

5 YEARS FREE HOMEOWNER'S ELECTRICAL PROTECTION PLAN



I. Application

1.01 Application for Membership and Participation. The Owner hereby applies for membership in +5 and for the privilege of participating in the Homeowner's Electrical Protection Plan.

1.02 Acceptance of Owner.

- (a) +5 acknowledges that the original electrical construction work on the Owner's home was performed by an IBEW contractor.
- (b) +5 agrees that the Owner is registered under, and entitled to participate in the +5 Program.

II. Enrollment of Homes

2.01 Home Enrollment Procedures. During the term of this Agreement the Owner shall submit for enrollment in a timely manner his home built in the market area(s) defined by +5. In this Agreement "home" means a single family house, a for sale multi-unit residential structure in which title to the individual units is to be transferred to homeowners or condominium or cooperative unit in an eligible structure as defined by +5.

2.02 Review of Enrollments. +5 may reject an enrollment if it finds:

- (a) the Builder is not registered and in good standing under this Agreement;
- (b) the home is not constructed according to the local approved building codes and any special construction standards established by +5;
- (c) the work was not performed by an IBEW electrician or a participating contractor;
- (d) the home has not been inspected to +5's satisfaction; or that of the local municipality or governmental authority;
- (e) the home has not been enrolled in accordance with +5 procedures;
- (f) there has been a change in ownership.

2.03 No Separate Charge to Homeowner. The Builder may not impose a separate charge on the Homeowner for +5 participation.

2.04 Scope and Cost of Coverage. The electrical repair program shall cover the homes entire electrical and wiring system excluding fixtures, furnaces, fans and G.F.I.C. appliances, air conditioning, garage door openers, damage by abuse or work performed by other than a union electrical contractor.

2.05 That the maximum +5 shall pay to the performing contractor for electrical repair work is \$1,000.00 per year, per customer, per hours. That the first repair callout shall be free to the Homeowner. Thereafter there shall be \$20.00 callout charge per visit.

2.06 Not a Warranty. This program is neither insurance nor a warranty but solely a maintenance agreement for repair of the home's electrical wiring system. +5's liability is limited solely to the costs of electrical repair. +5 does not warrant the equipment or original or subsequent repair work by the performing contractor and shall not be liable for their negligence or resulting damage.

III. Construction and Inspection of Homes

3.01 Conformance RequiredThe Home:

- (a) all electrical work during the life of this Agreement must be performed by a licensed union electrical contractor;
- (b) each home is required by +5 to be inspected and approved by
 - (i) a governmental authority approved in advance by +5, or
 - (ii) an inspector arranged for by +5, where no satisfactory inspection is provided by a governmental authorityand provide evidence of such inspections and approvals as +5 shall direct; and
- (c) pay the fees for inspections, if any, arranged by +5 under Section 3.01(b)(ii) of this Agreement.

3.02. Special Tests+5 may establish special tests, inspections or conditions, including payment of escrows or other financial arrangements, with respect to some or all homes constructed where in the opinion of +5 such homes constitute an unusually high risk of loss.

3.03 Periodic Inspections+5 may conduct, and the Owner shall cooperate in the conducting of periodic inspections of the home during construction, even where there are satisfactory inspections conducted by governmental authority.

IV. Service and Compliance

4.01 Owner's PerformanceDuring the first year of occupancy, the Builder shall at his own expense, perform all work under the Builder's warranty of habitability.

4.02 Notice to BuilderIf +5 receives notice of a Homeowner complaint, it shall provide the Builder notice of the complaint during the first year of occupancy

- (a) +5 will directly respond to the Homeowner's complaint during years 2-6 provided the home is occupied by the original owner and pay all covered costs of labor subject to the limitations set forth above in 2.05.

V. Dispute Settlement Procedures

5.01 CooperationThe Builder shall fully cooperate with +5 in the conduct of any dispute settlement proceeding under the Builder's limited warranty, including but not limited to making itself and its employees, subcontractors and design professionals available at its own expense to consult or testify, and providing +5 with any and all relevant records concerning the home that is the subject of the proceeding.

VI. Termination and Suspension

6.01 Termination.

- (a) +5 may, upon giving written notice to the Owner, terminate this Agreement and privilege of participation in the +5 Program if the Owner, in the judgment of +5:
 - (i) misrepresents facts in its application for membership or for reregistration which were material to the evaluation of that application or reregistration;
 - (ii) Original owner sells or transfers ownership interest in the property;
 - (iii) provided no additional or unauthorized work has been performed by non-union electricians, electrical contractors or the homeowners;
 - (iv) home fails to meet local governmental codes or fails to meet required inspections;
 - (v) fails to cooperate in +5's dispute settlement procedures, fails to comply with a decision which is rendered pursuant to such procedures or fails to abide by an agreement voluntarily made with the Homeowner in a dispute settlement;
 - (vi) fails to otherwise cooperate in the operation of the +5 Program in accordance with the rules and regulations of the +5 Program; or
 - (vii) exceeds maximum loss limitations established by +5
- (b) Should +5 elect to terminate the Owner's registration and privilege of participation in the +5 Program, it shall do so without prejudice to any other remedies available to it.

VII. Compliance with Rules and Regulations of the +5 Program

7.01 Rules and Regulations.The Owner shall be bound by all the rules and regulations of the +5 Program as may be adopted or amended by +5, as fully as if these rules and regulations were specifically set out in this Agreement.

7.02 Inspections.+5 shall have the right to inspect at any reasonable time the home for purpose of verifying compliance by the Owner.

VIII. General

8.01 TermThe initial term of this Agreement will be five (5) years from the anniversary date of the first year of occupancy and cover years two through six of the original Homeowner's occupancy.

The Owner may terminate this Agreement by giving thirty (30) days prior written notice of termination to +5. +5 may terminate this Agreement at any time without cause by giving sixty (60) days prior written notice of termination to the Owner.

8.02 LiabilityLiability is expressly limited to the cost of hiring a union electrical contractor to repair electrical work.

+5 shall not be liable for or warrant the contractors performance.

If a claim arises directly or indirectly in connection with such goods supplied to or work performed, +5 will in no event be primarily liable and shall be subordinate to any and all other insurance of the Homeowner, builder, electrical contractor and/or manufacturer or any party to the litigation.

+5 shall not be obliged to indemnify or defend any party in any action or judgment.

8.03 Force MajeureIn the event that the performance by any party or any of its obligations under this Agreement is delayed by an occurrence not occasioned by the conduct of the party obligated to perform, including without limitation, any Act of God or the common enemy, or result of war, riot, civil commotion, sovereign conduct or the act or conduct of a person not a party to this Agreement, then that party shall be excused from such performance for as long as is reasonably necessary to remedy the effects of that occurrence.

8.04 Attorney's and Witness FeesIn any legal action between the parties arising out of this Agreement, each party shall be responsible for its own attorney's fees, witness fees and costs of litigation.

8.05 Entire Agreement.This instrument contains the entire agreement between the parties relating to the rights granted and the obligations assumed in this instrument. Any representations or modifications concerning this instrument shall be of no force or effect except for a subsequent modification in writing signed by the parties, or by the amendment to the rules and regulations of the +5 Program.

8.06 Partial InvalidityIf any provision of this Agreement is held by a court of competent jurisdiction to be invalid or unenforceable, the remainder of the provisions shall remain in full force and effect and shall in no way be affected.

8.07 Choice of Law.This Agreement shall be governed by and construed in accordance with the laws of the State of Illinois.

8.08 Assignment.This Agreement may not be assigned by the Owner, and any attempt by the Owner to assign shall be null and void and cause for cancellation of the Agreement.

8.09 Notice.Any notice to be given by any party to another party shall be in writing and may be delivered personally or by registered or certified mail, return receipt requested, to the intended recipient as follows: Notice to the Owner shall be delivered to the Owner's address shown on the first page of this Agreement; notice to +5 should be addressed to:

8.10 Captions.Captions as to the contents of particular provisions of this Agreement are intended for convenience only and are not to be considered in construing this instrument.

8.11 No Agency.This Agreement shall not constitute or be considered an agency, employer-employee relationship, joint venture or partnership between the parties or any electrical contractor hired by +5 to perform work. None of the parties, nor any of their employees or agents, shall have the authority to bind or obligate the other party except as provided by this Agreement.

8.12 Waivers.Failure of any party to complain of any act or omission on the part of another party, no matter how long it may continue, shall not constitute a waiver of any breach of this Agreement, or a consent to any subsequent breach.

8.13 Numbers.In this Agreement, use of the singular includes the plural and use of the plural includes the singular as may be appropriate.

8.14 Effective Date.This Agreement shall become effective as of the date of its execution by +5.