subcontractor shall fully cooperate and coordinate performance of the work with the work of Cornerstone and other subcontractors of Cornerstone. Cornerstone may suspend or reschedule the work in its discretion. Subcontractor shall not be entitled to any damages or additional compensation for any delay caused by rescheduling or suspension of the work other than an equivalent extension of time to perform.
19. Any dispute arising out of or relating to this agreement or the breach, termination or validity thereof shall be brought in a court of appropriate jurisdiction over the real property of the project. The parties waive trial by jury and agree that all issues will be resolved by the court. Notwithstanding the foregoing, in the event Subcontractor is named, or is joined, in any action or proceeding between a homeowner and Cornerstone, Subcontractor agrees (a) to submit to the jurisdiction of the forum for dispute resolution between the homeowner and Cornerstone, (b) that any decision rendered in such forum shall be binding on Subcontractor, and (c) the terms, conditions and procedures regarding the action or proceeding, as agreed to in the contract between Cornerstone and the homeowner, or, if applicable, as set forth in the Cornerstone written warranty provided to the homeowner, shall apply equally to Subcontractor. The non-prevailing party in any litigation or arbitration shall pay court costs and the reasonable attorneys' fees of the prevailing party.





20. (a) This agreement (including all documents incorporated herein) constitutes the entire agreement between the parties, supersedes any prior negotiations, agreements or contracts, written or oral, between the parties and may not be amended without the written agreement of both parties.

j. (b) Subcontractor shall have no right to assign this agreement or its right to payments hereunder.

(b) All plans, drawings, specifications and the subject matter contained therein and all other information given to Subcontractor in connection with the work ("Proprietary Materials") shall remain the property of Cornerstone and shall not be used by or disclosed to anyone by Subcontractor for any purpose other than performance of the work. Upon completion of the work, subcontractor shall return all proprietary materials to Cornerstone.

(c) If any one or more of the provisions contained in this agreement shall for any reason be held invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall be construed as if the invalid, illegal or unenforceable portion of the provision had never been contained herein.

(d) This agreement shall be governed by the laws of the state of Florida.

a. Subcontractors may not directly contact the Contractor's customer with-out written consent from the Contractor. The Subcontractor must disclose in writing to the Contractor's management any act of Kindness bestowed upon any of the Contractor's employee or clients.

IN WITNESSED WHEREOF, the parties gave executed this Agreement as of the day and year above written;

By: \_\_\_\_\_

(Subcontractor)

By: \_\_\_\_\_

(Contractor)

Title: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

Cornerstone



**SUBCONTRACTOR AGREEMENT  
CORNERSTONE SOLUTIONS GROUP**

**ADDENDUM 1**

**SUB-SUBCONTRACTOR INFORMATION SHEET**

<u>Name</u>	<u>Address</u>	<u>Telephone</u>	<u>E-Mail</u>	<u>Contact Name</u>
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1. \_\_\_\_\_
2. \_\_\_\_\_
3. \_\_\_\_\_
4. \_\_\_\_\_

Subcontractor Name:  
\_\_\_\_\_

Signature: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_





**SUBCONTRACTOR AGREEMENT**

**CORNERSTONE SOLUTIONS GROUP**

**ADDENDUM 2**

**PERSONAL GUARANTY**

This **GUARANTY** ("**Guaranty**") is executed effective as of \_\_\_\_\_, 20\_\_\_\_, by \_\_\_\_\_ and \_\_\_\_\_ (individually, a "**Guarantor**" and collectively, "**Guarantors**") for the benefit of **Cornerstone Solutions Group**.

**RECITALS**

- A. Cornerstone and \_\_\_\_\_ ("**Subcontractor**") have entered into that certain Subcontractor Agreement ("**Agreement**") dated \_\_\_\_\_, 20\_\_\_\_, and relating to the services to be provided by Subcontractor to or for the benefit of Cornerstone.
- B. The Agreement requires that the principal owner(s) of Subcontractor personally guarantee the full and prompt payment by Subcontractor to certain third parties, as more particularly described in the Agreement.
- C. Guarantors are the principal owner(s) of a direct or indirect interest in Subcontractor, and Guarantors will directly benefit from the Agreement.

**AGREEMENT**

In consideration of the Recitals, the covenants set forth herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and as an inducement to Cornerstone to enter into the Agreement with Subcontractor, Guarantors hereby agree and acknowledge as follows:

1. Guarantors hereby unconditionally and irrevocably guarantee to Cornerstone, and Cornerstone's successors and assigns, the due and punctual performance by Subcontractor of its obligation to fully and promptly pay all employees, agents, subcontractors, material suppliers and labor suppliers of Subcontractor, to the same extent and effect as if Guarantor were the Subcontractor under the Agreement.
2. Guarantors hereby specifically agree that Cornerstone may take, delay in taking, or refuse to take any and all action with reference to the Agreement, including specifically the settlement or compromise of any amount allegedly due there under, all without notice to, consideration to, or the consent of Guarantors, and no such act shall in any way release, diminish, or affect the absolute nature of Guarantors' obligations there under. Similarly, no modification or amendment to the Agreement, whether done with or without the consent of Guarantors, shall in any way release, diminish, or affect the absolute nature of Guarantors' obligations under this Guaranty.
3. Guarantors' obligations under this Guaranty are primary, and Cornerstone may proceed against any Guarantor hereunder without first, or concurrently, proceeding against Subcontractor or any other Guarantor, and without joining Subcontractor or any other Guarantor in any way. In that connection, each Guarantor waives any right to require Cornerstone to file suit against Subcontractor or any other Guarantor or to take any other action against Cornerstone or any other Guarantor as a prerequisite to Cornerstone's taking any action or bringing any suit against such Guarantor.
4. Guarantors hereby (i) represent and warrant to Cornerstone that (1) collectively, Guarantors own a controlling interest in the ownership of Subcontractor, and (2) Cornerstone's entering into the Agreement will benefit, directly or indirectly, each Guarantor and (ii) acknowledge that, but for the execution and delivery of this Guaranty by Guarantors, Cornerstone would not have entered into the Agreement.
5. The parties comprising Guarantors shall have joint and several liabilities for the duties, liabilities, obligations and indebtedness of Guarantors under this Guaranty.
6. Guarantors agree to be bound by the provisions of the Agreement.

Subcontractor Initial:

Date:



EXECUTED effective as of the date first written above

**“GUARANTORS”**

\_\_\_\_\_  
[Name of Guarantor]

\_\_\_\_\_  
[Name of Additional Guarantor, if any]



**Cornerstone**



**SUBCONTRACTOR AGREEMENT  
CORNERSTONE SOLUTIONS GROUP**

**ADDENDUM 3**

**JOINT CHECK AGREEMENT**

**THIS AGREEMENT** is entered into this \_\_ day of \_\_\_\_\_, 20\_\_\_\_, between Cornerstone Solutions Group (hereinafter called "Owner") \_\_\_\_\_ (hereinafter called "Subcontractor") and \_\_\_\_\_ (hereinafter called "Sub-Subcontractor").

WHEREAS, Owner and Subcontractor have entered into a Subcontractor Agreement (hereinafter the "Contract") for \_\_\_\_\_ {insert type of work} on certain properties owned by Owner (collectively the properties are hereinafter known as the "Project"); and

WHEREAS, Sub-Subcontractor is supplying certain labor, materials and supplies as requested by Subcontractor for the Project; and

WHEREAS, Owner, Subcontractor and Sub-Subcontractor agree to the provisions, terms and conditions set forth in this Agreement.

NOW THEREFORE, intending to be legally bound by this document, and for good and valuable consideration, the receipt and adequacy of which is acknowledged, Owner, Subcontractor and Sub-Subcontractor agree as follows:

1. Owner may, in its discretion, issue a good and sufficient check made payable jointly to Subcontractor and Sub-Subcontractor for amounts due under the Contract for labor, materials and supplies. Such joint check shall be issued by Owner and delivered to Subcontractor and shall specify which lots/homes are represented by the joint check and the period covered by the check. If Owner issues a joint check that does not list the Sub-Subcontractor that is actually providing materials and supplies to the Subcontractor and/or the Project for the lots/homes identified in the joint check, Subcontractor shall notify Owner within three (3) business days of its receipt of the check and agrees not to endorse, or request Sub-Subcontractor to endorse, the check. Subcontractor is on notice that a joint check that does not identify the correct Sub-Subcontractor as a co-payee is null and void and Subcontractor shall indemnify Owner from any liability or claims resulting there from.
2. If the Sub-Subcontractor has not supplied labor, materials and supplies for the Project or for the lot/homes indicated on the check, Sub-Subcontractor agrees not to endorse the joint check, and shall notify Owner no later than three (3) business days after Subcontractor's request that Sub-Subcontractor endorse the check.
3. Once the joint check has been negotiated and paid, both Subcontractor and Sub-Subcontractor waive, to the maximum extent permitted by applicable law, the right to claim payment from Owner and the right to lien the lots/homes represented by the joint check for labor, materials and supplies in connection with the Project. This waiver expressly includes all labor, materials and supplies and the lots/homes covered by the joint check.
4. Subcontractor authorizes Owner to make payment by issuance of the joint check provided for in this Agreement. Subcontractor agrees that the issuance of such joint check by the Owner will constitute proper payment under the Contract.
5. The actions of all parties under this Agreement shall be interpreted in accordance with the laws of the State where the Project is located.
6. This Agreement governs the issuance of joint checks related to labor, materials or supplies provided by Sub-Subcontractor for the Project. This Agreement is not an agreement by Owner to pay Sub-Subcontractor or a guarantee of payment to Sub-Subcontractor. Additionally, this Agreement is not an agreement by Owner to order or purchase labor, materials or supplies from Sub-Subcontractor or an agreement requiring Sub-Subcontractor to



**Cornerstone**

supply labor, materials or supplies to Owner. The agreement for Sub-Subcontractor to provide labor, materials or supplies for the Project is solely between Subcontractor and Sub-Subcontractor and Owner is not a party to such agreement.

Intending to be legally bound by its terms, the parties have executed this Joint Check Agreement as of the dates set forth on behalf of themselves, their heirs, successors and assigns.

SUB-SUBCONTRACTOR: \_\_\_\_\_ SUBCONTRACTOR: \_\_\_\_\_

By: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

**OWNER: CORNERSTONE SOLUTIONS GROUP**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_



# Cornerstone



**SUBCONTRACTOR AGREEMENT  
CORNERSTONE SOLUTIONS GROUP**

**ADDENDUM 4**

**DRUG AND ALCOHOL ADDENDUM**

**FOR THE SAFETY AND WELL BEING OF ALL EMPLOYEES ON CORNERSTONE CONSTRUCTION SITES, CORNERSTONE HAS A POLICY THAT NEITHER CONTROLLED SUBSTANCES NOR ALCOHOL SHALL BE DISTRIBUTED, POSSESSED OR USED ON CORNERSTONE CONSTRUCTION SITES. ANYONE FOUND TO BE IMPAIRED BY OR IN POSSESSION OF CONTROLLED SUBSTANCES OR ALCOHOL MUST IMMEDIATELY LEAVE THE CORNERSTONE CONSTRUCTION SITE OR PROPERTY.** To help ensure the safety of all workers, including a worker that may be impaired, Subcontractor agrees to adhere to the following procedures:

- (1) If a Subcontractor suspects that one of Subcontractor's Agents is impaired by controlled substances or alcohol, Subcontractor is required to investigate and make inquiries of co-workers on the job site to confirm the suspected impairment. If Cornerstone becomes aware that one of Subcontractor's foreperson investigates. When such a request is given, orally or in writing, Subcontractor's foreperson shall immediately proceed with such investigation and shall thereafter promptly report the results to the Cornerstone Supervisor. Cornerstone may send formal written notification to the Subcontractor regarding any such situation, a copy of which will be placed in the Subcontractor's file.
- (2) Any worker who is impaired or reasonably believed to be impaired must be immediately removed from the job site. The Subcontractor must provide transportation for the impaired worker and not allow the impaired worker to drive him/herself from the job and endanger the public.
- (3) A repeated violation by Subcontractor or any of Subcontractor's Agents of this policy will be cause for immediate termination of this Agreement by Cornerstone, in Cornerstone's sole discretion.

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Subcontractor's Signature

Date

SUBCONTRACTOR AGREEMENT  
CORNERSTONE SOLUTIONS GROUP

ADDENDUM 5

LIST OF STORMWATER DO'S AND DON'TS

DO:

- **DO** go to the Stormwater Compliance Representative for the Project with any questions regarding stormwater pollution prevention or this list.
- **DO** place all trash and debris in the receptacles provided
- **DO** use designated washout areas for (and only for) cleaning equipment (e.g., concrete trucks must use the designated concrete washout area).
- **DO** immediately report any spills of petroleum or other chemicals to the Stormwater Compliance Representative for the Project.
- **DO** immediately comply with instructions given by Stormwater Compliance Representative for the Project or other Cornerstone personnel.

DON'T:

- **DON'T** allow any solvents or chemicals to drain into a street, storm drain, creek, waterway, or other water body.
- **DON'T** disable, damage, or interfere with any silt fence or similar erosion control.
  - For example, DON'T run over a silt fence or straw wattle or forget to replace any silt fence or straw wattle you temporarily relocate, damage or dislodge.
- **DON'T** disable, damage, or interfere with any inlet controls.
  - For example, DON'T remove inlet controls (unless an action is needed to prevent flooding) or place dirt or debris in or adjacent to inlet controls.
- **DON'T** disable, damage, evade or interfere with any stormwater pollution prevention controls at construction entrances.
  - For example, DON'T evade stone construction entrances.
- **DON'T** disable, damage, drive over, or interfere with any geotextile, matting, or mulch.
- **DON'T** disable, damage, or interfere with any other stormwater pollution prevention controls.

**Remember: The failure to comply with applicable stormwater laws and regulations and Cornerstone's Stormwater Compliance Program at this Project is a breach of Subcontractor's contractual obligations and may result in economic sanctions or termination as provided in the Agreement.**





**SUBCONTRACTOR AGREEMENT  
CORNERSTONE SOLUTIONS GROUP**

**ADDENDUM 6  
DESIGNATION OF SUBCONTRACTOR REPRESENTATIVE**

**Representative Name:** \_\_\_\_\_

**Address:** \_\_\_\_\_

**Telephone:** \_\_\_\_\_

**Cell Number:** \_\_\_\_\_

**E-Mail:** \_\_\_\_\_

Subcontractor Name:  
\_\_\_\_\_

Signature: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_



**Remember: The failure to comply with applicable stormwater laws and regulations and Cornerstone’s Stormwater Compliance Program at this Project is a breach of Subcontractor’s contractual obligations and may result in economic sanctions or termination as provided in the Agreement.**

**Cornerstone**