

TERMS AND CONDITIONS NOTIFICATION & DISCLOSURE STATEMENTS

TERMS AND CONDITIONS:

1. **Purchase.** You agree to purchase the products and/or services described in your Home Improvement Contract (“Descriptions”). We agree to sell you the Products and install them at the address identified on your contract for the total price listed.

2. **Contract Price.** Your Home Improvement Contract shows the price of your Products and their installation (“Contract Price”). The Contract Price is inclusive of all taxes and permitting fees up to \$250. Any rebate and incentive amounts listed on the contract are estimates. Advanced Improvements does not guarantee these amounts or your eligibility for any rebates or incentives.

3. **Changes to Contract.** We will update the Contract if we are required to change any details due to unforeseen circumstances, including the unavailability or change in value of any incentive payable to Advanced Improvements, which Advanced Improvements assumed in setting the Contract Price (in cases where Advanced Improvements is waiting to receive rebates or incentives and the customer is receiving upfront credit from Advanced Improvements. If any of these changes negatively impact you (e.g., your Contract Price increases or your Solar System size or output decreases), we will give you the opportunity to accept or reject the updated Contract prior to installation of your Products. If you accept the updated Contract, it will supersede this Agreement.

4. **Installation; Service.** We will contact you to schedule installation of your Products. Installation will be performed by us. You authorize us to submit on your behalf any permit or interconnection application that is required for your Products. You also agree to give us access to the installation location as scheduled so we can install and service your Products. You are responsible for all existing property conditions at the installation location, whether known or unknown. Unless otherwise detailed in this contract, appliances & Materials are installed in the same location as the previous location; we use existing water, vent, electric and gas lines. Additional work on water lines (including insulation), drainage, electrical, vent, duct and gas lines will accrue as an additional cost to customer. There is no guarantee, either stated or implied, that the services contracted for will meet applicable city codes. Additional charges will apply for any additional work necessary to meet city code. Air balancing is not included in any installation. We do not accept product returns. Once the product is installed, it becomes a permanent fixture of the home/building.

While working with or around a climate control/Heating/Air Conditioning/ducting unit. We are not responsible for adverse effects relating to these actions. For example, but not limited to these examples: air in gas lines may need purging; stove filters may clog; water faucet screens may clog or drip; electronics may shut off, short or reset; air in water lines may need purging or after installation, an odor or taste in the water is



detectable for days. We do not guarantee the look or aesthetics of an appliance or installation. Custom ran conduit or piping other than exterior mounted in the shortest path, like in an attic, inside walls, garage, or a customer requested path, will be an additional charge. In addition, if cutting walls, trenching through landscape or other demolition work is required, we are not responsible for repairs. Another licensed contractor should be brought in to perform such repairs.

Incidental damages (for example, stains from leaking, damage to lawn or plants) are not our responsibility. We will charge for material and a minimum of \$149 per hour, per installer for all additional work performed outside the scope of this contract.

Note, that pre-existing conditions may not manifest symptoms until after work is performed. Advanced Improvements is not responsible for any existing issues or code violations. Advanced Improvements is not responsible for roof leaks other than the new penetration points from our installation (ie. pipe or a solar attachment). In the event of a return call for a leak, customer agrees to pay for diagnosis visit plus the possible removal and installation of equipment, if the result of problem is not deemed as an installation defect. Advanced Improvements is not responsible for problems resulting in the turning on and off of electrical, water or gas.

Any issues resulting in the cycling of the customers utilities is considered a pre-existing condition and is not covered by our labor warranty.

Customer agrees to troubleshoot issues/problems over the phone prior to Advanced Improvements returning to the job site. Return service visits unrelated to product defects or workmanship require a minimum \$149 fee (same day, night or weekend fee, minimum \$249).

5. Payment. By entering into this Agreement, you agree to pay the Contract Price as described in the Contract, at progress intervals if included. We may provide you combined or separate invoices for each of your Products. Title (when applicable) to your products will transfer to you after we complete installation and we receive payment in full of the Contract Price.

6. Order Payment. The Material Order Payment (if any) becomes non-refundable, once the Products have been ordered. When this Agreement becomes effective, we incur significant costs preparing to install your Products. The Order Payment is a reasonable estimate of the damages we would incur if you cancel your order before your Products are installed. Any permit fees or engineering fees incurred are non-refundable.

7. Remote Monitoring and Firmware Upgrades. You agree that Advanced Improvements may access your Products remotely to monitor performance, perform diagnostics and upgrade firmware. This monitoring requires a high speed internet line (provided at your cost) to operate. If you do not maintain this internet connection your monitoring will not function.

8. Limited Warranties. Your Products and installation work are covered by the following limited warranties. **THESE ARE THE ONLY EXPRESS WARRANTIES MADE IN CONNECTION WITH YOUR PRODUCTS AND INSTALLATION WORK.** Any other warranties, remedies and conditions, whether oral, written, statutory, express or implied (including any warranties of merchantability and fitness for purpose, and any warranties against latent or hidden defects) are expressly disclaimed. If such warranties cannot be disclaimed, Advanced Improvements limits the duration of and remedies for such warranties to the durations and remedies described below.

Solar panels Your solar panels are covered by a warranty from their manufacturer. This warranty will be at least 12 years for workmanship and will guarantee at least 80% of nameplate power capacity for at least 25 years. This warranty will be transferred to you automatically when you pay the Contract Price. At your request we will make any claim under this warranty on your behalf and perform any related labor at your cost.

Inverter Your inverter is covered by a warranty from its manufacturer. This warranty will cover defects for at least 10 years and will be transferred to you automatically when you pay the Contract Price. At your request we will make any claim under this warranty on your behalf and perform any related labor at your cost. If you need to replace your inverter after this warranty expires, please contact us and we will help you obtain and install a replacement, both at your cost.

Workmanship We warrant that (a) our installation workmanship will be free from defects for 25 years from the date your Products are installed (or, in the case of main panel or structural upgrades, 1 year from the date those upgrades were performed); (b) our installation workmanship will not invalidate the manufacturer's warranty for your solar panels or inverter (c) all roof penetrations we make will be watertight for the longer of 10 years or until the end of any existing installation warranty or new home builder performance standard for your roof; and (d) we will not damage your property during our installation of your Products. If we breach this warranty, we will repair the defective work, roof penetration or damage at our cost. This shall not extend the original warranty period, but the remainder of the original warranty period shall apply to the repair work.

9. Warranty Exclusions. The "Workmanship" warranty above applies to installation defects only and any site visits or labor requested by customer outside of a direct defect in the original installation, it will be the customers responsibility for diagnostics, repair or replacements and does not cover any defect caused by (1) events beyond our reasonable control, including but not limited to lightning, flood, earthquake, fire,



excessive wind and other extreme weather events, accidents, abuse, misuse or negligence; (2) your failure to operate or maintain your Products in accordance with the applicable Owner's Manual(s); (3) strikes by balls or other objects, dirt, dust, bird excrement, animals, insects, foliage or algae growth; (4) roof leaks caused by ordinary wear and tear, or water entering around a fitting, accessory or other material not installed by Advanced Improvements; (5) any material or equipment connected to your Products that was not installed by us; or (6) someone other than Advanced Improvements installing, altering, removing, re-installing or repairing any part of your system. The "Workmanship" warranty also does not cover (i) any defects in the equipment or components incorporated into our work (such as breakers, electrical panels, soft-start devices for HVAC equipment, etc.); (ii) pre-existing conditions at your home, including but not limited to unpermitted conditions, improper electrical wiring, defects in the roof structure that cause it to sag over time, chimney or exhaust vent heights that are reduced by your Solar System, cracked or crumbling masonry, or inadequate attic ventilation; (iii) normal wear and tear or deterioration, or superficial defects, dents or marks that do not impact the performance or functionality/integrity of your Products; or (iv) theft or vandalism. The warranties for "Solar panels", "Inverter" above are not subject to the above exclusions but are subject to other exclusions which are described in the relevant warranty document. The manufactures warranties are separate and not part of the workmanship warranty offered by Advanced Improvements. Advanced Improvements is not responsible for material or equipment warranties in any way. In the event of the manufacture going out of business, the customer is responsible for said equipment. Any field testing or trouble shooting required by the manufacture will be at the customers expense. Additional work and charges may apply to meet code. We are not responsible for appliance or roof and maintenance, such as, but not limited to cleaning, operational checks, etc. Available maintenance services are available at an additional cost.

10. Limitation of Liability. We are not liable to you for any indirect, special or consequential damages arising out of this Agreement. To the extent permitted by law, our aggregate liability to you under this Agreement is limited to the Contract Price. These limitations apply to any liability arising out of any site survey performed by us or our affiliate or subcontractor in connection with this Agreement.

INSURANCE COVERAGE:

11. COMMERCIAL GENERAL LIABILITY INSURANCE (CGL)

Advanced Improvements carries commercial general liability insurance written by Western Republic Insurance Services. You may call WRIS at [\(714\) 536-0500](tel:7145360500) to check the contractor's insurance coverage.

12. WORKERS' COMPENSATION INSURANCE



Advanced Improvements carries workers' compensation insurance for all employees, written by Assurance Agency, Ltd. You may call Assurance Agency at [\(847\) 463-7218](tel:8474637218) to check the contractor's insurance coverage.

13. NOTE ABOUT EXTRA WORK AND CHANGE ORDERS:

Extra Work and Change Orders become part of the contract once the order is prepared in writing and signed by the parties prior to the commencement of any work covered by the new change order. The order must describe the scope of the extra work or change, the cost to be added or subtracted from the contract, and the effect the order will have on the schedule of progress payments.

PERFORMANCE OF EXTRA OR CHANGE-ORDER WORK NOTICE

(A) A statement telling the buyer that a contractor is not required to perform additional work or changes without written approval in a "Change Order" before any of the new work is started, with the exception of roofing where additional costs are already disclosed and necessary to complete the job.

(B) A statement informing the buyer that extra work or a change order is not enforceable against a buyer unless the change order also identifies all of the following in writing prior to the commencement of any work covered by the new change order:

- (i) The scope of work encompassed by the order.
- (ii) The amount to be added or subtracted from the contract.
- (iii) The effect the order will make in the progress payments or the completion date.

(C) A statement informing the buyer that the contractor's failure to comply with the requirements of this paragraph does not preclude the recovery of compensation for work performed based upon legal or equitable remedies designed to prevent unjust enrichment.

14. MECHANICS LIEN WARNING:

Anyone who helps improve your property, but who is not paid, may record what is called a mechanics' lien on your property. A mechanics' lien is a claim, like a mortgage or home equity loan, made against your property and recorded with the county recorder. Even if you pay your contractor in full, unpaid subcontractors, suppliers, and laborers who helped to improve your property may record mechanics' liens and sue you in court to foreclose the lien. If a court finds the lien is valid, you could be forced to pay twice or have a court officer sell your property to pay the lien. Liens can also affect your credit. To preserve their right to record a lien, each subcontractor and material supplier must provide you with a document called a '20-day Preliminary Notice.'



This notice is not a lien. The purpose of the notice is to let you know that the person who sends you the notice has the right to record a lien on your property if he or she is not paid.

15. ATTORNEY FEES:

All return checks, delayed payments, and non-payments are subject to a minimum \$35 fee and interest charge of 2.5% per month. In addition, mechanic's lien fees, attorney fees and collections fees (including all in-house administrative and labor hours used) will apply.

16. ARBITRATION OF DISPUTES:

NOTICE: By initializing in the space below you are agreeing to have any dispute arising out of the matters included in the 'Arbitration of Disputes' provision decided by neutral arbitration as provided by California law and you are giving up any rights you might possess to have the dispute litigated in a court or jury trial. By initialing the space below you are giving up your judicial rights to discovery and appeal, unless those rights are specifically included in the "Arbitration of Disputes" provision. If you refuse to submit to arbitration after agreeing to this provision, you may be compelled to arbitrate under the authority of business and professions code or other applicable laws. Your agreement to this arbitration provision is voluntary.

I understand and voluntarily agree to the above arbitration notice.

17. INFORMATION ABOUT THE CONTRACTORS STATE LICENSE BOARD (CSLB):

CSLB is the state consumer protection agency that licenses and regulates construction contractors. Contact CSLB for information about the licensed contractor you are considering, including information about disclosable complaints, disciplinary actions and civil judgments that are reported to CSLB. Use only licensed contractors. If you file a complaint against a licensed contractor within the legal deadline (usually four years), CSLB has authority to investigate the complaint. If you use an unlicensed contractor,

CSLB may not be able to help you resolve your complaint. Your only remedy may be in civil court, and you may be liable for damages arising out of any injuries to the unlicensed contractor or the unlicensed contractor's employees.

For more information:

VISIT CSLB's website at www.cslb.ca.gov

CALL CSLB at 1-800-321-CSLB (2752)

WRITE CSLB at P.O. Box 26000, Sacramento, CA 95826

18. "THREE-DAY" RIGHT TO CANCEL:

You, the buyer, have the right to cancel this contract within three business days. You may cancel by e-mailing, mailing, faxing, or delivering a written notice to the contractor at the contractor's place of business by midnight of the third business day after you received a signed and dated copy of the contract that includes this notice. Include your name, your address, and the date you received the signed copy of the contract and this notice. If you cancel, the contractor must return to you anything you paid within 10 days of receiving the notice of cancellation. For your part, you must make available to the contractor at your residence, in substantially as good condition as you received it, any goods delivered to you under this contract or sale. Or, you may, if you wish, comply with the contractor's instructions on how to return the goods at the contractor's expense and risk. If you do make the goods available to the contractor and the contractor does not pick them up within 20 days of the date of your notice of cancellation, you may keep them without any further obligation. If you fail to make the goods available to the contractor, or if you agree to return the goods to the contractor and fail to do so, then you remain liable for performance of all obligations under the contract.

"The law requires that the contractor give you a notice explaining your right to cancel. Initial the check box if the contractor has given you a 'Notice of the Three-Day Right to Cancel.'"

Use the form on the following page to cancel and mail to address listed, fax to 714-630-5511 or email to sales@advancedimp.com

NOTICE OF RIGHT TO CANCEL

Notice of Cancellation

(Enter date of transaction)

You may cancel this transaction, without any penalty or obligation, within three business days from the above date.

If you cancel, any property traded in, any payments made by you under the contract or sale, and any negotiable instrument executed by you will be returned within 10 days following receipt by the seller of your cancellation notice, and any security interest arising out of the transaction will be canceled.

If you cancel, you must make available to the seller at your residence, in substantially as good condition as when received, any goods delivered to you under this contract or sale, or you may, if you wish, comply with the instructions of the seller regarding the return shipment of the goods at the seller's expense and risk.

If you do make the goods available to the seller and the seller does not pick them up within 20 days of the date of your notice of cancellation, you may retain or dispose of the goods without any further obligation.

If you fail to make the goods available to the seller, or if you agree to return the goods to the seller and fail to do so, then you remain liable for performance of all obligations under the contract.

To cancel this transaction, mail or deliver a signed and dated copy of this cancellation notice, or any other written notice, or send a telegram to:

Advanced Improvements Inc.
(Name of seller)

at 5031 E Orangethorpe Ave Ste G, Anaheim, CA 92807
(Address of seller's place of business)

not later than midnight of _____ (Date)

I hereby cancel this transaction _____ (Date)

_____ (Buyer's signature)