

The below terms and conditions between Upgraded Roofing Systems LLC (hereinafter referred to as "Company") and the Owner(s) who have signed on the reverse side (hereinafter referred to as "Owner") will be subject to all applicable laws, regulations and ordinances of the state of Texas.

Company Obligations

Scope of Work. Company agrees to perform the work as described in the Customer Contract & Agreement (hereinafter referred to as "Specifications") for Owner in accordance with normal common roofing practices unless otherwise specified.

Excluded Work. Company shall have no responsibility for damages from rain, fire, tornado, windstorm, gale force winds, hail, ice, pre-existing conditions, or other perils, as is normally contemplated to be covered by homeowners insurance. Replacement of deteriorated decking, roof jacks, ventilators, flashing or other materials, unless otherwise stated in the Specifications, are not included and will be charged as an additional cost. Company shall also have no responsibility for punctures to air-conditioner, gas, security, or electrical lines that have been installed closer than 3 inches to the underside of roof deck. Company is not responsible for any existing illegal conditions or any existing defects, unlawful or abnormal concrete footing, foundations, retaining walls or piers required, or any unusual depth required for same, conditions caused by poor soil, lack of compaction, hillside or other slope conditions, and is not obligated to correct the same. Any and all such work, if required by public bodies will be subject to an additional cost. Unless specifically included herein any plumbing, gas, waste, and water lines, and any work involving cesspools or septic tanks, are excluded.

Rerouting, relocation or replacement of vents, pipes, ducts, or conduits not shown, or encountered in areas of alteration or excavation is also excluded. Changes to existing electrical service or service panel other than addition of circuit breakers or fuse blacks are also excluded.

Labor and Material. Company shall pay all valid charges for labor and material incurred by Company and used in connection with the Specifications, however Company shall be excused from this obligation for any bills received during a period in which the Owner is in arrears in making any applicable progress payments to Company.

Start of Work and Delays. Company agrees to start and diligently pursue work through to completion, but shall not be responsible for delays for any of the following reasons: failure of the issuance of all necessary building permits within a reasonable length of time, funding of loans, disbursement of funds into control or escrow, acts of neglect or omission of Owner, acts of God, stormy or inclement weather, strikes, lockouts, boycotts or other labor union activities, extra work ordered by Owner, acts of public enemy, riots or civil commotion, inability to secure material through regular recognized channels, imposition of Government priority or allocation of materials, failure of Owner to make payments when due, or delays caused by inspection or changes ordered by the inspectors of authorized Governmental bodies, or for acts of independent contractors, or other causes beyond Company's reasonable control.

Permits. Company will obtain all required building permits, but Owner will be responsible for the cost of all permits, and will pay assessments and charges required by public bodies and utilities for financing or repaying the cost of sewers, storm drains, water service, other utilities, water hook-up charges and the like.

Subcontractors. Company may subcontract portions of this work to properly licensed and qualified subcontractors. Before execution of this agreement, Company shall provide Owner with a list of subcontractors and suppliers, as well as later provide an updated list of subcontractors and suppliers not later than the 15th day after a change to the original list, unless Owner has waived the right to receive this list (or any updated list) as evidenced by a separate written and signed waiver of rights to this information.

Clean Up. Company will remove from Owner's property, debris and surplus material created by his operation and leave property in a neat and broom clean condition, or as comparable to the condition of the property prior to the commencement of work by Company.

Warranty

The Company will provide the Customer with a five (5) year workmanship limited warranty which covers the labor performed. Company warrants that all labor performed (and materials installed) were done so in a professional manner and in accordance with the manufacturer's recommended method. Company further warrants that the materials installed will be free from leaks during the duration of this warranty, but limited the immediate area under the area of the repair and caused by water coming through to the new area. The following are excluded from this limited warranty (1) any material or labor in areas or on material that Company did not work or install materials; and (2) any subsequent damage caused by natural disasters -- gale force winds, hail, ice, pre-existing construction defects, or faulty maintenance. For any claim under this warranty, Owner shall submit notification to Company within ten (10) days of the date Owner knows (or should have known) of the issue giving rise to the claim. In addition, this warranty is not valid and existing until the contract and all costs related to the Specifications are paid in full to Company. This warranty may be transferred once during the duration of this warranty period. Transfer of this warranty is contingent upon the following terms being met: (a) the homeowner must provide written documentation of new Owner information at least 14 days prior to transfer of ownership: (b) a non-refundable inspection fee of \$150.00 is paid in full prior to inspection; and, (c) the roofing system inspection meets or exceeds expectations of Company.

Owner Obligations

Access to and Condition of Property. Owner grants Company full access to the entire perimeter of the subject property and electricity for staging and execution of work unless otherwise agreed. Owner is responsible to supply water, gas, sewer and electrical utilities unless otherwise agreed to in writing. The existing electrical and plumbing systems are represented by Owner to be adequate and properly functioning. Owner hereby represents Owner has no knowledge of the existence of any hazardous materials such as asbestos, lead paint, mold or any other hazardous material on the property. In the event Company discovers that any of these conditions exist, it will be the responsibility of Owner to obtain and pay for a duly qualified professional to perform the work required to remove these hazardous materials. Owner is responsible to remove or protect any personal property and Company is not responsible for same or for any carpets, drapes, furniture, driveways, lawns, shrubs, etc. Owner shall point out and warrant the property lines to Company, and shall hold Company harmless for any disputes or errors in the property line or setback locations.

Completion and Occupancy. Owner agrees to sign and record a notice of completion within five days after the project is complete and ready for occupancy. If the project passes final inspection by the public body but Owner fails to record Notice of Completion, the Owner hereby appoints Company as Owner's agent to sign and record a Notice of Completion on behalf of Owner.

Payment and Pricing

Payment for Services. Owner is responsible for the payment of the Grand Total of the costs described under the Specifications for Labor and Material on the reverse side. Payments are due according to the Payment Terms and Agreement provided on the reverse side and final payment is due upon completion and payable to Company. Any portion remaining unpaid at thirty (30) days following completion of work will bear interest at the rate of 1.5% per month not to exceed the maximum rate allowed by law. Owner agrees to pay reasonable collection fees and or legal fees needed in pursuit of collecting any remaining unpaid portion commencing 60 days after installation.

Use of Insurance Proceeds. While this transaction is deemed a cash transaction, the parties agree and acknowledge that insurance proceeds may pay a portion of the costs associated with the Specifications up to and including the full scope of insurance proceeds (which is defined as the replacement cost of repairs allowed by the insurance company before any deduction for deductible, depreciation or ACV adjustment is subtracted). Company agrees to cooperate with Owner in connection with the Owner's insurance claim and collection of the insurance proceeds, however Owner remains ultimately responsible for the Grand Total of costs to Company.

Adjustments to Pricing. Notwithstanding the previous paragraphs, the parties recognize and agree that the substitution of products and price adjustments may be required based on changes of material availability and rising market prices. Charges shall not exceed any settlement amount agreed upon by the Owner's insurance company for replacement cost of entire roofing system. Company reserves the right to file for and is entitled to all supplemental funds filed for from Owner's insurance company due to material and/or labor cost increases, oversight of specific items omitted from initial claim or if the insurance adjuster's measurements are used and proven to be incorrect.

Waiver or Release of Mechanics Lien. No waiver or release of mechanic's lien given by Company shall be binding until all payments due to Company when the release was executed have actually been made.

Right to Stop Work. Company shall have the right to stop work if any payment shall not be made, when due to Company under this agreement. Company may keep the job idle until all payments due are received.

Allowances. If the costs associated with the Specifications include allowances and the cost of performing the work described in the Specifications and covered by the allowance is greater than the allowance, then the price shall be increased accordingly. If the owner requests that any work covered by the contract be accomplished in such a way that the cost will exceed the allowance, Company shall comply with owner's request, provided that the owner pays the additional cost in advance.

Change in Specs

Modification or any addition to the Specifications shall be effective only when a Contract Change Order or an addendum to this agreement has been signed by both Owner and Company. The change in the Costs caused by such Contract Change Order or Addendum shall be agreed to in writing. The Contract Change Order, Change in Specifications or Addendum may also increase the time within which the work described in the Specifications is to be completed. Should the Owner or any public body or inspector require or request any modification or addition to the work covered by this contract, the Costs shall be adjusted accordingly. Company will have the right to supplement the insurance company, in the event of material and or labor increases from the date of the damage. Any supplements paid by the insurance company for additional labor and or material needed beyond the original scope of repairs are authorized to be paid directly to the Company. Company'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.

Miscellaneous

Severability. If any provisions of this agreement should be deemed invalid or unenforceable, the validity and enforceability of the remaining provisions of this agreement shall not be affected thereby.

Disputes. All parties agreed to settle any disputes regarding damages, quality of materials or workmanship through dispute resolution with the local Better Business Bureau before either party may officially file suit with any court. Prior to submitting any controversy to dispute resolution, Owner shall give Company written notice of any claimed defects or deficiency, and Company shall have a reasonable time, but not more than 30 days, to inspect the project and correct any such defect or deficiency. Failure to comply with this notice provision shall preclude the filing or institution of any dispute resolution proceeding.

Claims Limitation. No action of any character arising from or related to this contract, or the performance thereof, shall be commenced by either party against the other more than one year after completion or cessation of work under this agreement.

Damages. Any damages for which Company may be liable to Owner shall not, in any event, exceed the Grand Total of costs related to the Specifications. Company's liability is limited to the repair of the workmanship defects causing any such damage. Company shall not be responsible for consequential or incidental damage to the exterior or interior, caused while carrying out the work to be performed under this agreement or in connection with the warranty during the warranty period.

I, the Owner, acknowledge that I have read and understand all the terms and conditions of this agreement and consent and agree to all terms and conditions provided above and herein.

_____(Owners Initials) _____(Owners Initials)