



Home Buyers Warranty®

Remodeler's
Choice

Dear Remodeler:

Thank you for your interest in joining our Home Improvement Warranty Program. Gone are the days of business as usual. Customers expect warranties, and you have to do things differently to stand out. The Home Improvement Warranty will help you compete in this market while transferring your liability to a strong, third-party warranty insurer.

The Remodeler's Home Improvement Warranty Program provides distinct competitive advantages:

Warranty Coverage that Begins the Date of Completion and Includes:

- One-year workmanship coverage
- Two-year systems coverage
- Ten Year structural defect coverage (if applicable to the project)

FREE Sales Support Materials including Customized Brochures to promote your services!

If you have any questions please feel free to contact us at 800-232-5842. We look forward to working with you.

Sincerely,

Customer Service Representative
2-10 Home Buyers Warranty®



2-10 Home Buyers Warranty
PO Box 371348 Denver, CO 80237
Phone: 1.800.488.8844



Included in this Home Improvement Warranty Membership Application and Home Enrollment kit, you will find the documents necessary to complete your registration in three simple steps.

1. First, you will find an application checklist. This is to help make sure that you have completed all necessary paperwork and does not need to be returned to us. Please complete the necessary paperwork for your application and mail in with your application fee, or you can fax or e-mail your application package and use a credit card for payment. The credit card processing form is located immediately after the application form.

When filling out the Home Improvement Membership Application, please make sure that you have filled in all of the blanks. If the question does not apply to you, please mark N/A. Any blank spaces could delay the processing of your application. Please be sure to fill out the information on the home(s) you wish to enroll while awaiting your approval process into the Home Improvement Warranty Program.

2. Next, there is a document included in your kit titled "Builder/Contractor Proposal and Agreement" (Agreement). On the first page of the Agreement, please write the company name **EXACTLY** as you did on the application. On the last page of the Agreement, on the "Company Name" line, put the name of the company **EXACTLY** as you did on the application and sign under it. The "Witness" does not need to be a notary. A spouse or secretary in your office can act as the witness. Please complete and sign the Agreement and return the document to 2-10 HBW[®]. Please keep a signed copy for your records.
3. Finally, you will find a "Subscription Agreement." Please read and complete the last page of this agreement and submit. On the first line where it reads "Name of Company," please write the company name **EXACTLY** as you did on the application. Make sure to sign on the "signature" line and print your name and title under your signature. Please complete and sign the Agreement and return the document to 2-10 HBW[®]. Please keep a signed copy for your records.

If you have listed a DBA on the application, please note that DBA on all pages where you have written in your company name.

If you have any questions while completing the membership or home enrollment application, please don't hesitate to call the Customer Care Center at **(800) 232-5842**. We would like the application process to be a pleasant experience for you and we are happy to do anything we can to assist you. We look forward to the opportunity to be of service to you and your company.

Home Buyers Warranty
PO Box 371348
Denver, CO 80237-1348



Home Buyers Warranty®



2-10 HBW HOME IMPROVEMENT WARRANTY APPLICATION CHECKLIST

Dear Builder/Contractor:

Thank you for your interest in joining the 2-10 Home Buyers Warranty® program. The following is a list of documents that you will need to provide in order for your Builder/Contractor Application to be processed. Please forward the documents and payments to the address above. If you have any questions, *please contact a customer service representative with Home Buyers Warranty Corporation, the plan administrator, for assistance at 1-800-232-5842. We will be glad to assist you when you are filling out the application.*

Builder/Contractor Name: _____ Builder/Contractor Number: _____

Date: _____

Required Information

- Signed and completed Builder/Contractor Application (HBW 201)
(Facts about applying company)
- Signed and witnessed Builder/Contractor Proposal and Agreement (HBW 800)
(Agreement to terms and conditions of warranty)
- Signed and completed Stock Subscription Agreement
(All 2-10 builder members must join the risk retention group, sign last page)
- HBW membership check



Home Buyers Warranty®
America's Choice

2-10 HOME BUYERS WARRANTY® BUILDER/SELLER APPLICATION



Home Buyers Warranty®
America's Choice

Apply for:

- New Home Warranty _____ % of business
 Home Improvement Warranty _____ % of business
 Manufactured Housing Warranty _____ % of business

1. Company Name: _____ Phone: _____

DBA: _____ Builder/Seller Type: 10-Year 2-10 Year

Address: _____ City: _____ State: _____ Zip: _____

Mailing Address: _____ City: _____ State: _____ Zip: _____

Fax Number: _____ E-mail Address: _____

Federal I.D.# _____ Contact Person: _____

2. Type of Business Organization: Corporation Partnership Sole Proprietorship Other _____
(Describe)

State of Domicile/State Issuing Primary Certificate of Authority: _____

LIST OWNERS ONLY: All Owners owning 10% or more of the firm (attach list if necessary):

Name / Percent of Ownership	Title	Social Security #	Years Owner has owned/controlled a home building company	
			This Company	Other Home Bldg. Co.
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____

If a corporate ownership name was entered above, please use the back of this document or a separate piece of paper to indicate the name and address of the individual principals of the corporate owner(s).

3. Have you or any of the above listed owners ever participated in the HBW program? _____

4. Have you or any of the above listed owners ever participated in any warranty program? _____

5. Building department jurisdictions you expect to build in (attach list if necessary): _____

6. Total annual volume of ALL new homes for the last 5 years: 20 _____ \$ _____ 20 _____ \$ _____

20 _____ \$ _____ 20 _____ \$ _____ 20 _____ \$ _____

7. Number of homes you expect to enroll in the HBW program in the next 12 months? _____

Average sales price? _____ 8. General Liability Insurance Carrier: _____

9. Expiration date of GL insurance: _____ 10. Insurance Agency Name: _____

11. Contact / Agent's Name: _____ 12. Insurance Agent's Phone #: _____

13. Do you build commercially? _____ 14. Do you remodel? _____

15. Total annual volume of Home Improvement work for the last 3 years: 20 _____ \$ _____ ; 20 _____ \$ _____ ; 20 _____ \$ _____

I hereby authorize Home Buyers Warranty on behalf of the Insurer to conduct such investigation of the applicant's and/or its owners'/principals' activities, make such inquiries and obtain credit reports as may be necessary for its determination of the applicant's and/or its owners'/principals' financial and technical ability to meet its obligations to home owners and the warranty insurer. I certify that the information provided is complete and correct to the best of my knowledge. THIS BUILDER APPLICATION MAY BE EXECUTED BY FACSIMILE SIGNATURE. APPLICANT AGREES TO BE BOUND BY ITS FACSIMILE SIGNATURE AND FURTHER AGREES THAT ANY SUCH FACSIMILE SIGNATURE SHALL BE EQUALLY EFFECTIVE AS THOUGH IT WERE ORIGINAL.

Print Name and Title of Applicant's Authorized Representative

Signature

Date

THIS IS NOT AN APPLICATION FOR INSURANCE. This is an application to become a member of our 2-10 HBW Warranty Program risk retention group. Acceptance into the program is discretionary and does not create any insurance coverage. Warranty coverage for homes accepted for enrollment will be insured by the Warranty Insurer our risk retention group in accordance with the Builder/Seller Proposal and Agreement that you and the Warranty Insurer risk retention group sign. When completed, please return your Builder/Seller Application, Builder Proposal and Agreement, Stock Subscription Agreement and forms to: Warranty Insurer, c/o

Home Buyers Warranty
PO Box 371348
Denver, CO 80237-1348
800.488.8844

For office use only: Approved by: _____ Member #: _____

INSURER Rep #: _____ Rates 2-10 yr. _____ 10 yr. _____

Home Buyers Warranty
PO Box 371348
Denver, CO 80237-1348
800-488-8844



**LIMITED WORKMANSHIP/SYSTEMS AND STRUCTURAL COVERAGE
For Home Improvements
Builder/Contractor Proposal and Agreement**

Insured by:

INSURER Identified in signature block

Reinsured by national and international reinsurance companies

This Home Improvement Builder/Contractor Proposal and Agreement (“Agreement”) is entered into by and between Home Buyers Warranty Corporation doing business as Home Buyers Warranty (hereinafter “2-10 HBW”), the Warranty Insurer, and _____ (hereinafter “Builder/Contractor”). The effective date of this Agreement shall be the “Acceptance Date” as reflected on the signature page for the signature of the Warranty Insurer hereto.

1. **THE 2-10 HBW HOME IMPROVEMENT WARRANTY PROGRAM; THE INSURANCE.** The Builder/Contractor has, by submitting a completed Builder/Contractor Application (HBW 201), applied to join the 2-10 HBW Remodelers ChoiceSM Warranty Program (“2-10 HBW Program”), and agreed to become a member of the Warranty Insurer’s risk retention group formed pursuant to the federal Liability Risk Retention Act. Upon the Builder/Contractor’s acceptance into the 2-10 HBW Program, the Builder/Contractor shall be allowed to apply to enroll into the 2-10 HBW Program each Home Improvement that the Builder/Contractor has constructed, provided that Builder/Contractor agrees to abide by the terms of this Agreement with respect to each Home Improvement, even if the Effective Date of Warranty predates or postdates the term of this Agreement. Once the Limited Warranty Coverage Validation (HBW 820) has been issued indicating enrollment of a Home Improvement, the Builder/Contractor will warrant to each Homeowner of an enrolled Home Improvement that the Home Improvement will be free for one year from Deficiencies in workmanship and materials* and free for two years from Deficiencies in the plumbing, electrical and mechanical systems. Each Warranty runs from the date stated on the HBW 820. “Deficiencies” under the one year and two year warranties are defined in each instance as a failure of the Home Improvement to meet the Performance Guidelines as set forth in the 2-10 HBW Home Improvement Warranty Booklet (HBW 807, hereinafter the “Booklet,”) as it may be modified prospectively from time to time by 2-10 HBW.

***State of Indiana Only:** The Builder/Contractor warrants that the Home Improvement will be free from Deficiencies in materials and workmanship for two (2) years instead of one year as stated in the Performance Guidelines and that the roof that is part of the Home Improvement will be free from Deficiencies in materials and workmanship for four (4) years from the Effective Date of Warranty.

In addition, AND IF SO INDICATED ON THE HBW 820, the Builder/Contractor warrants that the Home Improvement will be free for ten (10) years from a qualifying Structural Defect as defined in the Booklet.

A copy of the Booklet, in effect as of the date of this Agreement, is enclosed. The Warranty Insurer may modify insured Warranty coverage (for future enrollments only), and the Builder/Contractor agrees to abide by the Warranty coverage provided to its Homeowner. 2-10 HBW is not an obligor under these warranties. 2-10 HBW performs certain administrative functions relating to the Builder/Contractor’s warranties. The Builder/Contractor may not change the terms of the warranties as defined in the Booklet. The insured Warranty Limit of the Builder/Contractor and/or the Warranty Insurer during the entire term of the Warranty is limited to the Final Contract Sales Price of each warranted Home Improvement as stated on the HBW 820. The Warranty Insurer’s costs of designing, accomplishing and monitoring repairs to a warranted Home Improvement are deducted from the Warranty Limit. The Builder/Contractor’s and/or the Warranty Insurer’s costs of determining the existence and extent of a covered Deficiency are not deducted.

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Builder/Contractor will submit a completed Builder/Contractor Application for Home Improvement Enrollment (HBW 802) ("Application") within fifteen (15) days of the Date of Completion, along with full payment of the warranty fee for the Home Improvement. A copy of the Home Improvement Contract indicating description and scope of work and materials and final contract price must be attached to the Application. The Warranty Insurer is under no obligation to accept the enrollment on any Home Improvement, even though the Builder/Contractor has submitted the HBW 802, unless all enrollment requirements for the Home Improvement have been satisfied (as determined in the sole discretion of the Warranty Insurer) and the Builder/Contractor is in good standing with 2-10 HBW and the Warranty Insurer. All inspection and enrollment requirements shall be performed at the Builder/Contractor's expense. Applications received more than fifteen (15) days after the Date of Completion may not be eligible for enrollment or may be subject to additional inspection and enrollment requirements as determined in the sole discretion of the Warranty Insurer.

Builder/Contractor hereby agrees to indemnify and hold 2-10 HBW and the Warranty Insurer harmless from any and all costs and damages, including without limitation:

- reasonable attorney's fees that they may incur in relying on inaccurate data contained in any HBW 802 submitted with Builder/Contractor's name on it;
- the Builder/Contractor's failure to perform its obligations under this Agreement; or
- the Builder/Contractor's failure to perform its obligation under any other Warranty given by the Builder/Contractor to its Homeowner.

Warranty Insurer's insurance obligation and guarantee obligation are set forth in the 2-10 HBW Home Improvement Warranty Insurance policy, which is on file at the 2-10 HBW District Office and is available for review.

2. THE ONE YEAR WORKMANSHIP AND TWO YEAR SYSTEMS WARRANTIES. The Builder/Contractor is the primary obligor under the One Year Workmanship* and Two Year Systems Warranties ("Workmanship/Systems"), and the Builder/Contractor promises to perform all of its Warranty obligations and abide by the enrollment requirements, the Warranty specifications and the Performance Guidelines as set by 2-10 HBW or the Warranty Insurer. (*See page 2, State of Indiana Only exception.)

The Warranty Insurer is a guarantor securing the Builder/Contractor's obligations under the Workmanship/Systems warranties, and the Warranty Insurer will arrange for a repair contractor to perform the Builder/Contractor's obligations or pay the cost of repair for any item[s] covered by the Builder/Contractor's Warranty as defined in the Warranty Booklet should the Builder/Contractor for any reason fail to do so. In that event, the Builder/Contractor waives all his rights in law and equity and the Warranty Insurer will be subrogated to whatever rights the Homeowner may have against the Builder/Contractor. The Builder/Contractor agrees to indemnify the Warranty Insurer for any damages incurred in performing Builder/Contractor's obligations, including but not limited to all of its costs of so performing and whatever additional costs it may incur in so doing, including but not limited to:

- costs of material and labor;
- costs of inspecting the Home Improvement;
- fees for engineers and/or attorneys;
- collection agency fees;
- costs for servicing the claim;
- arbitration fees paid by 2-10 HBW or the Warranty Insurer; and,
- any and all costs incurred in collecting such expenses from the Builder/Contractor.

2-10 HBW reserves the right to terminate from the 2-10 HBW Program, and the Warranty Insurer reserves the right to terminate from membership, any Builder/Contractor who fails to perform or refuses to promptly perform its duties or to cooperate fully with 2-10 HBW or the Warranty Insurer under this Agreement. There is a minimum charge of Two Hundred Dollars (\$200.00) for any Home Improvement ONE YEAR WORKMANSHIP AND TWO YEAR SYSTEMS WARRANTIES enrolled in the 2-10 HBW Program.

3. THE TEN YEAR STRUCTURAL DEFECT WARRANTY. IF SO INDICATED ON THE HBW 820, Structural Defect coverage may be provided for the Home Improvement.* Home Improvements involving any structural alterations, enlargement, extension, demolition, repairs or other work on load-bearing members of the home, or requiring construction of new load-bearing members must be enrolled in the One Year Workmanship/Two Year Systems/Ten Year Structural Warranty. Home Improvements without structural alterations, enlargement, demolition, repairs, or other work on load-bearing members of the home, or not requiring construction of new load-bearing members may only be enrolled in the One Year Workmanship/Two Year Systems Warranty. Common elements in single-family attached or multi-family structures are not eligible for coverage. No Home Improvement involving structural alterations, enlargement, extension, demolition, repairs or other work on load-bearing members used in common with other homes may be enrolled in the 2-10 HBW Program. The Warranty Insurer will be the primary obligor of the Builder/Contractor's ten year Structural Defect Warranty, provided that with respect to each warranted Home Improvement, the Builder/Contractor shall have complied with its Warranty obligations and with the provisions of this Agreement. The Warranty Insurer, in its sole discretion, shall decide whether to repair, replace or pay the cost of repair including the manner and method of any repairs. The Warranty Insurer will only be liable for

the cost of those repairs related to Structural Defect which the Warranty Insurer investigates, designs and approves in writing. There is a minimum charge of Three Hundred Dollars (\$300.00) for any Home Improvement enrolled in the Structural Defect Warranty.

***State of Texas Only:** Home Improvements that involve the addition of a foundation system beyond the original footprint of the Home are not eligible for enrollment.

4. **WARRANTY NOT INSURANCE.** The Warranty Insurer is not the Builder/Contractor's commercial general liability (CGL) insurer and does not insure any Builder/Contractor liability not expressly set forth in the 2-10 HBW Home Improvement Warranty Insurance policy or in Builder/Contractor's warranties issued pursuant to this Agreement.

5. **ARBITRATION.** Any and all claims, disputes and controversies by or between the owner, the Builder/Seller, the Warranty Insurer and/or HBW, or any combination of the foregoing, arising from or related to this Agreement, the Warranty, the Home Warranty Insurance Policy, the subject Home, or the 2-10 HBW Program shall be settled by binding arbitration. Agreeing to arbitration means you are giving up your right to a jury trial. Any person in contractual privity with the Builder/Seller whom the Home owner contends is responsible for any construction defect in the Home shall be entitled to enforce this arbitration agreement. Any party shall be entitled to recover reasonable attorney's fees and costs incurred in enforcing this arbitration agreement. The decision of the arbitrator shall be final and binding and may be entered as a judgment in any State or Federal court of competent jurisdiction.

The arbitration shall be conducted by the American Arbitration Association pursuant to its Home Construction Arbitration Rules and Mediation Procedures, or by DeMars & Associates, Ltd. The choice of arbitration service shall be that of the Home owner if the Home owner is a claimant and if not the choice shall be that of the Builder/Seller or the Warranty Insurer, if applicable. The arbitration shall be conducted pursuant to the applicable rules of the arbitration service selected unless noted otherwise. All administrative fees of the arbitration service and fees of the arbitrator shall be allocated to the parties as provided in the rules of the arbitration service, subject to the discretion of the arbitrator to reallocate such fees in the interests of justice. If for any reason this method of selecting an arbitration service cannot be followed, the parties to the arbitration shall mutually select an arbitration service.

The parties expressly agree that this Warranty and this arbitration agreement involve and concern interstate commerce and are governed by the provisions of the Federal Arbitration Act (9 U.S.C. § 1, et seq.) now in effect and as the same may from time to time be amended, to the exclusion of any different or inconsistent state or local law, ordinance or judicial rule.

6. **MAINTENANCE OF STANDARDS.** 2-10 HBW and the Warranty Insurer reserve the right (but undertake no duty to the Builder/Contractor) to rescreen the Builder/Contractor annually upon re-registration or more frequently, to ensure that the Builder/Contractor continues to meet the financial stability and technical competence standards set by 2-10 HBW and the Warranty Insurer. Nothing in this Agreement shall create, or be construed as creating, any express or implied rights in any person or entity other than the parties hereto. Builder/Contractor, 2-10 HBW and the Warranty Insurer are independent contractors.

7. **BUILDER/CONTRACTOR MARKETING MATERIALS.** The Builder/ Contractor may, during its membership in the 2-10 HBW Program, but not thereafter or during suspension, represent to the public that it is a participant in the 2-10 HBW Program by, and only by displaying the 2-10 HBW logo and/or other marketing materials provided by 2-10 HBW. The Builder/Contractor will not, at any time, represent that he/she is an agent of 2-10 HBW or the Warranty Insurer, and Builder/Contractor agrees to indemnify and hold harmless 2-10 HBW and/or the Warranty Insurer from any and all costs and damages that arise as a result of such representation. Upon termination from the 2-10 HBW Program, the Builder/Contractor may not enroll any additional Home Improvements and must return forthwith all HBW 802's, Booklets, and any other 2-10 HBW marketing materials in its possession.

8. **IN-TERM CANCELLATION.** 2-10 HBW and/or the Warranty Insurer may terminate the Builder/Contractor from the program membership and cancel this Agreement with the Builder/Contractor if it determines in its sole discretion that the Builder/Contractor has:

- made any false statement in connection with its Builder/Contractor Application (HBW 201) for program membership or any proposed Home Improvement or any other matter;
- failed to timely advise 2-10 HBW and/or the Warranty Insurer of any change in ownership status;
- developed a financial condition or claims history which 2-10 HBW and/or the Warranty Insurer finds unacceptable;
- failed to meet its Warranty obligations;
- failed to meet or to maintain the financial stability or technical competence standards specified by 2-10 HBW or the Warranty Insurer;
- failed to notify 2-10 HBW and/or the Warranty Insurer in writing that a legal proceeding has commenced against the Builder/Contractor related to the Warranty obligations;
- violated any of the provisions of this Agreement.

In addition, 2-10 HBW and/or the Warranty Insurer may terminate the Builder/Contractor from program membership and cancel this Agreement in 2-10 HBW's or the Warranty Insurer's sole discretion and without cause.

9. **ADHERENCE TO CONSTRUCTION QUALITY STANDARDS AND PERFORMANCE GUIDELINES.** The

Builder/Contractor will construct all Home Improvements enrolled in the 2-10 HBW Program in accordance with the local building, electrical, mechanical and plumbing codes, and the recommendations of a registered professional engineer used by the Builder/Contractor. The Builder/Contractor must notify 2-10 HBW or the Warranty Insurer of any Structural Defects, suspected Structural Defects, or any structural repairs to correct Structural Defects that were made prior to the enrollment of the Home Improvement in the 2-10 HBW Program. Home Improvements with physical damage, which would qualify as a Structural Defect as defined in the Booklet, may not be enrolled without the Builder/Contractor first completing repairs acceptable to 2-10 HBW and/or the Warranty Insurer. Prior to Home Improvement enrollment, Builder/Contractor must also notify 2-10 HBW or Warranty Insurer of known or suspected geological hazards, including but not limited to, historic landslide complexes, collapsible soil deposits, high organic content soils, shallow artesian conditions, peat bogs, sinkholes, underground caves, areas of caldera development, fault lines, dipping bedrock, areas of rock fall, rock slides, strip mines, and underground mines. In addition, the Builder/Contractor will construct all Home Improvements enrolled in the 2-10 HBW Program in accordance with the 2-10 HBW Performance Guidelines, and construction requirements for Special Standards Areas provided from time to time by 2-10 HBW and/or the Warranty Insurer and in effect at the time of construction. The Performance Guidelines in effect at the time of the Builder/Contractor's entry into the 2-10 HBW Program are set forth in the Booklet provided with this Agreement. 2-10 HBW and/or the Warranty Insurer reserve the right to modify the Performance Guidelines, construction guidelines and requirements for Special Standards Areas, and other rules and regulations of the 2-10 HBW Program from time to time in accordance with good business and construction practice and will undertake to notify the Builder/Contractor when modifications take place. The Builder/Contractor will adopt the new rules, regulations, guidelines, requirements, and standards upon such notification and the Builder/Contractor's next subsequent submission of an Application for Home Improvement Enrollment (HBW802) will evidence its acceptance of the modified rules, regulations and standards with respect to the Home Improvement which is the subject of that Application and all Home Improvements subsequently enrolled.

All fill placed by the Builder/Contractor which carries the load of the new foundation or extension of an existing home foundation that is part of the Home Improvement must be uniformly compacted throughout the complete depth of the fill to the density specified by a registered professional geotechnical engineer. Fills must be free of all organic and metallic materials that deteriorate with the passage of time and in the presence of moisture. All native or fill slopes that affect the performance of the foundation, including without limitation slopes equal to or steeper than three (3) horizontal units to one (1) vertical unit, mechanically stabilized fill slopes, conventional or mechanically stabilized earth retaining walls, shall be constructed in accordance with the recommendations of a registered professional engineer. The natural soil under any fill must have sufficient strength and density to support the load of the fill above without total consolidation exceeding that which could cause a Structural Defect as defined in the Booklet. The Builder/Contractor must maintain all geotechnical design and testing results for fills under and around the Home Improvement(s) enrolled in the 2-10 HBW Program, so that in the event a question arises in a Structural Defect claim, the Builder/Contractor will have proof that fills were placed and tested in accordance with the criteria in this paragraph. The Builder/Contractor is completely responsible for any damages relating to a Structural Defect claim that occurs if the Home Improvement was placed on fill or natural soil which do not meet all of the requirements in this paragraph. If any Home Improvement is damaged by settlement of fill and/or natural soils which fails any of the criteria in this paragraph, the Builder/Contractor will indemnify the Warranty Insurer and hold it harmless from any expenses or liability the Warranty Insurer incurs with respect to such Home Improvement, provided the Builder/Contractor's liability shall not exceed the Builder/Contractor's liability for construction Deficiencies under applicable State law.

10. LIMITATIONS ON WARRANTABILITY. A Home Improvement is eligible for enrollment in the 2-10 HBW Program only when Home Improvement is enrolled in the name of the Builder/Contractor or another 2-10 HBW-approved Builder/Contractor-owned entity which has its own 2-10 HBW Builder/Contractor number, title to the property in which the Home Improvement is located, and the Builder/Contractor is solely responsible for the completion of the Home Improvement with tradesmen employed by the Builder/Contractor. The Builder/Contractor may not make a Structural Defect claim as Homeowner with respect to a Home Improvement that the Builder/Contractor has built. Rental units are not available for workmanship/systems Warranty coverage. Home Improvements in multi-family buildings, earth sheltered homes, or homes constructed using straw bale, rammed earth, cob, or other alternative building methods must be pre-approved by 2-10 HBW and the Warranty Insurer prior to enrollment, and may not be eligible for coverage.

Warranty Insurer will not accept a Home Improvement for enrollment and provide Warranty coverage on any Home Improvement (even though the Builder/Contractor has submitted the Application for Home Enrollment) unless all Warranty Insurer enrollment requirements for that Home Improvement have been satisfied (as determined in the sole discretion of Warranty Insurer) and the Builder/Contractor is in good standing with 2-10 HBW and Warranty Insurer. If 2-10 HBW or Warranty Insurer determines Builder/Contractor did not adhere to the Performance Guidelines, construction guidelines, inspection requirements or special standards contained in this Agreement, the Home Improvement is not eligible for enrollment in the 2-10 HBW Program. Further, if 2-10 HBW or Warranty Insurer determines, in their sole discretion, that steep slopes or other unusual geological conditions have not been adequately addressed in the engineering, design, and construction of the Home Improvement, the Home Improvement will not be eligible for enrollment.

11. INSPECTIONS. The Builder/Contractor will have a state-registered professional engineer inspect and approve the following:

- a. the adequacy of the existing home foundation where the Home Improvement involves the addition of one or more stories to the home;
- b. the conversion of attic areas to habitable space including any modification or alteration of existing roof framing required in

the conversion of attic area to habitable space; and

- c. any new foundation or extension of the existing home foundation system that is part of the Home Improvement in Special Standards Areas that may be designated from time to time by 2-10 HBW or the Warranty Insurer.

Design and inspections will be in accordance with accepted engineering practices. The Builder/Contractor will attach and forward to 2-10 HBW the completed HBW 802, copies of engineer's inspection and approval of any modification or alteration of existing roof framing required in the conversion of the attic area to habitable space. 2-10 HBW or the Warranty Insurer reserves the right to examine, and in its sole discretion, reject any designs or inspections.

A building permit must be obtained before beginning any construction, enlargement, alteration, demolition, repair or other work that requires such a permit as determined by the applicable state, county or local building department regulations. All Home Improvements enrolled in the 2-10 HBW Program that require a building permit must have inspected, in accordance with the permit, all phases of construction that require inspections as determined by the applicable state, county, or local building department regulations. Home Improvements constructed in areas where building department inspections are not conducted must have construction, enlargement, alteration, demolition, repair or other work containing foundation or rough-in extensions or modifications that would require inspection (under Section 109.1 of the 2006 International Residential Code for One- and Two-Family Dwellings, or Section 109.3 of the 2006 International Building Code, or Section 108.5 of the 1997 Uniform Building Code) inspected by qualified third-party inspectors. Inspections will be performed in accordance with the following:

- x. New Foundation or Extension of Existing Foundation: The excavation, placement of formwork, reinforcement, and the installation of any drain systems, will be inspected for both conventional and engineered foundation systems.
- y. Rough-In Extension or Modification: The framing, plumbing, electrical and mechanical systems and all other aspects of the construction that were part of Home Improvement and available for inspection will be inspected for proper installation.
- z. Final Stage: The drywall, siding, brickwork, finishes and cosmetic portions of the Home Improvement will be inspected for compliance with the Performance Guidelines. All systems must be functioning properly, and any construction or grading that was part of the Home Improvement must be complete and the Home Improvement ready for occupancy.

Except as otherwise stated in the first paragraph of this section, the Builder/Contractor will maintain the results of any inspections by a state-registered professional engineer, applicable state, county, or local building department, or qualified third-party inspectors, so that in the event a question arises in a Structural Defect claim concerning inspections, the Builder/Contractor will have proof that inspections were performed in accordance with the criteria in this section. In the 2-10 HBW Program, the Builder/Contractor is completely responsible for any physical damage that would qualify under the Structural Defect coverage if the Builder/Contractor does not obtain a building permit or fails to have the Home Improvement inspected in accordance with the criteria in this section. The Builder/Contractor will indemnify the Warranty Insurer and hold it harmless from any expenses or liability the Warranty Insurer incurs with respect to such Home Improvement that fails to meet any of the criteria in this section.

2-10 HBW reserves the right to independently inspect or to cause to be inspected any Home Improvement that is proposed to be enrolled in the 2-10 HBW Program.

12. SPECIAL STANDARDS AREAS. In areas where expansive, active or other unstable soil conditions exist that are not adequately addressed by conventional construction methods and controls (referred to herein as "Special Standards Areas") the Builder/Contractor will have a state-registered professional engineer approve and inspect any new foundation or extension of an existing home foundation that is part of the Home Improvement. 2-10 HBW has determined that all of the states of Colorado, Oklahoma, and Texas are Special Standards Areas as are the counties of Madison, Hinds, and Rankin in Mississippi. 2-10 HBW or the Warranty Insurer may waive this requirement where documented evidence indicates that the individual lot on which the Home Improvement is located contains no active soils and a conventional foundation system can be utilized. 2-10 HBW or the Warranty Insurer reserves the right to examine and in its sole discretion, reject any engineering investigations conducted and foundation designs developed. 2-10 HBW can refuse to accept enrollment of any Home Improvement built in the areas which 2-10 HBW believes, in its sole discretion, are areas subject to greater than usual risk of structural failure and not anticipated in the standard Warranty rate. The Builder/Contractor should contact 2-10 HBW with any questions regarding these requirements.

13. NO OBLIGATION TO DEFEND. The Builder/Contractor agrees to notify 2-10 HBW and/or the Warranty Insurer if a legal proceeding has commenced against the Builder/Contractor with respect to his Warranty obligations. However, neither 2-10 HBW nor the Warranty Insurer shall, under any circumstances be obligated to defend or pay for the cost of defense of any lawsuit or arbitration proceeding initiated against the Builder/Contractor by a Homeowner or any other person, whether or not such lawsuit or arbitration proceeding relates to the Warranty coverage provided under the 2-10 HBW Program.

14. ANNUAL REGISTRATION FEE. There will be a nonrefundable initial registration fee in an amount specified by and paid to 2-10 HBW for each new Builder/Contractor that applies for enrollment in the 2-10 HBW Program and a non-refundable annual re-registration fee in an amount specified by 2-10 HBW for every one year thereafter.

15. COST OF WARRANTY COVERAGE. The total cost of the 2-10 HBW Program One Year Workmanship, Two Year Systems,

and Ten Year Structural Defect Coverage is based on the final contract price of each Home Improvement enrolled unless a minimum premium applies. The Builder/Contractor Warranty rate is predetermined annually and is based on each One Thousand Dollars (\$1,000.00), or part thereof, of the final contract price of each Home Improvement. The predetermined Builder/Contractor rate is dependent upon the sales price of the Home Improvement and the rate may increase once, any time during the annual term, provided such increase does not exceed ten percent (10%). Contact 2-10 HBW for individual Builder/Contractor rates.

The Builder/Contractor agrees that 2-10 HBW may deposit any Warranty fees received and that such a deposit shall not constitute acceptance of the Home Improvement identified on the HBW 802. Accordingly, the Builder/Contractor agrees that notwithstanding any such deposit, Warranty coverage shall not be effective unless and until 2-10 HBW determines that all enrollment requirements have been met and the Builder/Contractor is in good standing with 2-10 HBW or the Warranty Insurer. The Builder/Contractor agrees that it shall not be entitled to any interest earned due to 2-10 HBW's deposit of Warranty fees received.

16. **SURVIVAL.** The Builder/Contractor's indemnity obligations and the arbitration provision in this Agreement, shall survive cancellation or termination of this Agreement.

17. **DEFINITIONS** Builder/Contractor, Builder/Contractor Application for Home Enrollment, Date of Completion, Deficiency(ies), Effective Date of Warranty, Home Improvement, Homeowner, Limited Warranty Coverage Validation Form, Warranty, Warranty Insurer, Warranty Limit, Workmanship, Performance Guidelines, Structural Defect and Systems, are defined in the Booklet which is enclosed.

Special Standards Areas are defined as areas which 2-10 HBW believes present greater than usual risk of Structural Defect. 2-10 HBW can refuse to accept enrollment of any Home Improvement built in the areas which 2-10 HBW believes, in its sole discretion, are areas subject to greater than usual risk of Structural Defect and not anticipated in the standard Warranty rate.

This Agreement, when properly executed, commits all parties to meet their obligations as previously stated herein for all Home Improvements enrolled in the 2-10 HBW Program. This Agreement shall remain in effect for ONE (1) YEAR from the acceptance date indicated below, except this Agreement shall terminate upon the Builder/Contractor's termination or suspension by 2-10 HBW as provided herein, or upon 2-10 HBW's abandonment of the 2-10 HBW Home Improvement Warranty. This Agreement may be renewed after the initial one year term upon the Builder/Contractor's Application for succeeding years thereafter at the sole option of 2-10 HBW.

Termination of this Agreement, by the Builder/Contractor after the first (1st) year must be submitted to the undersigned 2-10 HBW entity in writing. Time is of the essence of this Agreement. This Agreement, which incorporates the current Booklet that is enclosed, may not be modified orally or by writing except as provided therein. The parties agree to be bound by their facsimile signatures.

Type or Print Name and Title

BUILDER/CONTRACTOR SIGNATURE

DATE

WITNESS

DATE

HOME BUYERS WARRANTY CORPORATION

SIGNATURE

ACCEPTANCE DATE

INSURER

SIGNATURE

ACCEPTANCE DATE



Home Buyers Warranty®

**Remodeler's
Choice™**



Dear Builder:

The purpose of this letter is to provide you with information concerning the attached *Subscription Agreement*. Please read the attached *Agreement* carefully.

New Home Warranty Insurance Company, A Risk Retention Group (“New Home RRG”) provides liability insurance to the builder/members of the Home Buyers Warranty (“HBW”) program, covering the builder/members’ liability under their new home warranties.

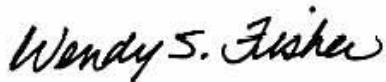
New Home RRG is domiciled and licensed by the District of Columbia to write this liability insurance.

Each participant in the HBW program must become a member of the risk retention group, and purchase one share of stock in New Home RRG. The purchase price of such a share is \$50.00. Upon acceptance into the HBW program and the risk retention group, the share is issued to each builder/member when the first home is enrolled. Notification of such issuance will be mailed to the builder/member within thirty days of this enrollment.

New Home RRG is not making this offering for the purpose of raising additional capital, and significant additional capital will not be raised pursuant to the offering. The stock is redeemable, is nontransferable, and has no investment potential.

Please complete the attached *Subscription Agreement* and return it with your HBW registration package. You do not need to enclose an additional check for the purchase price of your share of stock. \$50.00 of your registration fee will be sent by HBW to New Home RRG to cover the stock purchase price. If you have any questions regarding the *Subscription Agreement*, please contact me at 720-747-6006.

Sincerely,



Wendy S. Fisher
Assistant Corporate Secretary
Regulatory and Business Affairs



SUBSCRIPTION AGREEMENT
CLASS “B” COMMON STOCK (\$50.00 PAR VALUE)
New Home Warranty Insurance Company, A Risk Retention Group

New Home Warranty Insurance Company, A Risk Retention Group (the “Company”) is domiciled in the District of Columbia and was licensed on June 15, 2010, as a risk retention group under the federal Liability Risk Retention Act (15 U.S.C., §3901, et seq.; 1981, as amended in 1986) (“LRRRA”). Under LRRRA, the members of a risk retention group must also be the owners and the insureds of the risk retention group. The builders/contractors that are members of the 2-10 Home Buyers Warranty program are the members of the Company; therefore, the undersigned builder/contractor (“Member Builder”) must be a shareholder of the Company, must hold the share of the Company stock purchased hereunder until redemption, and abide by the terms of this Subscription Agreement in order to participate in the 2-10 Home Buyers Warranty program. Any Member Builder is eligible to become an insured owner of Company upon the satisfaction of all of the following conditions: (a) it must be engaged in an activity similar or related to construction of residential homes or light commercial buildings; (b) it must be exposed to liabilities similar to those of other insureds of the Company by virtue of being in a similar, related, or common business, trade, product, service, or operations; (c) it must qualify under the underwriting criteria of the Company for the issuance of a policy of insurance by Company; (d) and it must meet such other conditions as prescribed by the Company’s Board of Directors which are not in violation of Section 3901 D of the Federal Liability Risk Retention Act.

Member Builder hereby irrevocably subscribes for and agrees to purchase One (1) share of the Class “B” Common Stock (the “Share”) of the Company, for the sum of Fifty Dollars (\$50.00) in cash or equivalent (“Subscription Price”). This Subscription Agreement shall become binding when accepted by the Company and against payment of the sum of Fifty Dollars (\$50.00) in cash or equivalent. The Company shall evidence its acceptance by making an appropriate entry on the books and records of the Company and by mailing a written statement of acceptance to Member Builder. The Company’s acceptance shall be effective as of the date of issuance. The Company has no obligation to accept any subscriptions for the Share. The Company may accept any subscription at any time and in any order received and may reject any subscription at any time and for any reason. If this subscription is rejected, this Subscription Agreement and the Subscription Price will be returned to the Member Builder.

The Share has not been registered under the federal *Securities Act* of 1933, the *Securities Exchange Act* of 1934, or any state securities laws, but is offered and sold to the Member Builder in reliance upon one or more exemptions from the registration requirements thereof, including without limitation, any exemption that may exist, under federal or state law with respect to risk retention groups. Consequently, such Share is restricted securities and may not be sold or otherwise disposed of by the undersigned in the absence of effective registration under applicable securities laws or the availability of exemption therefrom.

This Share is issued pursuant to the provisions of this offering for sale (the “Offering”), and are subject to all of the terms and conditions of this Offering, any further or additional terms, conditions or restrictions as may be set forth from time to time in the Articles of Incorporation and in the Bylaws of the Company. The Company may redeem this Share for the redemption price of Fifty Dollars (\$50.00) per Share at any time and for any reason and may alter, amend, modify, delete or revoke any of the terms, conditions, restrictions, impediments, characteristics or features of or concerning the Share issued under this Subscription Agreement, for any purpose without prior notice to Member Builder. **This Offering is not made for the purpose of raising additional capital, and significant additional capital will not be raised pursuant to the Offering.**

1. **NO INVESTMENT POTENTIAL.** As concerns the Member Builder, **THIS SHARE HAS NO INVESTMENT POTENTIAL.** As concerns the Company, the **MEMBER BUILDER SHALL HAVE NO LIABILITY FOR ANY DEBTS OR OBLIGATIONS OF THE COMPANY** solely by reason of Member Builder’s status as shareholder of the Share under this Subscription Agreement. There have been no

representations, guaranties or warranties made to the Member Builder by the Company, its agents or employees, or by any other person, expressly or by implication, that there will be any profit, appreciation, dividend or any other type of consideration or benefit to be realized as a result of stock ownership in the Company.

2. **WARRANTY PROGRAM PARTICIPATION.** Member Builder must be a shareholder of the Company to participate in the 2-10 Home Buyers Warranty program. Member Builder shall have no right to obtain or continue to obtain insurance coverage as provided by the Company merely by virtue of ownership of a Share of the Company stock. Member Builder further acknowledges that a breach of this Subscription Agreement, or Member Builder's failure to hold the Share purchased hereunder until redemption by the Company shall: (i) constitute a breach of the Member Builder Proposal and Agreement between Member Builder, 2-10 Home Buyers Warranty and the Company; and (ii) result in the termination of Member Builder's participation in the 2-10 Home Buyers Warranty program and membership in the Company risk retention group.

3. **NO MARKET FOR SHARE.** There is no public or other market for the Share and no such market shall develop as a result of this Offering. The Share is redeemable only by the Company and the Company controls the redemption and resale of the Share as provided herein. Member Builder shall not have, nor shall Member Builder ever acquire, control over the operations of the Company by reason of Member Builder's ownership of Class "B" Common Stock and, as provided in the Articles of Incorporation and the Bylaws of the Company, only five percent (5%) of all outstanding ownership and voting rights of the Company shall appertain to all Class "B" Shares in the aggregate, regardless of the number of Class "B" Shares outstanding at any time. The Shares are issued without certificates. A written statement of information shall be provided to the registered owner of each Class "B" Share upon the issuance thereof.

4. **VOTING RIGHTS.** All Member builders holding Class B Shares shall have one (1) voter per share.

5. **RESTRICTIONS AGAINST TRANSFER.** Member Builder shall not grant, bargain, convey, sell, pledge, assign, hypothecate or otherwise encumber or dispose of the Share hereunder issued unless such sale, pledge, assignment, hypothecation, encumbrance or other legal or equitable transfer: (i) is to a permitted transferee under LRRRA; (ii) is to a permitted transferee under the provisions of the *District of Columbia Business Corporations Act*, the Articles of Incorporation and Bylaws of the Company, this or any other Subscription Agreement made or entered into in respect of this or any of the Shares of Class "B" Common Stock, and any other restriction imposed upon same at any time to the Company; and (iii) has been previously approved in writing by the board of directors of the Company. The Company will establish transfer and redemption procedures for the Share for the purpose of preserving the Company's status as a risk retention group, which procedures may be changed from time to time by the Company and Member Builder shall comply with and abide with said procedures.

a. **Redemption of Share.** The Share owned by Member Builder shall be called for redemption and shall be redeemed by the Company upon the *earlier to occur of*: (i) the failure of a Member Builder to qualify for and obtain insurance coverage from the Company within a reasonable time as determined by the Board of Directors of the Company; (ii) the expiration of all insurance coverage issued by the Company naming the Member Builder as the insured; (iii) a Member Builder becoming an insurance company; (iv) the voluntary or involuntary termination of the Member Builder's right to enroll homes in the 2-10 Home Buyers Warranty program; or (v) a determination by the board of directors of the Company, in its sole discretion, that a redemption is necessary to preserve or reinstate the Company's status as a risk retention group ("Redemption Events").

b. **Redemption Terms, Price, Payment.** Within sixty (60) days after the occurrence of any of the foregoing Redemption Events, the Company shall notify the Member Builder, in writing, of such redemption. In accordance with the provisions of the *District of Columbia Business Corporation Act*, any Share called for redemption shall not be entitled to vote on any matter and shall not be deemed to be outstanding on and after the date on which written notice of redemption has been mailed to the holder of the redeemed stock, and a sum sufficient to redeem such stock has been deposited with a bank or trust company with

irrevocable instruction and authority to pay the holder of the stock the required consideration therefor upon request of such holder. **THE REDEMPTION PRICE FOR EACH SHARE OF CLASS “B” COMMON STOCK SHALL BE FIFTY DOLLARS (\$50.00) PER SHARE AND EACH SHAREHOLDER SHALL RECEIVE FIFTY DOLLARS (\$50.00) PER SHARE FROM THE COMPANY UPON THE REDEMPTION AND CANCELLATION OF THEIR SHARE.** Any check mailed or delivered by the Company to a Class “B” shareholder in payment of the redemption price of Fifty Dollars (\$50.00) per Share will not be honored unless cashed or deposited within 120 days after the date of the check. If such check is returned by the postal authorities as undeliverable, or if such check is not cashed, deposited or otherwise negotiated by the Member Builder within 120 days from the date of the check, the check will be voided and the redemption price will be deposited by the Company into an escrow account. Upon the Member Builder informing the Company of an address of the Member Builder to which a check is deliverable, the Company will immediately pay the redemption price to the Member Builder. If no such notification is received by the Company within five (5) years after the date of the initial check representing payment of the redemption price, the Company will transfer such funds from the escrow account to the District of Columbia Treasurer – Unclaimed Property Division. Member Builder nominates and appoints the Company or its designee as its attorney-in-fact, to make or cause to be made the appropriate entry on the books of the Company to retire said redeemed Share immediately upon the tender of payment for by the Company.

6. **MEMBER BUILDER’S WARRANTIES.**

- a. Member Builder warrants that it is not owned, in whole or in part, directly or indirectly, by a warranty company, service contract company or an insurance company, and shall notify the Company immediately in writing, if Member Builder’s ownership while owning any Share.
- b. Member Builder warrants that the Subscription Agreement, all of the information provided by the Member Builder to the Company, including responses and information contained in this Subscription Agreement are complete, true and accurate in all respects as of the date of issuance of the Share by the Company, and shall survive such delivery, Member Builder’s admission as a shareholder of the Company, and any investigation made by any party relying on the same or any acceptance or rejection of this subscription. If any information provided by Member Builder in connection herewith becomes inaccurate or incomplete, Member Builder shall notify the Company immediately of such inaccuracy or incompleteness.
- c. Member Builder warrants said Share is subscribed solely for Member Builder’s own account and is not purchased with a view to, or in connection with, any resale, distribution, subdivision, fractionalization, or other distribution thereof.
- d. Member Builder warrants that this Subscription Agreement is irrevocable and may not be canceled, terminated or revoked by Member Builder except upon the written consent of the Company. Such subscription shall survive the death or legal disability of Member Builder, and shall be binding upon its heirs, executors, administrators, legal representatives, successors, and permitted assigns. Member Builder warrants that Member Builder, or the individual signing this Subscription Agreement on Member Builder’s behalf, represents and warrants that (s)he is duly authorized to execute and deliver this Subscription Agreement on behalf of Member Builder.

7. **ADDITIONAL TERMS AND CONDITIONS.**

- a. All notices or other communications given or made hereunder shall be in writing and shall be delivered by hand or sent via United States mail and/or by registered or certified mail, return receipt requested, postage prepaid, to Member Builder at the address set forth on the Member Builder Application form provided by Member Builder to the Company; and by Member Builder to the Company at 10375 East Harvard Avenue, Suite 100, Denver, Colorado 80231.
- b. If any provision of this Subscription Agreement is held to be illegal, invalid or unenforceable under present or future laws, such provision shall be fully severable, and this Subscription Agreement shall be construed

and enforced as if such illegal, invalid or unenforceable provision never comprised a part hereof; and the remaining provisions hereof shall remain in full force and effect, and shall not be affected by the illegal, invalid or unenforceable provision or by its severance here from. Furthermore, in lieu of such illegal, invalid or unenforceable provision, there shall be added automatically as part of this Subscription Agreement, a provision as similar in its terms to such illegal, invalid or unenforceable provision as may be legal, valid and enforceable.

- c. Member Builder shall execute any and all further documents necessary or advisable, in the sole discretion of the Company, in connection with Member Builder becoming and remaining a shareholder of the Company.

**THE UNDERSIGNED HAS READ AND UNDERSTANDS
THE FOREGOING SUBSCRIPTION AGREEMENT.**

Member Builder Number

Print or Type: Name of Member Builder Entity
(Name must match Member Builder's registration documents)

Date

Signature of Member Builder or Authorized Representative

Print or Type: Name & Title of Member Builder or Authorized Representative

Please specify the form of your business:

- | | |
|--|--|
| <input type="checkbox"/> Corporation | <input type="checkbox"/> Limited Partnership |
| <input type="checkbox"/> General Partnership | <input type="checkbox"/> Sole Proprietorship |
| <input type="checkbox"/> Limited Liability Company | <input type="checkbox"/> Limited Liability Partnership |
| <input type="checkbox"/> Other (explain) _____ | |



BUILDER/CONTRACTOR APPLICATION FOR HOME IMPROVEMENT ENROLLMENT

THIS DOCUMENT IS NOT YOUR NEW HOME WARRANTY

Mail to:
Home Buyers Warranty
PO Box 371348
Denver, CO 80237-1348

The undersigned Builder/Contractor, a member of the 2-10 HBW[®] Home **Improvement** Program makes an application for enrollment for the improvement project on the home whose address is listed below. The Builder/Contractor is responsible for completion of all improvement requirements on the home. The Builder/Contractor must send the original of this Application and a check for full payment to 2-10 HBW[®]. Once the Builder/Contractor has satisfied all of the requirements and 2-10 HBW[®] has received this Application and full payment within 15 days of the date of completing the home improvement, the **Homeowner(s)** will receive, from 2-10 HBW[®], the Limited Warranty Coverage Validation (HBW 820) indicating the coverage(s) selected by the Builder/Contractor and the Warranty Booklet (HBW 807). **IF THE HOMEOWNER(S), HAS NOT RECEIVED THE HBW 820 AND THE HBW 807 FROM 2-10 HBW[®] WITHIN THIRTY (30) DAYS AFTER COMPLETION, THEN THERE IS NO COVERAGE PROVIDED BY THE WARRANTY INSURER and you should contact your Builder/Contractor.**

PLEASE PRINT OR TYPE:

1. Homeowner(s): _____
(Name(s) as recorded on deed)

Address of Home Improvement: _____
Street Address City State Zip Code

2. Builder/Contractor Name: _____ 2-10 HBW[®] Builder/Contractor No: _____

3. Date of Completion: _____ (Effective Date of Warranty)

4. Final Contract Sales Price _____ (Warranty Limit)

5. COVERAGE: Both the Builder/Contractor and Homeowner(s) must check and initial which of the following coverage(s) apply to the unit being enrolled.

A. _____ 1-Year Workmanship / 2-Year Systems Coverage

B. _____ 1-Year Workmanship / 2-Year Systems / 10-Year Structural Coverage

10-Year Structural Coverage is not available on Common Elements (Condominiums or Cooperatives)

6. Type of Home: Single Family Detached Duplex Single Family Attached (3 or more units, including town homes)

7. Total Warranty fee due with Application:

A. \$200 Minimum Warranty Fee for 1-Year Workmanship / 2-Year Systems Coverage

B. \$300 Minimum Warranty Fee for 1-Year Workmanship / 2-Year Systems / 10-Year Structural Coverage

C. Home Improvements with a Final Contract Sales Price in excess of \$100,000 use this Rate Formula (If less than Minimum Warranty Fee, Minimum Warranty Fee will apply):

$$\boxed{} \div 1,000 = \boxed{} \times \boxed{} = \boxed{}$$

Total Contract Rate Basic Warranty Fee

8. Copy of Home Improvement Contract Attached? Yes No

The Home Improvement shall not be enrolled without a copy of the Home Improvement Contract. Contract must include description and scope of work and materials and final contract price, and be signed by Builder/Contractor and homeowner or the person(s) who hold legal title to the home where the Home Improvement was performed.

9. Does Home Improvement include conversion of attic area to habitable space? Yes No

If Yes, attach copies of engineer's inspection and approval of any modification or alteration of existing roof framing.

BUYER'S ACKNOWLEDGEMENT AND CONSENT

Your Builder/Contractor is applying to enroll your home improvement in the 2-10 HBW[®] Home Improvement Program. By signing below, you acknowledge that you have read a sample copy of the Warranty Booklet, and **CONSENT TO THE TERMS OF THESE DOCUMENTS INCLUDING THE BINDING ARBITRATION PROVISION** contained therein. You further understand that when the warranty is issued on your new home improvement, it is an Express Limited Warranty and that all claims and liabilities are limited to and by the terms and conditions of the Express Limited Warranty as stated in the 2-10 HBW[®] Booklet.

BUILDER'S/CONTRACTOR'S AUTHORIZED SIGNATURE _____ **Date** _____

Homeowner(s) Signature _____ Date _____

Homeowner(s) Signature _____ Date _____

Homeowner(s) Phone # _____

OFFICE USE ONLY

Accounting: _____
Risk Mgmt: _____
Warranty No. _____