

Home Improvement Contract

This agreement is made on the date written above our signatures between

Contractor Name: _____ (Contractor) and

Owner Name: _____ (Owner).

Contractor

Any Notice of Cancellation can be sent to this address.

Contractor Name: _____

Address: _____

Address: _____

City: _____, State: _____ Zip: _____

Work Phone Number: _____

Cell Phone Number: _____

Fax Number: _____

Email Address: _____

License Number: _____

Contractor Name: _____ will be referred to as Contractor throughout this agreement.

Salesperson Responsible for Soliciting or Negotiating this Contract:

Name of Salesperson: _____

Registration Number of Salesperson: _____

Owner

Owner Name: _____

Address: _____

Address: _____

City: _____, State: _____ Zip: _____

Day Phone Number: _____

Cell Phone Number: _____

Fax Number: _____

Email Address: _____

Owner Name: _____ will be referred to as Owner throughout this agreement.

Date this contract was signed by Owner: ____/____/____

You are entitled to a completely filled-in copy of this agreement, signed by both you and the contractor, before any work may be started.

The Construction Site

Address: _____

Address: _____

City: _____, California Zip: _____

I. Description of the Project and Description of the Significant Materials to be Used and Equipment to be Installed

A. For a price identified below, Contractor agrees to complete home improvements (identified as the Project in this agreement) for Owner.

B. Description of the work, materials and equipment to be installed:

II. Contract Price

A. In addition to any other charges specified in this agreement, Owner agrees to pay Contractor \$_____ for completing the Work described as the Project.

III. Approximate Start Date

A. Work under this agreement will begin any time after this contract is signed by Contractor and Owner.

B. The Project will be considered substantially commenced when tools and materials arrive at the Job Site.

IV. Approximate Completion Date

A. Work under this agreement will be Substantially Complete on or before ____/____/____.

V. List of Documents Incorporated into this Contract

A. The Glossary of Terms which follows our signatures is incorporated into this contract as though included in full as part of this agreement.

B. This agreement incorporates by reference certain disclosures and notices required by federal and state law. The following documents are incorporated as though included in full as part of this agreement.

1. Information about Commercial General Liability Insurance
2. Checklist for Homeowners
3. California Home Improvement Contract - Change Order Form
4. Notice of Three-Day Right to Cancel
5. Notice of Cancellation (in duplicate)
6. Notice of Right to Cancel Under Regulation Z (in duplicate)

VI. Scope of Work

A. Contractor shall supervise and direct the Work and accepts responsibility for construction means, methods, techniques, sequences and procedures required to complete the Project in compliance with the Contract Documents.

VII. Cutting and Patching

A. The color, texture and planes between existing and new materials might not match exactly. Contractor will use due diligence to create the best match possible. Owner acknowledges that patched surfaces may be detectable when construction is complete.



VIII. Compliance with Law

A. Contractor and Owner mutually commit to use reasonable care to meet the Requirements of state, federal and local Law when discharging their responsibilities under this agreement.

IX. Owner's Responsibilities

A. Owner shall have sole responsibility to secure financing for the Project and shall pay all fees, charges, or other costs of such financing, including Inspection fees charged by any lender. The nonperformance of any lender shall not affect the obligation of Owner to Contractor. Owner hereby authorizes and directs any lender on the Project to furnish Contractor with full information on undisbursed loan proceeds when requested by Contractor.

B. Owner will not interfere with or permit others to interfere with, stop, hinder, or delay completion of the Work by Contractor or Subcontractors except as provided under this agreement.

X. Representations by Contractor

A. Owner has reported to Contractor all conditions known to Owner which may not be apparent to Contractor and which might significantly increase cost of the Work or delay completion. These concealed conditions include, but are not limited to, hazards on the Job Site, unsuitable soil conditions, prior Defective Work of others, latent Defects in the Plans or Specifications, earlier attempts to do Similar or related Work, and obligations imposed by government.

XI. Disclaimer by Owner, Reliance by Contractor

A. Owner has provided Contractor with information on subsurface or concealed conditions at the Job Site. Except to the extent that Contractor knows this information to be false, Contractor is entitled to rely on the accuracy of this information.

XII. Payment Plan

A. Owner will pay to Contractor the Contract Price in 2 installments, an initial payment and a final payment on completion of the Work.

XIII. Downpayment

A. The downpayment is \$_____.

THE DOWNPAYMENT MAY NOT EXCEED \$1,000 OR 10 PERCENT OF THE CONTRACT PRICE, WHICHEVER IS LESS.

B. Upon execution of this agreement, Owner shall pay to Contractor \$_____ as an advance on the Contract Price.

C. Except as otherwise provided in this agreement, Contractor may retain \$_____ from the initial payment as a non-refundable deposit if this contract is terminated for any reason other than default by Contractor.

XIV. Interest

A. Payments due and not paid under the Contract Documents shall bear interest from the date payment is due at a monthly rate of _____ percent.

B. When payment is withheld pending settlement of a bona fide dispute on the quantity, quality, or timeliness of the Work, interest shall accrue only on the amount ultimately paid.

C. Payment of interest does not abrogate or replace any other rights Contractor may have under this

agreement.

XV. Liens and Waivers

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 home 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.

BE CAREFUL. The Preliminary Notice can be sent up to 20 days after the subcontractor starts work or the supplier provides material. This can be a big problem if you pay your contractor before you have received the Preliminary Notices.

You will not get Preliminary Notices from your prime contractor or from laborers who work on your project. The law assumes that you already know they are improving your property.

PROTECT YOURSELF FROM LIENS. You can protect yourself from liens by getting a list from your contractor of all the subcontractors and material suppliers that work on your project. Find out from your contractor when these subcontractors started work and when these suppliers delivered goods or materials. Then wait 20 days, paying attention to the Preliminary Notices you receive.

PAY WITH JOINT CHECKS. One way to protect yourself is to pay with a joint check. When your contractor tells you it is time to pay for the work of a subcontractor or supplier who has provided you with a Preliminary Notice, write a joint check payable to both the contractor and the subcontractor or material supplier.

For other ways to prevent liens, visit CSLB's Web site at www.cslb.ca.gov or call CSLB at 800-321-CSLB (2752).

REMEMBER, IF YOU DO NOTHING, YOU RISK HAVING A LIEN PLACED ON YOUR HOME.

This can mean that you may have to pay twice, or face the forced sale of your home to pay what you owe.

Notice required by California Business and Professions Code § 7159(c)(4):

When payment is made for any portion of the work performed, Contractor shall prior to any further payment being made, furnish to Owner a full and unconditional release from any claim or mechanics' lien pursuant to § 3114 of the Civil Code for that portion of the work for which payment has been made.

XVI. Final Payment

A. Contractor will submit an application for final payment to Owner when the Work has been completed in compliance with the Contract Documents. If Owner agrees that Work has been completed, payment is due Contractor for the entire unpaid balance of the contract amount (including any Retainage).

B. Making of final payment constitutes waiver of all Claims by Owner against Contractor except those Claims previously made in writing and delivered to Contractor and those obligations otherwise provided by this agreement or by operation of Law.

C. If completion of the Work is delayed unreasonably at no fault of Contractor, Contractor shall be entitled to final payment for all Work completed (including Retainage) without prejudice to the right of Contractor to complete the Project at a later date and without prejudice to the right of Owner to make Claims against Contractor for Defects in Work completed.

XVII. Changes in the Work

A. Contractor is authorized to make minor changes in the Work which are in the interest of Owner, do not materially alter the quality or performance of the Work, and do not affect the cost or time of performance, and comply with applicable Laws, codes, ordinances and regulations. Contractor will inform Owner of each minor change made in the Work.

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 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.

Notice required by California Business and Professions Code § 7159(e)(3):

Owner may not require a contractor to perform extra work or change order work without providing written authorization prior to the commencement of any work covered by the new change order. Extra work or a change order is not enforceable against Owner 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:

- (1) The scope of work encompassed by the order,
- (2) The amount to be added or subtracted from the contract price, and
- (3) The effect the change order will have on progress payments or the completion date.

Failure of Contractor to comply with the requirements of this paragraph does not preclude the recovery of compensation for work based upon legal or equitable remedies designed to prevent unjust enrichment.

XVIII. Contractor Claims

A. If Contractor claims that any instruction, Drawing, act or omission of Owner or any representative of Owner, or any agency of government, increases costs to Contractor, requires extra time or changes the Scope of Work, Contractor shall have the right to assert a Claim for such costs or time.

XIX. Arbitration

A. Any controversy or Claim arising out of or relating to this contract or contract warranty or the breach thereof which cannot be resolved by mediations shall be settled by arbitration administered by the American Arbitration Association under its Construction Industry Arbitration Rules, and judgment on the award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof.

B. Anything in this contract notwithstanding, any Claim arising out of or relating to the Contract Documents or warranty or the breach thereof may, at the option of the Claimant, be filed in any Small Claims Court having jurisdiction, in lieu of an arbitration proceeding.

XX. Insurance

A. General Requirements

1. Contractor shall carry workers' compensation insurance and public liability insurance as required by Law and regulation for the protection of Contractor and Owner during progress of the Work.

B. Commercial General Liability Insurance (CGL)

1. Contractor is self-insured. A notice concerning commercial liability insurance is attached to this contract.

C. Worker's Compensation Insurance

1. Contractor has no employees and is exempt from workers' compensation regulations.

XXI. 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 Web site at www.cslb.ca.gov

Call CSLB at 800-321-CSLB (2752)

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

Signatures

This contract is for immediate acceptance. Any delay in acceptance beyond ____/____/____ will require renegotiation of the terms of this agreement.

OWNER HAS THE RIGHT TO REQUEST A PERFORMANCE AND PAYMENT BOND ON THE PROJECT WHICH ENSURES THE PROJECT WILL BE COMPLETED ACCORDING TO THIS AGREEMENT AND THAT LIENS ON THIS JOB ARE DISCHARGED IN RETURN FOR PAYMENT IN FULL BY OWNER.

You are entitled to a completely filled in copy of this agreement, signed by both you and the contractor, before any work may be started.

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

Owner's Initials _____ Owner's Initials _____

This agreement is entered into as of the date written below.

Owner Name: _____, **Owner**

_____/_____/_____
(Signature) (Date)

(Printed Name)

_____/_____/_____
(Signature) (Date)

(Printed Name)

Contractor Name: _____, **Contractor**

_____/_____/_____
(Signature) (Date)

(Printed Name and Title)

Checklist for Homeowners

Check Out the Contractor

Did you contact the Contractors State License Board (CSLB) to check the status of the contractor's license?

Contact the CSLB at 1-800-321-CSLB (2752) or visit our web site: www.cslb.ca.gov

Did you get at least 3 local references from the contractors you are considering?

Did you call them?

Building Permits - will the contractor get a permit before the work starts?

Check Out the Contract

Did you read and do you understand your contract?

Does the 3-day right to cancel a contract apply to you?

Contact the CSLB if you don't know.

Does the contract tell you when work will start and end?

Does the contract include a detailed description of the work to be done, the material to be used, and equipment to be installed?

This description should include brand names, model numbers, quantities and colors. Specific descriptions now will prevent disputes later.

Are you required to pay a down payment?

If you are, the down payment should never be more than 10 percent of the contract price or \$1,000, whichever is less.

Is there a schedule of payments?

If there is a schedule of payments, you should pay only as work is completed and not before. There are some exceptions -- contact the CSLB to find out what they are.

Did your contractor give you a "Notice to Owner", a warning notice describing liens and ways to prevent them?

Even if you pay your contractor, a lien can be placed on your home by unpaid laborers, subcontractors or material suppliers. A lien can result in you paying twice or, in some cases, losing your home in a foreclosure. Check the "Notice to Owner" for ways to protect yourself.

Did you know changes or additions to your contract **must** be in writing?

Putting changes in writing reduces the possibility of a later dispute.

Information about Commercial General Liability Insurance

Did your contractor tell you whether he or she carries Commercial General Liability Insurance?

Home improvement contractors are required by law to tell you whether or not they carry Commercial General Liability Insurance. This written statement must accompany the bid, if there is one, and the contract.

Is this insurance required?

No. But the Contractors State License Board strongly recommends that all contractors carry it. The Board cautions you to evaluate the risk to your family and property when you hire a contractor who is not insured. Ask yourself, if something went wrong, would this contractor be able to cover losses ordinarily covered by insurance?

How can you make sure the contractor is insured?

If he or she is insured, the contractor is required by law to provide you with the name and telephone number of the insurance company. Check with the insurance company to verify that the contractor's insurance coverage will cover your project.

What about a contractor who is self-insured?

A self-insured contractor has made a business decision to be personally responsible for losses that would ordinarily be covered by insurance. Before contracting with a self-insured contractor, ask yourself, if something went wrong, would this contractor be able to cover losses that should be covered by insurance? Contractor is self-insured.

For more information about Commercial General Liability Insurance, contact the Contractors State License Board at www.cslb.ca.gov or call 1-800-321-CSLB (2752).

California Home Improvement Contract - Change Order Form

Contractor Name: _____

(License Number: _____)

Address: _____

Address: _____

City: _____, State: _____ Zip: _____

Name of Salesperson: _____

(Registration Number of Salesperson: _____)

Owner Name: _____ and

Contractor Name: _____ agree that the contract dated (Date) ____/____/____ is incorporated by reference in its entirety into this California Home Improvement Change Order and is changed as described below.

Description of the Change and Description of the Significant Materials to be Used and Equipment to be Installed Under this Change.

This change adds the following amount to the Contract Price: \$ _____

This change reduces the Contract Price by the following amount: \$ _____

Finance charge (if any) that results from this change: \$ _____

Effect this order will have on the Schedule of Progress Payments: _____

Payments due under this agreement are hereby adjusted to reflect this change in the Contract Price.

Payment for this change shall become due: (Date) ____/____/____.

Completion date of Work under this agreement, including this Change Order, is adjusted to: (Date) ____/____/____.

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 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. You are entitled to a completely filled in copy of this agreement, signed by both you and the contractor, before any work may be started.

_____/_____/_____
Owner's Signature Date Owner's Signature Date

_____/_____/_____
Contractor's Signature Date

Notice of Three-Day Right to Cancel

Date of Transaction: ____/____/____

You, the buyer, have the right to cancel this contract within three business days. You may cancel by emailing, 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.

To cancel this transaction, mail or deliver a signed and dated copy of the Notice of Cancellation, or any other written notice to:

Contractor Name: _____

Address: _____

Address: _____

City: _____, **State:** _____ **Zip:** _____

not later than midnight of (Date) ____/____/____

California Business and Professions Code Section § 7159 requires that this form be signed and dated when the contract is signed.

My signature below acknowledges receipt of this Notice of Three-Day Right to Cancel and two copies of the form Notice of Cancellation.

Signature of Owner

_____/_____/_____
Date

Notice of Cancellation (California Business & Professions Code § 7159)

Date the contract was signed: (Date) ____/____/____

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:

Contractor Name: _____

Address: _____

Address: _____

City: _____, State: _____ Zip: _____

Any cancellation must occur no later than midnight of

(Date) ____/____/____.

I hereby cancel this transaction:

Date of cancellation (Date) ____/____/____

Signature of Buyer

Notice of Cancellation (California Business & Professions Code § 7159)

Date the contract was signed: (Date) ____/____/____

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:

Contractor Name: _____

Address: _____

Address: _____

City: _____, State: _____ Zip: _____

Any cancellation must occur no later than midnight of

(Date) ____/____/____.

I hereby cancel this transaction:

Date of cancellation (Date) ____/____/____

Signature of Buyer

NOTICE OF RIGHT TO CANCEL UNDER REGULATION Z

To: Owner

Re: Your right to cancel Project

You are entering into a transaction that will result in a security interest being placed on your home. You have a legal right under federal law to cancel this transaction, without cost, within three business days from whichever of the following events occurs last:

- (1) The date of the transaction, which is ____/____/____ or,
- (2) The date you receive your Truth in Lending disclosures, or
- (3) The date you receive this notice of your right to cancel.

If you cancel this transaction, the security interest is also cancelled. Within 20 calendar days after we receive your notice, we must take the steps necessary to reflect the fact that the security interest on your home has been cancelled, and we must return to you any money or property you have given us or to anyone else in connection with this transaction.

You may keep any money or property we have given you until we have done the things mentioned above, but you must then offer to return the money or property. If it is impractical or unfair for you to return the property, you must offer its reasonable value. You may offer to return the property at your home or at the location of the property. Money must be returned to the address below. If we do not take possession of the money or property within 20 calendar days of your offer, you may keep it without further obligation.

How to cancel

If you decide to cancel this transaction, you may do so by notifying us in writing at:

Contractor Name: _____

Address: _____

Address: _____

City: _____, State: _____ Zip: _____

You may use any written statement that is signed and dated by you and states your intention to cancel, or you may use this notice by dating and signing below. Keep one copy of this notice because it contains important information about your rights.

If you cancel by mail or telegram, you must send the notice no later than midnight of _____ (midnight of the third business day following the latest of the three events listed above). If you send or deliver your written notice to cancel some other way, it must be delivered to the above address no later than that time.

I WISH TO CANCEL

Signature

____/____/____
Date

See the next page for important information about what happens if this agreement is cancelled.

Notice Required by 12 Code of Federal Regulation Section 226.15(d), Effects of Rescission

(1) When a consumer rescinds a transaction, the security interest giving rise to the right of rescission becomes void, and the consumer shall not be liable for any amount, including any finance charge.

(2) Within 20 calendar days after receipt of a notice of rescission, the creditor shall return any money or property that has been given to anyone in connection with the transaction and shall take any action necessary to reflect the termination of the security interest.

(3) If the creditor has delivered any money or property, the consumer may retain possession until the creditor has met its obligation under paragraph (d)(2) of this section. When the creditor has complied with that paragraph, the consumer shall tender the money or property to the creditor or, where the latter would be impracticable or inequitable, tender its reasonable value. At the consumer's option, tender of property may be made at the location of the property or at the consumer's residence. Tender of money must be made at the creditor's designated place of business. If the creditor does not take possession of the money or property within 20 calendar days after the consumer's tender, the consumer may keep it without further obligation.

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To: Owner

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You may keep any money or property we have given you until we have done the things mentioned above, but you must then offer to return the money or property. If it is impractical or unfair for you to return the property, you must offer its reasonable value. You may offer to return the property at your home or at the location of the property. Money must be returned to the address below. If we do not take possession of the money or property within 20 calendar days of your offer, you may keep it without further obligation.

How to cancel

If you decide to cancel this transaction, you may do so by notifying us in writing at:

Contractor Name: _____

Address: _____

Address: _____

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You may use any written statement that is signed and dated by you and states your intention to cancel, or you may use this notice by dating and signing below. Keep one copy of this notice because it contains important information about your rights.

If you cancel by mail or telegram, you must send the notice no later than midnight of _____ (midnight of the third business day following the latest of the three events listed above). If you send or deliver your written notice to cancel some other way, it must be delivered to the above address no later than that time.

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Date

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(3) If the creditor has delivered any money or property, the consumer may retain possession until the creditor has met its obligation under paragraph (d)(2) of this section. When the creditor has complied with that paragraph, the consumer shall tender the money or property to the creditor or, where the latter would be impracticable or inequitable, tender its reasonable value. At the consumer's option, tender of property may be made at the location of the property or at the consumer's residence. Tender of money must be made at the creditor's designated place of business. If the creditor does not take possession of the money or property within 20 calendar days after the consumer's tender, the consumer may keep it without further obligation.

Glossary of Terms

Bond means the security offered by a licensed surety company which may be used to satisfy a claim of failure to perform obligations undertaken in this Agreement.

Change Order is a written modification of the Contract Price (including all claims for direct, indirect and consequential damages and costs of delay), Time for Completion, and Scope of Work under this Agreement. A Change Order, once signed by all parties, is incorporated into and becomes a part of the Contract Documents.

Claim means a demand or assertion by one of the parties to this Agreement seeking, as a matter of right, modification, adjustment or interpretation of contract terms, payment of money, extension of time or other relief.

Contract Completion Date means the day by which the Work must be substantially complete.

Contract Documents are this Agreement and all documents incorporated by reference into this Agreement.

Contract Price is the amount which will become due in exchange for work performed under this Agreement. Contract Price includes allowances for purchased materials and equipment and may be modified by a Change Order or contract modification. The Contract Price may be paid in one or more installments, including an Initial Payment at or before the start of work, Progress Payments as work is completed, and a Final Payment on final acceptance of the work. Payment Period is the time elapsed between applications for progress payments or prior to the first application for progress payment.

Contractor is an individual, partnership, firm, corporation, joint venture, or other legal entity undertaking the execution of the Work under the terms of this Agreement.

Defective Work means construction done under this Agreement that is unsatisfactory, faulty, omitted, incomplete, deficient, or does not conform to the requirements of the Contract Documents, directives of Owner's Representative, or the requirements of an inspection, reference standard, test, or approval specified in the Contract Documents.

Drawings (also called plans or prints) are scale representations of the shape, location, character and dimensions of Work to be completed under this contract. Drawings include plan views, elevation views, transverse and longitudinal sections, large and small scale sections and details, isometrics, diagrams, schedules, tables, data and pictures which depict the completed Project. A group of drawings adequate to complete construction of the Project may be referred to as a plan set. Drawings can be either paper or electronic media.

Extra Work means any change, interpretation, clarification or correction in the Contract Documents or in applicable law, ordinance or regulation which would increase or decrease the quantity of work, delay, suspend or interfere with the work, require an addition to or omission from the work, change the character, quality or nature of any part of the work or material used in the work, change levels, lines,

positions or dimensions of any part of the work, require demolition or removal of any work completed under this Agreement, extend or amend the normal work day, alter the construction schedule or require completion of any part of the work at a time other than provided by this Contract when originally made.

Furnish means to supply and deliver to the job site.

Inspection is any review of the Project, including a visual review of the Work completed to ascertain compliance with Contract Documents, building codes and construction standards.

Job Site is the address or location of the Project.

Law means federal or state statutes, municipal ordinances, building codes, regulations adopted pursuant to statute, executive orders, official interpretations, and other rules and directives issued by government.

Material Supplier means any manufacturer, fabricator, distributor, materialman or vendor who provides material for the Project but does not provide on-site labor.

Party (to this contract) means a person or business organization which has an obligation to perform under the terms of this contract.

Plans (also called drawings or prints) are scale representations of the shape, location, character and dimensions of Work to be completed under this contract. Plans include plan views, elevation views, transverse and longitudinal sections, large and small scale sections and details, isometrics, diagrams, schedules, tables, data and pictures which depict the completed project. A group of plans adequate to complete construction of the Project may be referred to as a plan set. Plans can be either paper or electronic media.

Requirements means, in addition to obligations, responsibilities and limitations set out in the Contract Documents, the obligations, responsibilities and limitations imposed by law, rules, orders, ordinances, regulations, statutes, codes and executive orders of governmental authorities or fire rating bureaus.

Retainage is a portion of each progress payment temporarily held back or retained by the owner. Accumulated retainage is released to Contractor on satisfactory completion of the work.

Scope of Work means the Work as defined by the Contract Documents.

Similar means having a like kind, quality and characteristics. Similar is not to be construed as meaning identical or by the same manufacturer.

Specifications (also called specs) are the part of the Contract Documents which provide descriptions of materials, equipment, construction systems, technique and workmanship to be used on the Project. Specifications are both instructions to be followed by the Contractor and Subcontractors and a reference for the Building Official to evaluate code compliance.

Subcontractor is any person or business entity under contract to a general contractor to perform some

portion of the work general contractor is obligated to complete under a contract with the Owner. Subcontractor is an independent contractor performing services for another contractor rather than for the Owner. A person or organization providing supplies or materials for the Project but no job site labor is not a Subcontractor.

Work means all labor, material, equipment, tools, transportation, permanent and temporary utilities, connections, provisions for safety and management services required to complete the Project in compliance with the Contract Documents. Work may constitute the whole or a part of the Project. Work is to be performed in a safe, expeditious, orderly and professional manner in keeping with current standards of the industry. Work includes everything that is or should be evident to a skilled construction professional after careful examination of the Contract Documents and the Job Site.