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7 HOMEOWNERS ASSOCIATION, INC.

8 SUPERIOR COURT OF THE STATE OF CALIFORNIA  
9 COUNTY OF ORANGE, CENTRAL JUSTICE CENTER  
10

11 LAGUNA LIDO HOMEOWNERS  
12 ASSOCIATION, INC., a California nonprofit  
mutual benefit corporation,

13 Plaintiff,

14 v.

15 NU FLOW AMERICA, INC., a New York  
16 corporation, and  
DOES 1 through 100, inclusive,

17 Defendant.  
18

Case No. 2012-00616855

**COMPLAINT FOR:**

- 1) BREACH OF CONTRACT;
- 2) BREACH OF IMPLIED WARRANTIES;
- 3) BREACH OF EXPRESS WARRANTY;
- 4) NEGLIGENCE; AND
- 5) STRICT LIABILITY IN TORT

Judge Gastelum C9

19  
20 LAGUNA LIDO HOMEOWNERS ASSOCIATION, INC., a California nonprofit mutual  
21 benefit corporation ("Association"), alleges as follows:

22 **GENERAL ALLEGATIONS**

23 1. Plaintiff Association is, and at all relevant times was a California nonprofit mutual  
24 benefit corporation, organized and existing under and by virtue of the laws of the State of California,  
25 and an association as defined in *Civil Code* section 1351(a) and *Civil Code* section 1368.3, formed for  
26 the purpose of managing and maintaining the common interest development known as Laguna Lido  
27 ("Subject Property"), located in Laguna Beach, County of Orange, State of California.

28 2. Plaintiff is, and at all times mentioned herein was, responsible for the maintenance and

**ELECTRONICALLY  
FILED**  
SUPERIOR COURT OF CALIFORNIA  
COUNTY OF ORANGE  
CIVIL COMPLEX CENTER  
**Dec 05 2012**  
ALAN CARLSON, Clerk of the Court  
by R. Lucey

1 repair of the common areas at the Subject Property, and authorized to enter into contracts with third-  
2 parties for the maintenance and repair of the Subject Property. In addition, Plaintiff is authorized  
3 pursuant to *Civil Code* section 1368.3 to institute litigation proceedings in its own name as the real  
4 party in interest and without joining with it the individual owners of the common interest  
5 development, in matters pertaining to damage to the common areas, separate interests which the  
6 Plaintiff is obligated to maintain or repair, and/or damage to the separate interests which arises out of,  
7 or is integrally related to, damage to the common areas or separate interests that the Plaintiff is  
8 obligated to maintain or repair.

9         3. Plaintiff is informed and believes, and thereon alleges, that at all times herein  
10 mentioned, Defendant NU FLOW AMERICA, INC. ("Nu Flow") is a corporation organized under  
11 New York law which is engaged in and conducts business in the County of Orange, State of  
12 California, including but not limited to installing epoxy lining to existing water and sewer pipes as  
13 well as the manufacturing of epoxies.

14         4. Defendants DOE 1 through DOE 100, inclusive, whether individual, corporate,  
15 associate, or otherwise, whose true names and capacities are unknown at this time, are sued by these  
16 fictitious names. Plaintiff is informed and believes and thereupon alleges that, at all times herein  
17 mentioned: each of the Defendants sued herein as DOES 1 through 100 was the agent, contractor,  
18 subcontractor, servant, and employee of each and every other Defendant herein and, in doing the  
19 things hereinafter mentioned, was acting in the scope of his, her or its authority as such agent, servant,  
20 and employee, and with the permission, consent, and/or ratification of each and every other Defendant  
21 herein; and that each of said fictitiously named Defendants, whether an individual, corporation,  
22 association or otherwise, is in some way liable or responsible to Plaintiff on the facts hereinafter  
23 alleged and proximately caused the injuries and damages thereby as hereinafter alleged. At such time  
24 as the DOE Defendants true names become known to Plaintiff, it will amend this pleading to insert  
25 said true names and capacities.

26         5. Plaintiff is informed and believes, and thereon alleges, that each of the Defendants sued  
27 herein was the agent, servant, joint venturer, alter ego, trustee, partner, contractor, subcontractor,  
28 and/or employee of each of the remaining Defendants, and each of them, and that the acts and

1 omissions herein alleged were done by them, acting individually, through such capacity and within the  
2 scope of their authority, and that said conduct was thereafter ratified by each of the remaining  
3 Defendants.

4 6. Defendant Nu Flow and Defendants DOES 1 through 100, inclusive, will hereafter be  
5 referred to collectively as "Defendants."

6 **FIRST CAUSE OF ACTION**

7 (Breach of Contract against Defendants)

8 7. Association repeats, realleges and incorporates herein by this reference each and every  
9 allegation contained in all prior paragraphs as though fully set forth at length herein.

10 8. On or about October 26, 2009, Plaintiff and Nu Flow entered into a written contract  
11 ("Agreement") wherein Nu Flow agreed to clean and install epoxy liner to approximately one hundred  
12 forty-five feet (145') of six inch (6") main sewer pipe, to clean and install epoxy liner to approximately  
13 eight feet (8') of four inch (4") branch line sewer pipe, and to clean and install epoxy liner to the sewer  
14 line in and around Unit 112 of the Subject Property from the master bath toilet to the clean out at the  
15 main line. (A true and correct copy of the Agreement is attached hereto as Exhibit "A" and  
16 incorporated herein by reference as though set out fully and at length herein).

17 9. Defendants, and each of them breached the Agreement by conduct including, but not  
18 limited to, the following:

19 a. Failing to perform work and/or supply materials at the Subject Property as  
20 required by the Agreement, and performing work in a substandard manner, through defective  
21 workmanship;

22 b. Failing to remedy defective conditions in the work performed and/or materials  
23 supplied as required by the Agreement;

24 c. Failing to complete the work under the Agreement in a timely fashion, causing  
25 delay in completion of the entire construction project by performing untimely and defective work  
26 which required correction, failing to timely, efficiently, promptly and properly remedy the defective  
27 work, and otherwise causing delay and additional costs to Plaintiff;

28 d. Failing to honor the warranties issued by Defendant Nu Flow;

1 e. Manufacturing, supplying, distributing and/or installing products, including  
2 epoxy liners and/or related items, which are substandard and defective.

3 10. Plaintiff at all times referenced herein, and until the unauthorized breach of the  
4 Agreement by Defendants as set forth herein, has performed all of its obligations under the  
5 Agreement.

6 11. Plaintiff is informed and believes, and thereupon alleges, that as a direct and proximate  
7 result of the breach of the Agreement, as set forth herein, Plaintiff has suffered damages in an amount  
8 precisely unknown, but believed to be within the jurisdiction of this Court, in that it has been and will  
9 hereafter be required to perform investigations and works of repair, restoration, and construction to  
10 damaged portions of the Subject Property to prevent further damage and to restore the structures to  
11 their proper condition, and/or will suffer damages in an amount which shall be ascertained according  
12 to proof at trial.

13 **SECOND CAUSE OF ACTION**

14 (Breach of Implied Warranties against Defendants)

15 12. Association repeats, realleges and incorporates herein by this reference each and every  
16 allegation contained in all prior paragraphs as though fully set forth at length herein.

17 13. By entering into the Agreement and/or supplying labor and materials, Defendants, and  
18 each of them, impliedly warranted that the improvements to the Subject Property as referenced therein  
19 would be constructed in a commercially reasonable and workmanlike manner, and would be of  
20 merchantable quality; in compliance with applicable building codes and construction industry  
21 standards; free of material defects; and fit for the intended use as components of the residential  
22 building structures at the Subject Property.

23 14. Plaintiff is informed and believes and based thereon alleges that Defendants, and each  
24 of them, at all times mentioned herein, knew, or had reason to know, that Plaintiff would rely on the  
25 skill and judgment of Defendants, and each of them, in designing, constructing, manufacturing  
26 products for, and/or supplying products or materials for, repairs and improvements to the Subject  
27 Property under the Agreement, and Plaintiff did so rely on Defendants' skill and judgment.

28 15. Plaintiff is informed and believes, and thereon alleges that the design, products,

1 workmanship and/or materials provided by Defendants, and each of them, were of substandard  
2 quality, which has rendered the Subject Property not fit for its intended use, has caused water intrusion  
3 at the residential structures at the Subject Property, and has caused damage to property.

4 16. Within three years of the filing of this action, Plaintiff discovered the repairs and  
5 improvements to the Subject Property as described herein were or are defective, including, without  
6 limitation, the items listed above in paragraphs 9 and 11. Plaintiff is informed and believes and  
7 thereupon alleges that the subject products, materials, construction, reconstruction and/or repairs and  
8 improvements may be additionally defective in ways, and to an extent, not precisely known, but which  
9 will be established at the time of trial according to proof. Plaintiff discovered the above-referenced  
10 defects and filed this action with reasonable diligence, and gave notice to the Defendants, and each of  
11 them, of such failures, deficiencies and defects within a reasonable time after discovery.

12 17. Defendants, and each of them, knew, or should have known, that the Subject Property  
13 and the repairs and improvements provided by Defendants would be repaired, maintained and used as  
14 a common interest development and as its components are normally and reasonably repaired,  
15 maintained, and used.

16 18. Plaintiff is informed and believes, and thereupon alleges that as a direct and proximate  
17 result of the conditions as set forth herein, Plaintiff has and will continue to suffer damages in an  
18 amount precisely unknown, but believed to be within the jurisdiction of this Court in that it has been  
19 and will hereafter be required to perform investigations and works of repair, restoration, and  
20 construction to portions of the Subject Property to prevent further damage and to restore the Subject  
21 Property to its proper condition and/or will suffer damages in an amount which shall be ascertained  
22 according to proof at trial.

23 **THIRD CAUSE OF ACTION**

24 (Breach of Express Warranty against Defendants)

25 19. Association repeats, realleges and incorporates herein by this reference each and every  
26 allegation contained in all prior paragraphs as though fully set forth at length herein.

27 20. The Agreement contained express warranties with respect to, among other things, the  
28 epoxy lining and its workmanship.



1           25.     Plaintiff is informed and believes, and thereupon alleges that Defendants, and each of  
2 them, negligently, carelessly, tortiously, and wrongfully failed to use reasonable care in the analysis,  
3 preparation, design, construction, reconstruction, approval of installation techniques, manufacture of  
4 products, supply/distribution of products, supplying of materials, approval of contractors, repairs  
5 and/or installation of the repairs and improvements, including without limitation, the matters set forth  
6 in paragraphs 9 and 11, above.

7           26.     Plaintiff is informed and believes, and thereupon alleges that Defendants, and each of  
8 them, manufactured products, supplied/distributed products, prepared designs, performed work,  
9 approved installation techniques, approved contractors, performed labor and/or performed services for  
10 the construction, reconstruction, and/or repairs and improvements at the Subject Property as herein  
11 described, and each knew or should have known that if the approvals, products, construction,  
12 reconstruction and/or repairs and improvements were not properly or adequately provided, designed,  
13 engineered, supervised, manufactured and/or constructed, that Plaintiff and its members would be  
14 substantially damaged.

15           27.     Defendants, and each of them, were under a duty to exercise ordinary care as builder,  
16 contractor, subcontractor, manufacturer, designer, distributor, supplier, or otherwise to avoid  
17 reasonably foreseeable injury to Plaintiff and its members, and knew or should have foreseen with  
18 reasonable certainty that such owners and/or users would suffer the damages set forth herein if  
19 Defendants, and each of them, failed to perform their duty to cause the subject epoxy lining,  
20 construction, approvals, reconstruction and/or repairs and improvements to be manufactured,  
21 designed, engineered, provided and/or constructed in a proper and workmanlike manner and fashion.

22           28.     In performing the works of a manufacturer, contractor, subcontractor, supplier,  
23 designer, distributor or otherwise, Defendants, and each of them, failed and neglected to perform the  
24 manufacturing, work, labor, approvals, and services properly or adequately in that each Defendant so  
25 negligently, carelessly and in an unworkmanlike manner performed the aforesaid manufacturing,  
26 work, labor, approvals and/or services such that the subject epoxy lining products, construction,  
27 reconstruction and/or repairs and improvements were manufactured, designed, engineered, provided  
28 and/or constructed improperly, negligently, carelessly and/or in an unworkmanlike manner.





1 the epoxy lining unsuitable for its intended or reasonably foreseeable use. Plaintiff's investigation of  
2 the defective products is ongoing, and additional defects may be discovered.

3 35. Plaintiff is informed and believes and thereupon alleges that Defendants, at all relevant  
4 times, had specific knowledge of the risk, or could have known of the risk, by the application of  
5 scientific knowledge available at the time of manufacture, that installation methods approved by  
6 and/or to be used by Defendants would render the epoxy lining defective.

7 36. As a result of installation of the defective epoxy lining at the Subject Property, damage  
8 to property has occurred, including, but not limited to, water intrusion and resulting damages to the  
9 residential structures.

10 37. Plaintiff has suffered damages as alleged above at paragraphs 9 and 11.

11 WHEREFORE, Plaintiff demands judgment against Defendants, and each of them, as follows:

12 **FIRST, SECOND AND THIRD CAUSES OF ACTION**

- 13 1. For compensatory damages and costs of repair in the amount according to proof at trial;  
14 2. For reasonable costs of suit and attorneys' fees incurred in prosecuting this action,  
15 pursuant to *Civil Code* § 1717 and pursuant to contract;

16 **FOURTH AND FIFTH CAUSES OF ACTION**

- 17 1. For compensatory damages, general and consequential damages, and costs of repair in  
18 the amount according to proof at trial;

19 **ALL CAUSES OF ACTION**

- 20 1. For costs of suit incurred in this action;  
21 2. For any and all other relief to which the court deems Plaintiff is entitled.

22 Dated: December 4, 2012

23 FIORE, RACOBS & POWERS  
A Professional Law Corporation

24  
25 By: 

26 ANDREW B. DAVIES  
27 Attorneys for Plaintiff, LAGUNA LIDO  
HOMEOWNERS ASSOCIATION, INC.  
28



# **EXHIBIT A**



Contract # CA

## HOME IMPROVEMENT CONTRACT SIGNATURE FORM AND INFORMATION SHEET

### Customer Information:

Name: _____		Date: _____	
Property Address: _____			
Street Address	City	Zip Code	
Mail to Address: _____			
Street Address	City	Zip Code	
Home #: _____	Office #: _____	Mobile #: _____	
Date Work Scheduled: _____	Duration: _____	Fax #: _____	

### Contractor Information:

Nu Flow America, Inc.	California Contractor License No. 882102
<input type="checkbox"/> <u>SAN DIEGO COUNTY</u> : 7150 Carroll Rd., Ste. 100, San Diego, CA 92121, Ph 888-NUFLOW1, Fax 619-275-7110	
<input type="checkbox"/> <u>ORANGE COUNTY</u> : 30052 Aventura Ste. A, Rancho Santa Margarita, CA 92688, Ph 888-NUFLOW4, Fax 949-709-0990	
Salesperson Name _____	No.: _____

### Description of Work:

Potable   
  Drain<sup>†</sup>   
  Filtration<sup>††</sup>   
  Traditional Plumbing Repairs<sup>‡</sup>   
 Other: \_\_\_\_\_

<sup>\*</sup>For potable, the Contractor will restore the existing pressurized piping system in accordance with all applicable codes, as described in more detail in Exhibit A.  
<sup>†</sup>For Drain, the Contractor will perform the work as described and for the estimate price set out in Exhibit B.  
<sup>††</sup>For Filtration, the Contractor will perform the work as described and for the estimated price set out in Exhibit C.  
<sup>‡</sup>For traditional plumbing repairs, the Contractor will perform the work as described and for the estimated price as set out in Exhibit C.

Customer or its authorized agent hereby authorizes Contractor to perform the work described above in accordance with and subject to all terms and conditions of this Contract. By initialing the pages of this Contract, Customer acknowledges it has read and understands each paragraph, and that each of the paragraphs has been adequately explained to Customer. Customer agrees to pay for all work, goods, and services received as set forth herein.

X: \_\_\_\_\_  
Customer Signature

**RIGHT TO CANCEL: Customer may cancel this transaction at any time prior to midnight of the third business day after the date of this transaction.**

**NOTICE TO OWNER OR TENANT: You have the right to require Contractor to have a performance bond.**

Accepted By: \_\_\_\_\_  
Estimator/Contractor Representative

**Exh. A: Total Potable Pricing:** \_\_\_\_\_  
**Exh. B: Total Drain Pricing:** \_\_\_\_\_  
**Exh. C: Total Plumbing/Filter Pricing:** \_\_\_\_\_  
**Sales Tax (if any):** \_\_\_\_\_  
**Contract Price:** \_\_\_\_\_  
**10% Deposit:** \_\_\_\_\_  
**Balance Due:** \_\_\_\_\_

Check No. \_\_\_\_\_ \$25 fee for returned checks  
 (Make checks payable to: **NU FLOW**)

Credit Card:  MasterCard  Visa  Amex  Discover  
 Acct. No. \_\_\_\_\_  
 Exp. Date \_\_\_\_\_ CVV Code \_\_\_\_\_  
 Use same credit card for final payment. Initials: \_\_\_\_\_





**HOME IMPROVEMENT CONTRACT DISCLOSURE FORM**

**DESCRIPTION OF THE PROJECT AND MATERIALS AND EQUIPMENT TO BE INSTALLED**

(See Contract Exhibits A-C for additional detail)

<b>Work Commences Upon Contractor's Mobilization</b>	<b>Date Contract Signed:</b> 10-22-09
<b>Approximate Start Date:</b> 11-2-09	<b>Approximate Completion Date:</b> 11-1-09
<b>Contract Price:</b> 25,750.00	<b>Down Payment:</b> 5,000.00
<b>TOTAL DUE (Contract Price less Down Payment):</b> 20,750.00	

ANY DOWN PAYMENT MAY NOT EXCEED \$1,000 OR 10 PERCENT OF THE CONTRACT PRICE, WHICHEVER IS LESS. Upon satisfactory payment for any work performed, Contractor shall, upon request of Owner and prior to any further payment being made, furnish to Owner a full and unconditional release from any claim or mechanic's lien for that portion, and only that portion, of the work for which payment has been made.

**SCHEDULE OF PROGRESS PAYMENTS**

Phase	Work Description	Amount
	Upon Completion	

The schedule of progress payments must specifically describe each phase of work, including the type and amount of work or services scheduled to be supplied in each phase, along with the amount of each proposed progress payment. IT IS AGAINST THE LAW FOR A CONTRACTOR TO COLLECT PAYMENT FOR UNCOMPLETED WORK, OR FOR MATERIALS NOT YET DELIVERED. HOWEVER, A CONTRACTOR MAY REQUIRE A DOWN PAYMENT.

**List of Documents to be Incorporated into the Contract.** This Contract is comprised of the (i) Home Improvement Contract Signature Form and Information Sheet; (ii) Home Improvement Contract Disclosure Form; (iii) Contract Terms and Conditions; (iv) Home Improvement Contract Exhibits A-C; and (v) Warranty Certificate.

**Right to Cancellation.** California law requires that the Contractor give you notice explaining your right to cancel. Such notice is provided to you on the Home Improvement Signature Form and Information Sheet, and on the back of this Home Improvement Contract Disclosure Form. Please initial the checkbox if the Contractor has given you a notice of the Three-Day Right to Cancel.

**Arbitration of Disputes.** All claims or disputes between Customer and Contractor arising from this Contract or the performance thereof shall be subject to mediation as a condition precedent to arbitration or the institution of legal or equitable proceedings by either party. Unless the parties mutually agree otherwise, mediation shall be through and in accordance with the rules of the Judicial Arbitration and Mediation Service ("JAMS"), and shall take place in the County where Contractor resides. Claims or disputes not resolved by mediation shall be decided by arbitration which, unless the parties mutually agree otherwise, shall be through and in accordance with the rules of JAMS, and shall take place in the County where Contractor resides.

NOTICE: BY INITIALING IN THE SPACE BELOW, OWNER IS AGREEING TO HAVE ANY DISPUTE ARISING OUT OF THE MATTERS INCLUDED IN THE "ARBITRATION OF DISPUTES" PROVISION DECIDED BY BINDING ARBITRATION AND OWNER IS GIVING UP ANY RIGHTS OWNER MIGHT POSSESS TO HAVE DISPUTE LITIGATED IN A COURT OR JURY TRIAL. BY INITIALING IN THE SPACE BELOW, OWNER IS GIVING UP ITS JUDICIAL RIGHTS TO DISCOVERY AND APPEAL, UNLESS THOSE RIGHTS ARE SPECIFICALLY INCLUDED IN THE "ARBITRATION OF DISPUTES" PROVISION. IF OWNER REFUSES TO SUBMIT TO ARBITRATION AFTER AGREEING TO THIS PROVISION, OWNER MAY BE COMPELLED TO ARBITRATE UNDER THE AUTHORITY OF THE BUSINESS AND PROFESSIONS CODE OR OTHER APPLICABLE LAWS. OWNER'S AGREEMENT TO THIS ARBITRATION PROVISION IS VOLUNTARY. OWNER HAS READ AND UNDERSTANDS THE FOREGOING AND AGREES TO SUBMIT DISPUTES ARISING OUT OF THE MATTERS INCLUDED IN THE "ARBITRATION OF DISPUTES" PROVISION TO MEDIATION/BINDING ARBITRATION.

Customer's Signature \_\_\_\_\_ Date 10-24-09

**Three-Day Right to Cancel.** 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, 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 conditions as you received it, any goods delivered to you under this contract or sale. Or, you may, if <sup>Pg 2</sup> you comply with the contractor's instructions on how to return the goods at the contractor's expense and risk. If you do make <sup>Pg 2</sup> 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.

**NOTICE OF CANCELLATION**

Date of Transaction (see Date Contract Signed or Enter Here \_\_\_\_\_)

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

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 Contractor 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 Contractor 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 Contractor regarding the return shipment of 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 retain or dispose of the goods 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 this cancellation notice, or any other written notice, or send a telegram to Contractor's address set out on the Home Improvement Contract Signature Form and Information Sheet no later than midnight of three (3) business days after the date set out on the front of this Contract.

I hereby cancel this transaction.

\_\_\_\_\_

Date: \_\_\_\_\_

Print Owner's Name: \_\_\_\_\_



**HOME IMPROVEMENT CONTRACT  
EXHIBIT A – POTABLE WORK**

**Home Survey:**

Age: \_\_\_\_\_ How Many Stories: \_\_\_\_\_ Square Feet: \_\_\_\_\_ Type of Plumbing: \_\_\_\_\_

Active Leak:  Yes  No Located:  Yes  No Location: \_\_\_\_\_

Pets: \_\_\_\_\_ Fire Sprinklers: \_\_\_\_\_ Lawn Sprinklers: \_\_\_\_\_ Garage Plumbing: \_\_\_\_\_

Foundation: \_\_\_\_\_ Asbestos: \_\_\_\_\_ Lead Paint: \_\_\_\_\_

Re-Route: \_\_\_\_\_

The process will be applied from each water outlet valve to the point where the water enters the home for the following pressurized piping:

- |   |       |  |       |
|---|-------|--|-------|
| Yes   | No    | Yes                                    | No    |
| _____   | _____ | _____                                  | _____ |
| Restore Cold Water Piping                                   |       | Restore Hot Water Piping               |       |
| _____   | _____ | _____                                  | _____ |
| Restore Main Supply from Street to Where Water Enters Home  |       | Restore Hot Recirculating System       |       |
| _____   | _____ | _____                                  | _____ |
| Replace Existing Valve Where Water Enters Home              |       | Replace Existing Valve at Water Heater |       |
| _____   | _____ | _____                                  | _____ |
| Install New Water Flex Connectors at Water Heater           |       | Replace Angle Stop Valves at Fixtures  |       |
| _____   | _____ | _____                                  | _____ |
| Install New Stainless Steel Flexible Connectors at Fixtures |       | Install Back Flow Prevention Valves    |       |
| _____   | _____ | _____                                  | _____ |
| Install New Shower Valves – # of Locations: _____           |       | Install Pressure Regulators            |       |

FIXTURE:	QUANTITY:	FIXTURE:	QUANTITY:	Notes:
Kitchen Sink(s)		Toilet		
Dishwasher		Bathroom Sink		
Ice Maker		Tub / Shower		Valve Type:
Bar / Extra Sink(s)		Shower Only		Valve Type:
Wash Machine		Tub		Valve Type:
Laundry Sink		Steam Room		
Water Heater		Bidet		
Re-circulating Line		Water Softener		
Hose Bib		Size of Water Main		

\_\_\_\_\_ ANY SHOWER VALVES INSTALLED (MOEN STANDARD TRIM ONLY) WILL BE CHARGED AT A RATE OF \$ \_\_\_\_\_ EACH

\_\_\_\_\_ ANY CONCEALED OR UNDISCLOSED OUTLETS WILL BE CHARGED AT A RATE OF \$ \_\_\_\_\_ EACH.

**Description of the Work** – The undersigned Contractor (hereinafter referred to as "Contractor") shall restore the existing pressurized piping system as described in this contract in accordance with all applicable codes. The Contractor will drain the isolated portion of the piping system and the piping system will be dried and sanded. A mechanically applied epoxy barrier coating material manufactured in compliance with applicable ANSI/AWWA C210-97 standards, and if used in contact with potable water approved by UL certified to ANSI/NSF Standard 61, will be installed to manufacturer's instructions. After the barrier coating material has cured, a test will be applied to assure a leak-free system. Thereafter, the system will be flushed in accordance with Nu Flow standards, and ultimately charged and returned to service within the timelines specified in the work schedule.

**Demolition & Repair Work** – During the restoration, it may be necessary to cut out the shower valves to access the pipe. In this event, a 14 - 18 inch hole is cut to gain access to the pipe, and if on the tile/tub enclosure side, is later covered with a chrome cover plate and trim set. In the alternative, an access panel may be installed on the wall behind the shower valve. Our process generally does not require us to open up walls, floors, or ceilings. However, on occasion pipe failures or unforeseen circumstances may require us to do so. Wall repairs and patching will be made to a paint or tile ready condition. Stucco will be patched making every effort to match the existing stucco when possible. Color or texture variations may occur. Concrete slabs will be patched; however changes to or repair of the flooring or floor finishes will not be the responsibility of this Contractor.

**Existing Piping** – Any fittings or pipes that leak or fracture during the restoration process, or that are deemed necessary to be replaced to ensure the integrity of the piping system will be replaced by Contractor. All of the work will be completed in a workmanlike manner according to any applicable local codes and standard building practices. If, for any reason, Contractor is unable to restore the existing piping, at their option, the Contractor may elect to revert to conventional repiping methods at no further expense to the home owner (see specific exclusions), or credit back to the

## CONTRACT TERMS AND CONDITIONS

1. Scope of Work. The work to be performed hereunder is the labor, services and/or materials, equipment, transportation, and facilities necessary to complete the work specified in the attached Home Improvement Contract Exhibits A-C (the "Work").

2. Payment Terms.

a) **CONTRACT PRICE AND PAYMENTS:** In exchange for Contractor's performance of all obligations under this Contract, Customer agrees to pay Contractor the Contract Price set forth on the Home Improvement Contract Signature Form and Information Sheet. All monetary amounts shown in this Contract are in lawful US currency (except if the Work is being performed in Canada in which case the amounts are in lawful CDN currency ) and include the price of the Work plus all applicable taxes, fees, transportation, insurance, and other charges. The amounts shown in this Contract are immediately due and payable at the time specified herein by cash, check or credit card (as those may be accepted by the Contractor).

b) **PROGRESS AND FINAL PAYMENTS:** Payment for Drain Work, Potable Work, Traditional Plumbing Work, Filter Work and/or Snake/Jetting Work is due upon completion of each respective scope of work. Where the duration of one or more scopes of work exceeds thirty (30) calendar days, Contractor will submit to Customer Progress Payment Requests for the amount of the Contract Price which corresponds to the proportion of the Work actually completed by Contractor during the preceding thirty (30) day period, as reasonably determined by Contractor. Progress Payments are due upon Customer's receipt of any Progress Payment Request. Final Payment is due upon Contractor's completion of all Drain Work, Potable Work, Traditional Plumbing Work, Filter Work and Snake/Jetting Work, as applicable. Although patch or follow up work may thereafter be required, Final Payment is due upon completion of the Drain, Potable, Traditional Plumbing, Filter and Snake/Jetting portion of your project, and Contractor's service department will thereafter contact you directly to make arrangements for completion of any patch or follow up work.

c) **DELINQUENT ACCOUNT/RETURNED CHECKS:** All accounts not paid in full within ten (10) calendar days of the due date shall be considered delinquent and subject to collection action. Checks returned to the Contractor for any reason shall be assessed a fee of twenty-five dollars (\$25.00). Customer agrees to pay all costs, including reasonable legal fees and court costs, incurred in collecting delinquent amounts, plus interest on delinquent amounts at the rate of eighteen percent (18%) per annum or the maximum rate permitted by law, whichever is less.

d) **TITLE:** the Contractor retains title to all Work until the Contractor receives full payment.

3. Customer Acknowledgments. Customer hereby acknowledges and agrees that:

a) **GAINING ACCESS:** The Contractor may need to gain access to fixtures, drains, pipes, sewers or appurtenances through walls, ceilings, floors, tile, sidewalks, driveways, landscaping, sprinkler systems, etc., and any repairs required on account of the Contractor gaining access are entirely the responsibility of the Customer unless otherwise specified on the Information Sheet. It is the responsibility of the Customer to move all required appliances (including washing machines and refrigerators which have outlets to be restored behind the units) before Work begins. Following the restoration, it is the responsibility of the Customer to replace these items. If Customer elects to have Contractor move appliances, Contractor shall be entitled to an increase in the price for the Work, and Contractor shall not be responsible for any damage to flooring or appliances during the moving process. Plants that impede access to the water service stub out (water entry location to the structure, or drain access, if applicable) must be trimmed or removed. If it becomes necessary for Contractor to provide access to complete the Work, Contractor shall not be liable for any damage to plants and landscaping. All items under cabinets where plumbing outlets are located must be removed prior to Work. All access panels located in closet areas must be cleared of items within four feet of the access panel. In order for Contractor to complete the

Work, all fittings and shutoff valves must be accessed in order to isolate sections of the piping system.

b) **NO RESPONSIBILITY FOR DAMAGE CAUSED BY REMOVAL:** If, in the Contractor's sole discretion, the fixtures, drains, pipes, sewers or appurtenances are so rusted, broken or fastened as to require repair or replacement thereof after removal, the Contractor shall notify Customer. If Customer authorizes repair or replacement thereof, it shall be at an additional charge. If Customer refuses to authorize the repair or replacement, the Contractor SHALL NOT BE RESPONSIBLE FOR THE DAMAGES THEREAFTER RESULTING FROM SEWER, GAS, BACKUPS, LEAKS, ETC., THROUGH SUCH FIXTURES, DRAINS, SEWERS, PIPES OR APPURTENANCES.

c) **INHERENT RISKS: CUSTOMER UNDERSTANDS THERE ARE INHERENT RISKS OF DAMAGE TO PIPES AND/OR FIXTURES IN UNPLUGGING OR REPAIRING DRAIN AND SEWER LINES AND/OR PERFORMING THE WORK CONTEMPLATED BY THIS CONTRACT AND ASSUMES ALL SUCH RISKS.**

d) **HAZARDOUS MATERIALS:** Customer has disclosed to Contractor the presence or suspected presence of, and has provided Contractor any related reports regarding, toxic mold, asbestos, lead or other hazardous materials (collectively, "Hazardous Materials") contained in or around the area where Contractor shall be installing any Products. Unless specifically noted otherwise, Contractor's pricing assumes that no Hazardous Materials exist or that, in the Contractor's sole discretion, the disclosures regarding Hazardous Materials that have previously been provided by Customer to Contractor are complete and accurate in all respects. If Hazardous Materials exist that were not previously contemplated by Contractor, as determined in its sole discretion, then (i) the Contractor shall have no obligation to abate or otherwise remedy such Hazardous Materials, unless otherwise previously agreed to by the Contractor and Customer in writing; (ii) Customer shall take (or cause its designee to take) all steps necessary to promptly abate or remedy the Hazardous Materials so that the Contractor may perform the Work contemplated by the Contract; and (iii) the Contractor shall have no further obligation to perform the Work contemplated by the Contract unless and until Customer has abated or otherwise remedied the Hazardous Materials.

e) **ENVIRONMENTAL:** Customer understands that micro-organisms such as fungi, bacteria, viruses, etc. are common in the environment. Water intrusions such as water leaks, floods, and sewer backups can increase levels of microbial growth. Customer further understands that the plumbing services to be rendered may have a risk of mold, and customer agrees to assume all risk of damages and injury, if any, that could result from any and all mold-related damages resulting from plumbing services. To the maximum extent permitted by applicable law, Customer agrees to defend, indemnify, release and hold harmless Contractor, its officers, employees and agents from any loss, claim or damage, including but not limited to personal injury or property damage which results from or is caused by microbial contamination. Customer expressly waives all rights against Contractor for claims or loss caused by water damage, mold or other microbial contamination.

4. Jobs Not Completed: If for any reason the Customer, during the course of the Work, directs the Contractor, in writing, not to complete the Work contemplated by this Contract, or the Contractor refuses to complete such Work due to Customer's breach of any provision of this agreement, including, without limitation, failure to promptly remedy any Hazardous Materials, Customer agrees to pay the Contractor for all time worked and all materials used up to the point of stoppage of the Work. In the event the Contractor has procured materials for which it is charged a restocking fee, Customer agrees to pay to the Contractor said restocking fee so charged. Any directive made by the Contractor hereunder shall not be binding or effective against the Contractor unless and until received in writing.

5. Warranty Disclaimer. EXCEPT FOR THE LIMITED WARRANTY PROVIDED IN THE WARRANTY CERTIFICATE, CONTRACTOR MAKES NO REPRESENTATIONS, WARRANTIES OR CONDITIONS, EXPRESS OR IMPLIED WITH RESPECT TO THE WORK. TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE

Owner on a per connection basis an amount that represents the total price of the job less the amount that represents the percentage of the connections completed with the restoration process.

**Changes in Work** – Customer's piping system may not be in compliance with existing codes, and if discovered by the Contractor, will be disclosed to the Customer. No upgrades for the purpose of meeting present code compliance or other changes in the Work will be performed without Customer's prior approval, and upon approval by Customer, may result in additional costs. In the event Customer withholds approval for any reason of upgrades or changes necessary for compliance with applicable codes, Contractor shall bear no responsibility for resulting non-conformities and/or any damages arising in connection thereto.

**The projected timing and completion** of your project is only an estimate. Your water will be off during the restoration process. As with any process, unforeseen events, such as hidden or nonconforming plumbing conditions, can affect this time frame. We will make every effort to stay within the estimate given. Scheduling is extremely important. Should you need to reschedule the restoration for any reason, we must be notified as soon as possible, but not later than 48 hours before the date we are scheduled to arrive at your home. Should either you or Nu Flow need to reschedule, you will be given the next available date for restoration. Please let your sales person know of any special requests prior to signing this contract, as these special requests may have pricing or schedule implications.

**Specific Exclusions** – Specifically excluded from the Scope of Work, in addition to any items noted above or not specifically included above, are: underground water main service up to the structure, toxic mold abatement, asbestos and lead paint abatement; replacement of shower valves, traps or fixtures, dishwasher supply lines, icemaker supply lines, any fire suppression system, any landscaping piping, new tub/shower mixing valve assemblies, any trim upgrades, bathroom tile and fiberglass wall material or installation, restoration of "dead leg" pipes and hammer arrestors. Any fixtures or piping configurations, valves, or unions requiring upgrades to current plumbing codes are not included as part of the restoration project.

**As part of our commitment** to give you all possible information so you can make an informed decision, please note that only the pressurized water portion of your home will be restored. On shower and tub valves, the shower risers and tub fillers are not restored as part of our normal process.

**Regarding Galvanized pipes.** Occasionally, rusty water is evident when first turning on these fixtures. In addition, if you do not change the tub/shower valves, because many existing valves have smaller openings, the amount of encrustation removed on the branch lines serving those fixtures may be less than would be the case if the valves were to be removed and replaced. Also, the valves may be damaged and require replacement to complete the restoration process. Please be aware that if the piping system from the meter to your home is not included in the restoration, you may experience some diminished flow, and this section of piping may continue to be a source of small amounts of rusty water through your fixtures.

**Satisfaction** – Upon Customer's payment for the potable Work, if any, performed as described in this Contract, Contractor shall furnish a full, or partial release from any claim or mechanic's lien for the work performed based upon the percentage of payment which has been received.

**After the completion** of our process, should you experience any problems or require warranty assistance, you may call our service department. Our normal working hours are 8:00 A.M. to 5:00 P.M. Monday through Friday. The **Service Number** located in the Contractor Information section of the Home Improvement Contract Signature Form and Information Sheet. If you have an **emergency** that cannot wait until the next business day, please follow the after hours instructions.

**IN CASE OF EMERGENCY POTABLE REPAIRS**

**Waiver of Right to Cancel:** Having initiated a contract in connection with emergency repairs or services for the immediate protection of persons or real and personal property with Contractor, I hereby state that the following emergency situation exists requiring immediate attention:

\_\_\_\_\_

I acknowledge and hereby waive all rights to cancel the sale in three days.

Customer's Name \_\_\_\_\_ Address \_\_\_\_\_

Signature \_\_\_\_\_ Date \_\_\_\_\_

**NOTE: PLEASE READ!**

- PLEASE CLEAR ALL ITEMS FROM UNDER ALL SINKS.
- PLEASE CLEAR ANY ITEMS FROM THE TOP OF THE REFRIGERATOR.
- PLEASE CLEAR ENOUGH ROOM IN THE GARAGE FOR A LARGE VEHICLE.
- PLEASE CLEAR ALL ITEMS FROM TUB AND/OR SHOWER AREA.
- PLEASE CLEAR ALL ITEMS ON OR AROUND TOILET AREA.
- PLEASE CLEAR ALL COUNTER TOPS AROUND SINK AREAS.
- PLEASE BE SURE TO SECURE ALL VALUABLES BEFORE THE WORK IS PERFORMED.



LAW, CONTRACTOR DISCLAIMS ALL REPRESENTATIONS, WARRANTIES AND CONDITIONS OF EVERY KIND PERTAINING IN ANY WAY TO THE WORK WHETHER EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, ANY IMPLIED WARRANTIES OR CONDITIONS OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, ADEQUACY OR SUITABILITY, HOWSOEVER ARISING, WHETHER BY STATUTE, COMMON LAW, USAGE OF TRADE, COURSE OF DEALING, CUSTOM, OR OTHERWISE.

6. Limitation of Liability. CUSTOMER'S SOLE AND EXCLUSIVE REMEDY FOR ANY AND ALL ACTIONS (whether sounding in tort or contract), CLAIMS (including without limitation claims for negligence, bodily injury, death, or property damage) OR DAMAGE (including without limitation economic, non-economic, general, special), SHALL BE AS SET FORTH IN THE WARRANTY CERTIFICATE. TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, UNDER NO CIRCUMSTANCES SHALL CONTRACTOR BE LIABLE FOR INDIRECT, INCIDENTAL, CONSEQUENTIAL, SPECIAL, EXEMPLARY, OR PUNITIVE DAMAGES ARISING OUT OF, OR IN ANY WAY RESULTING FROM: (A) THIS AGREEMENT; OR (B) THE WORK. NOTWITHSTANDING ANY OTHER PROVISIONS OF THIS AGREEMENT, THE TOTAL LIABILITY OF CONTRACTOR, AND ITS AFFILIATES, AND ITS AND THEIR RESPECTIVE OFFICERS, DIRECTORS, SHAREHOLDERS, EMPLOYEES, AGENTS AND/OR ANY OF THEM, TO OWNER AND/OR ANYONE CLAIMING BY, THROUGH, OR UNDER OWNER, FOR ANY AND ALL ACTIONS, CLAIMS, OR DAMAGE SHALL NOT EXCEED THE COMPENSATION RECEIVED BY CONTRACTOR UNDER THIS AGREEMENT. THE FOREGOING LIMITATIONS SHALL APPLY REGARDLESS OF WHETHER THE CONTRACTOR HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES AND NOTWITHSTANDING THE FAILURE OF ESSENTIAL PURPOSE OF ANY LIMITED REMEDY. Customer acknowledges that the Contractor has set its prices and entered into this Contract in reliance upon the limitations of liability and the disclaimers of warranties and damages set forth herein, and that the same form an essential basis of the bargain between the parties. The parties agree that the limitations and exclusions of liability and disclaimers specified in this agreement will survive and apply if Customer's sole and exclusive remedy is found to have failed its essential purpose.

7. Indemnity. To the maximum extent permitted by applicable law, Customer shall indemnify, defend and hold the Contractor (including, without limitation, its officers, directors, employees, agents and representatives) harmless from and against any and all claims, liabilities, losses, and expenses (including, but not limited to, reasonable legal fees and expenses) (collectively, "Losses") resulting from, arising out of or otherwise relating to: (i) a breach of the representations, warranties, covenants, and agreements of Customer hereunder, (ii) any Hazardous Materials, (iii) any work stoppage contemplated in Section 4 above and/or any related or resulting code violations, sewer, gas and/or water damage and leaks, sewer back-ups, etc., and (iv) any of the following conditions: water damage or microbial contamination preexisting or arising from the Work; leaky or defective piping; improper or faulty plumbing; existing illegal or unauthorized conditions; damage to pipes, fixtures or appurtenances due to cleaning chemicals, acids, lye, etc.; drain and sewer lines which are settled, broken, deteriorated, damaged; corrosion or unusual restrictions due to mineral, grease, debris buildup; any lead piping or other piping that does not meet current code requirements; damage to piping, fixtures or plumbing work resulting from age or wear and tear, damage to any pipe(s) and/or fixtures during the normal course of the Contractor's work; damage to personal property resulting from the normal course of the Contractor's work. Customer expressly waives all rights against Contractor for claims or loss caused by the events or conditions set forth above.

8. Termination. A notice from Contractor shall terminate this Contract forthwith under the following conditions: (a) if Customer does not pay all outstanding invoices/requests for payment to Customer under the terms of this Contract; (b) if Customer does not comply with

the terms of this Contract; or (c) if Customer makes a general assignment for the benefit of creditors or a proposal or arrangement under any applicable bankruptcy or insolvency legislation, if a petition is filed against Customer under any applicable bankruptcy or insolvency legislation, if Customer shall be declared or adjudicated bankrupt, if a liquidator, trustee in bankruptcy, custodian, receiver, receiver and manager or any other officer with similar powers shall be appointed of or for Customer or if Customer shall commit any act of bankruptcy or shall propose a compromise or arrangement or institute proceedings to be adjudged bankrupt or insolvent or consents to the institution of such appointment or proceedings or admits in writing the inability to pay debts generally as they become due. In the event of Contractor's breach of one or more material terms of the Contract, Owner shall provide written notice to Contractor stating (i) a brief description of the condition(s) of material breach; and (ii) that if the condition(s) is not cured within ten (10) business days of the date of written notification, then the Owner will terminate the contract; provided, however, if the default is not susceptible of cure within a 10 day period, then the 10 day cure period shall be extended if Contractor commences to cure the default within such 10 day period and thereafter proceeds with reasonable diligence to complete such cure.

9. Insurance. Contractor maintains Commercial General Liability Insurance with Gemini Insurance, which may be verified through Johnson & Wood Insurance Services, Inc., (760) 603-0131. Contractor carries workers' compensation insurance for all employees. Customer waives all rights against Contractor, its officers, agents and employees for damage resulting from any cause or loss to the extent such loss is covered by any policy of insurance.

10. Mediation/Arbitration of Disputes. To the maximum extent permitted by law, all claims or disputes between Customer and Contractor concerning any part of this Contract or the performance thereof shall be subject to mediation as a condition precedent to arbitration or the institution of legal or equitable proceedings by either party. Unless the parties mutually agree otherwise, mediation shall be through and in accordance with the rules of the Judicial Arbitration and Mediation Service ("JAMS"), and shall take place in the jurisdiction in which the contract is performed. Claims or disputes not resolved by mediation shall be decided by arbitration which, unless the parties mutually agree otherwise, shall be through and in accordance with the rules of JAMS, and shall take place in the jurisdiction in which the contract is performed.

11. General. All notices required under this Contract shall be in writing and shall be given by first class mail, postage prepaid, and addressed to the Contractor, at the address shown on the Home Improvement Contract Signature Form and Information Sheet. Notice by mail shall be deemed effective three (3) business days after the date of mailing. This Contract, and the disclosures, Exhibits and Warranty Certificate attached hereto, which are incorporated herein by reference, shall constitute the entire agreement between the parties hereto, and there are no other agreements, oral or written, made by or relied upon by and between the parties hereto. No provision of this Contract may be amended or added to except by a Change Order or other document in writing and signed by the parties hereto. If any provision of this Contract is held by a court or arbitrator of competent jurisdiction to be illegal, null or void for any reason, the remaining portions of this Contract shall not be affected thereby and shall remain in full force and effect to the fullest extent permissible by law. This Agreement will be governed by the laws of the state in which the contract is performed, and the parties hereby consent to the jurisdiction of said state. No act, omission, or knowledge, actual or constructive, of the Customer or Contractor shall in any way be deemed to be a waiver of any rights under or requirement of this contract unless the Customer and Contractor sign an explicit, unequivocal written waiver. If any legal action, arbitration or other proceeding is commenced to enforce or interpret any provision of this Contract, or arises from this Contract, the prevailing party will be entitled to receive from the other party, in addition to any relief that may be granted, its costs incurred in the action or proceeding, including reasonable legal or attorneys' fees and other expenses.

**HOME IMPROVEMENT CONTRACT  
EXHIBIT B - DRAIN WORK**

Contract # CA **31072**

Date Completed	Estimate/Work Description	Cost
	Clear + install approx 14' of 6" drain	
	1" x 6" x 12" drain pipe	
	Excavate 5' x 2' x 6" drain trench approx 8' of 4" pipe	
	Clear 8' x 12" x 12" hole from deck with 1" x 6" x 12" drain pipe	
	See attached proposal	
	<b>Total Drain Pricing:</b>	<b>38750<sup>00</sup></b>

**IN CASE OF EMERGENCY DRAIN REPAIRS**

Waiver of Right to Cancel: Having initiated a contract in connection with emergency repairs or services for the immediate protection of persons or real and personal property with Contractor, I hereby state that the following emergency situation exists requiring immediate attention:

\_\_\_\_\_

I acknowledge and hereby waive all rights to cancel the sale in three days.

Customer's Name \_\_\_\_\_

Address \_\_\_\_\_

Signature \_\_\_\_\_

Date \_\_\_\_\_

Initials: \_\_\_\_\_





## WARRANTY CERTIFICATE

**Drain Warranty.** Contractor warrants that under normal use, its drain lining work will be free from defects in materials and workmanship for a period of ten (10) years from the date of Contractor's final invoice to Customer. Contractor further warrants all drain clearing snake work for a period of thirty (30) days, and jetting work for a period of ninety (90) days, from the date the work is performed. Contractor's sole liability and Customer's exclusive remedy for drain lining work that fails to conform to this warranty is limited to repair or replacement of the nonconforming drain lining work, as determined in Contractor's sole discretion. Contractor's sole liability and Customer's exclusive remedy for drain clearing snake and/or jetting work that fails to conform to this warranty is limited to one additional snake or jetting application, as applicable. The warranty for repaired or replaced drain lining work is limited to the scope and duration of the original warranty set forth herein. This warranty is contingent upon proper use of the work and affected piping in the application for which it was intended and does not apply to any work subjected to unusual physical or electrical stress or impediments, neglect, improper testing or storage, or unauthorized repair. This warranty is for Customer's benefit only, and is non-transferable. The Contractor shall not be liable under any circumstances for any other direct or indirect, general, special, incidental or consequential damages of any kind from whatever cause, including without limitation incidental water damage, and Customer's sole and exclusive remedy shall be as provided herein, under this warranty.

**Ten (10) Year Potable Warranty.** Contractor warrants that under normal use, the epoxy lining for potable work will not de-bond, break down or otherwise flake off, and will otherwise be free from defects in materials and workmanship for a period of ten (10) years from the date of Contractor's final invoice to Customer. Contractor's sole liability and Customer's exclusive remedy for potable work that fails to conform to this warranty is limited to repair or replacement of the nonconforming work, as determined in Contractor's sole discretion. The warranty for repaired or replaced work is limited to the scope and duration of the original warranty set forth herein. This warranty is for Customer's benefit only, and is non-transferable. The Contractor shall not be liable under any circumstances for any other direct or indirect, general, special, incidental or consequential damages of any kind from whatever cause, including without limitation incidental water damage, and the Owner's sole and exclusive remedy shall be as provided herein, under this warranty.

Contractor does not warrant against failure caused by, contributed in whole or in part by, or resulting from any of the following: abuse, such as without limitation, vandalism; the introduction into the piping system of any chemical that would not be permitted in potable water, or chemicals approved for potable water at concentrations higher than approved for potable water; operating the water system at temperatures greater than the commercial hot standard; natural disasters or causes, such as without limitation, flooding, windstorm, lightning, tornado, or earthquake; attachments to or modifications of the piping system not authorized by Contractor; external causes, where external, physical or chemical qualities produce damage to the epoxy lining such as, without limitation, an unsuitable or hostile environment including the use of a flame or torch on the epoxy lining; or any other cause beyond the Contractor's control including other stresses placed on the pipe or its contents that are not considered normal to the original intended use or function of the piping system. Should the restored piping system be subjected to such misuse, as determined by Contractor in its sole and reasonable discretion, this limited potable warranty will become immediately null and void with respect to such affected piping.

**Ten (10) Year Filter Warranty.** Contractor warrants all water filtration equipment (excluding the carbon bed) will be free from defects in materials and workmanship for a period of ten (10) years from the date of installation. Customer is solely responsible for replacement of the carbon bed. Contractor's sole liability and Customer's exclusive remedy for filtration equipment which fails to conform to this warranty is limited to repair or replacement of the nonconforming equipment, as determined in Contractor's sole discretion. The warranty for repaired or replaced equipment is limited to the scope and duration of the original warranty set forth herein. This warranty is non-transferable. The Contractor shall not be liable under any circumstances for any other direct or indirect, general, special, incidental or consequential damages of any kind from whatever cause, including incidental water damage, and Customer's sole and exclusive remedy shall be as provided herein, under this warranty.

**Traditional Plumbing Repairs and Materials Warranty.** Contractor warrants its workmanship for traditional plumbing repairs for a period of one (1) year from the date of Contractor's final invoice to Customer. Contractor's sole liability and Customer's exclusive remedy for improper traditional plumbing work is limited to repair, by Contractor, of the affected work. The Contractor shall not be liable under any circumstances for any other direct or indirect, general, special, incidental or consequential damages of any kind from whatever cause, including incidental water damage, and the Customer's sole and exclusive remedy shall be repair or replacement of the affected piping as provided herein, under this warranty. Customer's sole and exclusive warranty, if any, for traditional plumbing equipment, fittings, or other materials, including new valves, installed as any part of the work, is that provided by the product's manufacturer. The Contractor, upon request, shall turn over all manufacturer's warranties, if any, to the Customer upon completion and final sign-off of the work. Customer shall contact those manufacturers directly regarding any claims thereto.

**Warranty Procedure and Notices.** If during the applicable warranty period: (i) a covered failure occurs; (ii) Customer notifies Contractor in writing within five (5) business days of Customer's discovery of the failure through the notice provisions provided in the Contract; and (iii) Contractor is permitted the opportunity to inspect the defect, then Contractor will correct the failure in accordance with the applicable warranty provided herein within a reasonable time, without charge to the Customer. This warranty is limited to repair or replacement of the affected piping or equipment, including installation or additional treatments or applications, and specifically excludes any costs of repair associated with incidental, consequential, or ancillary damage. Failure to provide Contractor with timely notice as required under this paragraph and/or the opportunity to inspect affected piping will terminate this warranty with respect to the affected piping and operate as a complete release and waiver of all claims relating thereto. Should Contractor be called to the property for problems unrelated to matters for which this warranty applies, Owner will be charged a minimum four (4) hour call out fee at rates predominant in the local market. Return of defective Work must be made according to Contractor's then-current return and RMA policies.