

Contractor Performance Warranty

Administered by:

**The Contracting Performance Company
ContractingTrust.com**

Contractor: _____

Email: _____

Customer: _____

Email: _____

Project Address: _____
Street, City, State, Zip

Contract Amount: \$ _____

Date of Commencement: _____

Estimated Date of Completion: _____

All contract work performed by a ("Contractor") member in good standing is covered under the Contracting Trust (hereinafter "CT") Contractor Trust Warranty Program ("Warranty") subject to the limitations below provided that this contract, a copy of the contract between Contractor and Customer, and payment has been forwarded to CT as required.

LIMITATIONS: THE MAXIMUM AMOUNT A PARTY CAN RECOVER UNDER THIS WARRANTY IS ONE HUNDRED TWENTY FIVE THOUSAND DOLLARS (\$125, 000) PER CLAIM AND IN THE AGGREGATE. ELIGIBLE CONTRACTS MAY EXCEED ONE HUNDRED TWENTY FIVE THOUSAND (\$125, 000). NO CLAIM UNDER \$1,000 IS ELIGIBLE TO BE COVERED UNDER THIS EXPRESS LIMITED INSURED WARRANTY. THIS WARRANTY DOES NOT COVER ANY SPECIAL, INCIDENTAL OR CONSEQUENTIAL DAMAGES. THIS WARRANTY IS SUBJECT TO A LOSS FUND CAPITATION. RIDERS CAN BE PURCHASED TO INCREASE CLAIM AMOUNT.

WARRANTY TERM:

The warranty shall commence on the date the work commences and shall terminate upon successful completion of the work. Successful completion of the work entails acceptance by the homeowner, final payment to the Contractor and notification of acceptance to Contracting Trust.

WARRANTY ENROLLMENT PROCEDURE:

Once a contract is executed by both the Contractor and Customer, a copy of the contract along with this Warranty contract and the required premium must be received by CT within seven (7) business days for any limited Warranty coverage to be applicable (Unless contractor belongs to a specific payment plan). Failure to comply with any requirements will result in the contract being ineligible for coverage. . Payment can be made by check, certified, cashiers check, money order or major credit card and Automatic Clearing House (ACH)

The Contractor is solely responsible for making any applicable payment to the limited Warranty administrator, Contracting Performance Company Inc. The contract copy, the signed Warranty form and payment must be forwarded either by U.S. Mail or fax to: 773-913-2335

Send check payable to:
Contracting Trust
1648 West Fletcher Street
Chicago, IL. 60657

Once CT receives a copy of the contract, the signed warranty and the required payment, CT will send both Contractor and Customer a Certificate of Coverage (“COC”) by regular U.S. mail or e mail. CT is not responsible and has no liability to Customer for a Contractor’s failure to notify Customer of the ineligibility of a Contract under this Warranty. A customer may check Contractor status on the CT web site or by calling 866-894-5431.

For purposes of this Warranty, any written change orders executed by the Contractor and Customer are considered part of the original contract only if a copy of the written change order and additional payment, if any, are also sent to CT in the same manner as outlined above. “Contract” as used in this Warranty is defined as the original contract between Contractor and Customer along with any written change orders.. If it is determined that work pursuant to a change order is not covered because the requirements have not been met, the original contract work will remain covered if CT has previously sent a Certificate of Coverage to the Contractor and Customer.

This Warranty is insurance backed by Golden Insurance Company 1665 Lafayette, Denver Colorado, 80218 and is afforded solely on a Named Peril Basis. The Warranty extends coverage only to the contracting parties and specifically excludes coverage to any other parties including any potential third party beneficiaries.

Only disputes arising out of any perils or causes specifically listed in the sub-paragraphs below are covered by this Warranty. This Warranty only covers the following:

- 1. Contractor fails to complete work as defined by the contract.** Under these circumstances, CT shall pay the Replacement Contractor the amount necessary to complete the work up to the limit of coverage..
- 2. Contractor fails to perform work in a professional workmanlike manner as defined by applicable industry standards and/or industry custom and practice.** Under these circumstances, CT shall obtain a Replacement Contractor to correct any work not performed in a professional workmanlike manner as determined by the arbitrator. CT will pay the Replacement Contractor the monies necessary to complete or correct the work up to the limit of coverage.
- 3. Contractor fails to perform work (“perform” defined as the start, progress or finishing of work) within a reasonable time period.** A reasonable time period is defined as within fourteen (14) days of any date set forth in the contract between the parties. Events outside the control of the Contractor, such as acts of god, weather, material shortages or unusual material delivery delays, abnormal adverse weather conditions not reasonable anticipated, labor disputes, acts of terrorism, or similar events outside the control of the Contractor shall extend the time period for the work until such event has ceased to exist. Under these circumstances, CT shall obtain a Replacement Contractor to complete any work not performed as required by the terms of the contract. CT will pay the Replacement Contractor all monies necessary to complete the work up to the limit of coverage.
- 4. Contractor uses construction products and/or materials not prescribed in the Contract without written approval from Customer.** Under these circumstances, CT shall obtain a Replacement Contractor to replace any construction products and/or materials used which were not in compliance with the Contract. CT will pay the Replacement Contractor to complete or correct any work which utilized products and/or materials not prescribed and agreed upon by Customer in the Original Contract up to the amount of the original contract (or up to the limit of coverage) less any money paid to the Original Contractor. This Named Peril is specifically limited to construction products and materials that were integral to the Contract and not inconsequential.
- 5. Customer fails to pay Contractor as outlined in the contract or within a reasonable time period thereafter.** A reasonable time period is defined as within thirty days of any date set forth in the contract between the parties. Once the thirty day time period has elapsed, the Contractor has the right to stop all work until such time as the Customer has made payment of all outstanding sums due Contractor. Under these circumstances, CT shall pay all monies due Contractor from Customer for work already fully or partially performed.

6. Customer fails to provide a safe working environment and/or access to the work site. *If Contractor deems a work site to be unsafe, the Contractor has the right to stop all work until such time the unsafe condition(s) have been remedied. If a Customer fails repeatedly (more than three times) to provide a safe work site or repeatedly fails to provide access to the work site, Contractor may cancel the contract. Under these circumstances, Contractor can seek recovery from the Customer for all materials purchased and not used for that Contract as well as for all labor fully or partially performed. The prevailing party shall be entitled to a return of the arbitration filing fee if the fee was paid by that party. CT'S obligation to perform under this Warranty is not triggered until fourteen days (14) have elapsed from the date of the arbitration award and the losing party has failed to satisfy the arbitration award obligations to the prevailing party. At that time, and only at that time, will CT then perform as outlined in paragraphs 1-5 above. When applicable a Replacement Contractor will be utilized to perform work. The Replacement Contractor will be chosen solely at the discretion of CT.*

Specifically excluded from coverage is normal wear and tear, Acts of God, defective materials and/or products, damage caused by third parties not subcontractors, personal injury claims, homeowner maintenance and claims not directly related to the Contract work. This does not replace or cover contractor liability insurance coverage.

Dispute Resolution

In the event of any dispute, claim, question or disagreement arising from or relating to this Warranty or any breach thereof, or any dispute related to the relationship or any documents between ContractingTrust and the contractor member and their clients, the parties hereto shall use their best efforts to settle the dispute, claim, question, or disagreement.

As part of the dispute resolution process, the disputing party agrees to conduct either a telephone conference or an in person meeting with the other party in an attempt to resolve the dispute. This telephone conference or in person meeting must take place before the demand for arbitration form can be filed with TRAG.

Any controversy or claim arising out of or relating to the Contract, or this Warranty, or any breach thereof or any dispute related to the relationship of the parties or related to any documents between CT and its clients, that the parties cannot resolve between the parties, shall be settled through

binding arbitration administered by and according to the Arbitration rules and procedures of either the Better Business Bureau (hereinafter "BBB") or Construction Dispute Resolution Services, LLC (CDRS). CT will consider any other arbitration provider as suggested by the clients if both of the two aforementioned arbitration provider are not acceptable to the client. Only an arbitration provider that is mutually acceptable by the parties shall be utilized. Judgment on the award rendered by the arbitrator shall be binding on the parties shall be utilized. Judgment on the award rendered by the arbitrator shall be binding on the parties and may be entered for enforcement in any court having jurisdiction thereof. The parties do hereby agree that they will utilize the arbitration process and that they have given up their rights to utilize the court system. The arbitration rules of the BBB and CDRS will be provided to the parties by CT on the web site www.ContractingTrust.com

If a dispute arises, the disputing party shall contact CT either by telephone at 630-241-4220, facsimile at 630-241-3965 or by email at <http://www.ContractingTrust.com> and request a Demand for Arbitration form ("Form") you may also download off the arbitration page on the web site. An arbitration filing fee of One Thousand (\$1,000) dollars must be paid when the Form is filed should you arbitrate through the BBB. Should you arbitrate through CDRS you will have to pay a three hundred and fifty (\$350.00) dollar non refundable fee followed by an appropriate fee for the arbitrator's services. (See web site for details) Payment can be made by cashier's check, certified check, money order. As part of the arbitration award the arbitrator shall be authorized to award to the prevailing party any or all fees and cost incurred by the prevailing party including but not limited to reasonable attorney fees, the cost of the arbitration process and any other fees and costs as the arbitrator deems appropriate. Accordingly, if the award is deemed by the arbitrator to be a percentage of the claim, the arbitration costs may reflect the same percentage at the discretion of the arbitrator. The appropriate Form must be sent to the arbitrator of choice. The Form is not considered filed until the form is received by arbitrator. The prevailing party shall be rewarded all arbitration cost if the prevailing party paid above fees. However if the award is a percentage of claim the rewarded arbitration cost will reflect the same percentage.

The Warranty shall be governed by the law of the place where the work is located. The term "work" means the construction and services required by the Contract, and includes all other labor, materials, equipment and services provided by the Contractor to fulfill the Contractor's obligations.

This Warranty is limited to construction completion. The Contractor and CONSUMER/ CLIENT must sign a Project Completion OR EMAIL FROM BOTH PARTIES OF CONTRACT.
Form and fax to 773-913-2335

Substantial Completion is the stage in the progress of the work when the work or designated portion thereof is sufficiently complete in accordance with the Contract so that the Customer can utilize the work for its intended use.

Contracting parties agree that CT or its agents shall be subrogated to all of the contracting parties' rights to the extent of the benefits CT, or its agents, provide under this Warranty. Those rights are hereby assigned to CT and its agents to that extent. CT reserves the right to exercise this provision at its sole discretion.

Some states do not allow limitations on how long a Warranty lasts, or the exclusion or limitation of special, incidental or consequential damages, so these limitations may not apply to you. This Warranty gives you specific legal rights. You may have other rights which vary from state to state. This Warranty is non-transferable and non-renewable. No one is authorized to make modifications to this Warranty and you should not rely on any such modification.

Any term, condition, or provision of this Warranty found to be void will not serve to invalidate the enforceability of any other term, condition or provision of this Warranty. The entire contract providing Warranty coverage to the parties is contained in this document of which you hereby acknowledge receiving by your signature below. The limited warranty is insurance backed by;

Golden Insurance Company, 1665 Lafayette, Denver Colorado, 80218 www.golden-insurance.com

Both contractor and consumer must email, support@contractingTrust.com or fax 773-913-2335 a signed copy of this warranty within 48 hours of signing.

Signatures

Contractor: _____

Customer _____

Phone _-----

Phone -----