

EXHIBIT F

shall constitute a breach of the contract and OWNER may, by written notice terminate his obligations hereunder and contract for or otherwise effect the completion of any of the work then uncompleted by the CONTRACTOR. OWNER may set-off against the contract price the cost and expenses of completing such work. In the event OWNER has at the time of the breach and termination paid to CONTRACTOR an amount in excess of the fair value of the work then completed, CONTRACTOR shall refund to OWNER promptly upon demand an apportioned amount of the total sum paid by OWNER.

4. METHOD OF PAYMENT

The ESCROW AGENT is holding the funds for the performance of this contract. CONTRACTOR and OWNER agree to comply with the terms of a Construction Escrow Agreement among the ESCROW AGENT, the CONTRACTOR and OWNER of near or even date herewith. CONTRACTOR shall be compensated for his/her services in accordance with the *Construction Escrow Agreement*.

5. ACCESS TO CONTRACTOR’S RECORDS

OWNER and the ESCROW AGENT shall be afforded access at all times to inspect the work and they may at times inspect CONTRACTOR’s books, records, correspondence, construction drawings, receipts, vouchers, payrolls, and agreements with sub-contractors relating to this contract. CONTRACTOR shall preserve all such records for a period of two (2) years after final payment hereunder.

6. LIENS

CONTRACTOR agrees to keep the Property free from recorded mechanics’ liens arising out of this contract. As a condition to receiving final payment hereunder, CONTRACTOR shall deliver to OWNER and ESCROW AGENT a complete release of all liens arising out of this Contract.

7. WARRANTIES

The CONTRACTOR provides the following express warranty:

CONTRACTOR warrants all work for a period of one year.

In addition to any additional warranties agreed to by the parties, the CONTRACTOR warrants that the work will be free from faulty materials, constructed according to the standards of the building code applicable for this location, constructed in a skillful manner, and fit for habitation or appropriate use. The warranty rights and remedies set forth in the Maine Uniform Commercial Code apply to this contract.

8. PERMITS AND FEES

CONTRACTOR shall comply with all applicable building, zoning, environmental, and land use laws, regulations, and ordinances. CONTRACTOR shall give all notices required by and comply with all applicable laws, ordinances and codes of the municipality where work is being performed and the State of Maine. CONTRACTOR shall at his/her own expense secure and pay fees or charges for all permits required for the performance of the work. CONTRACTOR shall provide copies of such notices and permits to the APPLICANT and the ESCROW AGENT.

9. INDEMNIFICATION AND INSURANCE

CONTRACTOR shall indemnify and hold OWNER, ESCROW AGENT, and the Maine State Housing Authority harmless for liability for any bodily injury, property damage or other claims or demands of third parties resulting from performance of the work by CONTRACTOR. CONTRACTOR shall obtain, maintain and furnish evidence of general commercial liability insurance coverage in an amount no less than \$400,000 aggregate single limit for bodily injury, death and property damage arising out of the work to be performed by CONTRACTOR and shall procure any workmen’s compensation insurance required by law.

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10. COOPERATION

OWNER shall cooperate with CONTRACTOR to facilitate performance of the work, including the reasonable movement of rugs, coverings and furniture. CONTRACTOR recognizes that the premises may be occupied during the course of the work and CONTRACTOR agrees to make reasonable efforts to lessen the inconvenience occasioned to the occupants during work to the extent possible, including, but not limited to, the keeping of the premises clean and orderly during the course of the work. OWNER shall permit CONTRACTOR to make reasonable use of existing utilities for the performance of the work and all such use shall be at the expense of the OWNER.

11. CHANGE ORDERS

Any alteration or deviation from the contractual specifications presented in Schedule 1 require a written change order in the form of Schedule 2 approved and signed by the ESCROW AGENT, the CONTRACTOR and the OWNER prior to CONTRACTOR's performing any additional work.

12. RESOLUTION OF DISPUTES

Disputes between the OWNER and the CONTRACTOR may arise from time to time during the life of the rehabilitation project. Under Maine law 10 M.R.S.A. §§1487 (8), the parties to a home construction contract may agree to settle disputes arising under the contract by jointly paying for one of the following: 1) binding arbitration as regulated by the Maine Uniform Arbitration Act with the parties agreeing to accept as final the arbitrator's decision; 2) nonbinding arbitration, with the parties free to not accept the arbitrator's decision and to seek satisfaction through other means, including a lawsuit; and 3) mediation, with the parties agreeing to enter into good faith negotiations through a neutral mediator in order to attempt to resolve their differences.

The Maine State Housing Authority's HOME Retro Program which finances this work requires disputes to be resolved through arbitration with the parties agreeing to accept as final the arbitrator's decision. The OWNER and the CONTRACTOR agree to use the binding arbitration as regulated by the Maine Uniform Arbitration Act and set forth in the Escrow Agreement Applicant Information Sheet.

13. ADDITIONAL PROVISIONS

The Contractor shall not discriminate in any manner against any person because of race, color, religious creed, sex, sexual orientation, national origin, ancestry, age, physical or mental disability, or familial status. Contractor will take affirmative action to ensure that employees and applicants for employment are treated during employment without regard to their race, color, religious creed, sex, sexual orientation, national origin, ancestry, age, physical or mental disability, or familial status.

PLEASE NOTE: If this contract is being used by contractors who sell door to door it must meet any applicable requirements of 32 M.R.S.A. §§ 4661-4671, Consumer Solicitation Sales Act; 32 M.R.S.A. §§ 14501-14512, Door to Door Home Repair Transient Sellers; and 9-A M.R.S.A. §§ 3-501-3-507, Home Solicitation Sales, including a description of the consumer's right to avoid the contract. If this contract includes installation of insulation in an existing residence it must contain a detailed description of the insulation as required by 10 M.R.S.A. § 1482. If this contract includes construction of a new residential building or a new addition to an existing residence, it must contain a statement that 10 M.R.S.A. §§ 1411 – 1420 establishes minimum energy efficient building standards for new residential construction, and whether this building or addition will meet or exceed those standards.

14. ASSIGNMENTS

CONTRACTOR shall not assign the benefits of the contract nor delegate its duties thereunder without written consent of OWNER and ESCROW AGENT.

15. MAINE ATTORNEY GENERAL ADVISORY

OWNERS ARE STRONGLY ADVISED TO VISIT THE MAINE ATTORNEY GENERAL'S PUBLICLY ACCESSIBLE WEBSITE TO OBTAIN CURRENT INFORMATION ON HOW TO ENFORCE THEIR RIGHTS WHEN CONSTRUCTING OR REPAIRING A HOME AT:

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<http://www.maine.gov/ag/index.php?r=protection&s=construction&t> OR CONTACT THE ATTORNEY GENERAL'S OFFICE BY MAIL OR TELEPHONE AT: 6 STATE HOUSE STATION, AUGUSTA, MAINE 04333 (207) 626-8800 / TTY # (207) 626-8865

BY SIGNING BELOW, OWNER ACKNOWLEDGES HE/SHE HAS READ THE ATTACHED MAINE ATTORNEY GENERAL HOME CONSTRUCTION WARNING ADDENDUM.

APPLICANT (OWNER)

Signed by all owners of the property:

Signature of Applicant (Owner)

Date

Signature of co-Applicant (Owner)

Date

CONTRACTOR

Signature of Contractor Representative

Date

Contractor Representative Name