

**SERVICE AND REPAIR CONTRACT***(Complies with Section 7159.10 of California Business and Professions Code, and Civil Code Section 3097(1) as amended)***THIS AGREEMENT IS BETWEEN:****AND**

_____	_____
(Direct Contractor's Name)	(Owner's Name)
_____	_____
(Direct Contractor's License Number)	(Owner's Home Address)
_____	_____
(Direct Contractor's Address)	(City, State & Zip)
_____	_____
(City, State & Zip)	(Owner's Business Address)
_____	_____
(Direct Contractor's Telephone - FAX)	(City, State & Zip)
Email _____	Email _____
(Direct Contractor's)	(Owner's)

**WORK TO BE PERFORMED AT:** \_\_\_\_\_

**Contract Price:** ☐ This is a Fixed Price Contract. The Contract Price is \$ \_\_\_\_\_  
 (Check one)

☐ This contract is based on a time and material charge; **Estimated Contract Price \$** \_\_\_\_\_

The estimated costs of material is \$ \_\_\_\_\_, including overhead and profit. The hourly rate shall be \$ \_\_\_\_\_, which shall be charged in increments of | quarter hours | half hours | hours (circle one). **The actual contract amount of a time and material contract may not exceed the estimated contract amount without written authorization from the buyer.**

**Approximate Start Date:** \_\_\_\_\_ **Approximate Completion Date:** \_\_\_\_\_  
 (Work will begin.) (Work is to be completed.)

**Amount of Service Charge \$** \_\_\_\_\_ You may be charged only one service charge, including any trip charge or inspection fee.  
 (If none, put "none".)

**Finance Charge \$** \_\_\_\_\_ (must be stated separately from the contract amount in dollars and cents.)  
 (If none, put "none".)

**The law requires that the Contractor offers you any parts that were replaced during the service call. If you do not want the parts, initial the checkbox labeled "OK for Contractor to take replaced parts"**

☐ OK for Contractor to take replaced parts.

Description of the Project and Materials to be Used and Equipment to be Installed: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

(If necessary, continue the description of the work on an additional attachment page and describe the attachment in the section below entitled, "List of Documents to be Incorporated into the Contract")

**Notice to the Buyer: The law requires that service and repair contracts must meet all of the following requirements:**

- (A) The price must be no more than seven hundred and fifty dollars (\$750)
- (B) You, the buyer, must have initiated contact with the Contractor to request the work.
- (C) The Contractor must not sell you goods or services beyond those reasonably necessary to take care of the particular problem that caused you to contact the Contractor.
- (D) No payment is due and the Contractor may not accept any payment until the work is completed.

**Notice to the Buyer: You are entitled to a completely filled in and signed copy of this agreement before any work may be started.**

**List of Documents to be Incorporated into the Contract:** Notice Concerning Commercial General Liability Insurance (CGL); Notice Concerning Workers' Compensation Insurance; Your rights to Cancel Before Work Begins; Information about Contractors' State License Board (list any additional attachments): \_\_\_\_\_

A notice concerning commercial general liability insurance is attached to this contract.

A notice concerning workers' compensation insurance is attached to this contract.

**Owner acknowledges receipt of a fully completed copy of this agreement and all documents listed above:**

Initial the box that applies to this transaction:

(Owner's Initials)

☐ The law requires that the Contractor gives you a notice explaining your right to cancel. Initial the checkbox if the Contractor has given you a "Notice of Your Right to Cancel"

☐ The law requires that the Contractor gives you a notice explaining your right to cancel contracts for the repair or restoration of residential premises damaged by a disaster. Initial the checkbox if the Contractor has given you a "Notice of Your Right to Cancel"

Name of salesman who solicited or negotiated contract: \_\_\_\_\_ State Registration Number: \_\_\_\_\_

Owner: ☒ \_\_\_\_\_ Date: \_\_\_\_\_ Firm Name: \_\_\_\_\_  
 (Owner Sign Here) (Date) (Direct Contractor's Firm Name)

Owner: ☒ \_\_\_\_\_ Date: \_\_\_\_\_ Contractor or Agent: ☒ \_\_\_\_\_  
 (If More Than One Owner, Please Sign Here) (Date) (Direct Contractor Agent Sign Here) (Date)





## ADDITIONAL TERMS AND CONDITIONS

**1) SERVICES NOT COVERED:** Contractor will not perform any other work or trade than that which is specified herein, including but not limited to carpentry, plaster/wall work, electrical work, tile work, landscaping, masonry, flooring, roofing, paving, etc.. even if that work is incidental or necessary to the contracted work, or necessary to restore the premises after the repair is made.

**2) CUSTOMER'S RESPONSIBILITIES AND SITE CONDITIONS:** Customer is responsible to supply water, gas, sewer and electrical utilities unless otherwise agreed to in writing. Electricity and water to the site is necessary. Customer shall allow and provide Contractor and its equipment access to the property. Customer is responsible to secure, remove and protect all persons and/or property, and its contents, including but not limited to adults, children, animals, cabinets and their contents, fixtures, flooring, walls, tiling, carpets, drapes, furniture and vegetation, during and upon completion of work, and shall hold harmless and indemnify Contractor against all claims arising out of Customer's failure to do so. Contractor is not responsible for same nor for any carpets, drapes, furniture, driveways, lawns, shrubs, etc. The Customer will point out and warrant the property lines to Contractor.

**3) DELAYS:** Contractor agrees to start and diligently pursue work through the completion, but shall not be responsible for delays for any of the following reasons: failure of the issuance of all necessary building permits within a reasonable length of time, acts of neglect or omissions of Customer or Customer's employees or agents, acts of God, stormy or inclement weather, strikes, lockouts, boycotts or other labor union activities, extra work ordered by Customer, acts of public enemy, riots or civil commotion, inability to secure material through regular recognized channels, imposition of government priority or allocation of materials, failure of customer to make payments when due, or delays caused by inspection, or changes ordered by the inspectors of authorized governmental bodies, for acts of independent Contractors, or holidays or other causes beyond Contractor's reasonable control.

**4) FEES, TAXES AND ASSESSMENTS:** Taxes, Permits, Fees, and assessments of all descriptions will be paid for by Customer. Contractor will obtain all required building permits, at the sole expense of Customer. Upon demand by Contractor, Customer shall provide ample funds to acquire any and all necessary permits on a timely basis. Customer will pay assessments and charges required by public bodies and utilities for financing or repaying the cost of sewers, storm drains, water service, schools and school facilities, or other utilities, hook-up charges and the like.

**5) LABOR AND MATERIAL:** Contractor shall pay all valid charges for labor and material incurred by Contractor and used in the construction or repair of the Project. Contractor is excused from this obligation for bills received in the period during which the Customer is in arrears in making progress payments to Contractor. No waiver or release mechanics lien given by Contractor shall be binding until all payments due to Contractor when the release was executed have been made.

**6) PAYMENTS AND RIGHT TO STOP WORK:** Past due payments shall bear interests at the rate of 1½% per month (18% per annum), until paid in full. Contractor shall have the stop work if any payment shall not be made, when due, to Contractor under this Agreement; Contractor may keep the job idle until all payments due are received. In the event that collection efforts are initiated against Customer. Customer agrees to pay for all associated fees at the posted rates. If any check tendered by Customer does not clear, Customer can be held liable for three times the amount of the check, in no case more than \$500, nor less than \$100, plus the face value of the check, as set forth in California Civil Code Section 1719.

These remedies are in addition to any other right to remedy that Contractor may have. A failure by Customer to make Payment, when due, is a material breach of this Agreement.

**7) CLEAN-UP:** Contractor will remove from Customer's property debris and surplus material created by its operation and leave it in a neat and broom clean condition.

**8) LIMITATIONS:** No action of any character arising from or related to this contract, or the performance thereof, shall be commenced by either party against the other more than two years after completion or cessation of work under this contract.

**9) ATTORNEY FEES:** In the event that there is any litigation or arbitration arising out of this Agreement, then the prevailing party shall be entitled to its reasonable attorneys fees and costs.

**10) VALIDITY:** In case one or more provisions of this agreement or any application thereof shall be invalid, unenforceable or illegal, the validity, enforceability and legality of the remaining provisions and any other application shall not in anyway be impaired thereby.

**11) ASBESTOS AND HAZARDOUS SUBSTANCES:** Unless the contract specifically calls for the removal, disturbance, or transportation of asbestos, polychlorinated biphenyl (PCB), or other hazardous substances, the parties acknowledge that such work requires special procedures, precautions and/or licenses. Therefore, unless the contract specifically calls for same, of Contractor encounters such substances, Contractor shall immediately stop work and allow the Customer to obtain a duly qualified asbestos and/or hazardous material Contractor to perform the work or contractor may perform the work itself at Contractor's option. Said Work will be treated as an extra under this contract.

**12) WEATHER AND OTHER DAMAGE:** To the extent that weather may impact the work covered by this agreement, Contractor shall attempt to keep the project reasonably covered during the construction. However, Customer understands that unexpected weather conditions can arise that might cause damage to the project or its contents. Contractor shall not be responsible for any such damage beyond its reasonable control.

**13) LIMITED WARRANTY:** Contractor warrants that all work performed by Contractor and its subcontractors shall be done in a good and workmanlike manner in accordance with accepted trade practices. Said warranty shall extend for one year from the date of substantial completion of Contractor's work, except that there is no warranty of any kind covering drain cleaning. The warranties for assemblies, appliances and the like, shall be those warranties provided by the manufacturer or supplier of that item rather than based on Contractor's warranty herein. Contractor shall assemble and provide to Customer all such manufacturer's warranties. THIS IS THE ONLY WARRANTY PROVIDED BY CONTRACTOR TO CUSTOMER. CUSTOMER SHALL NOTIFY CONTRACTOR WITHIN TWENTY-FOUR (24) HOURS OF DISCOVERY OF ANY WARRANTY CLAIM. CONTRACTOR SHALL RESPOND TO WARRANTY CALLS WITH REASONABLE PROMPTNESS, BUT ONLY BETWEEN THE HOURS OF 8:30 AM TO 4:30 PM MONDAY THROUGH FRIDAY, EXCLUDING HOLIDAYS, UNLESS OTHERWISE AGREED TO IN WRITING. FAILURE OF CUSTOMER TO NOTIFY CONTRACTOR AS SET FORTH HEREIN SHALL VOID ANY WARRANTIES AFFORDED HEREIN. CONTRACTOR SHALL NOT BE LIABLE FOR WATER OR OTHER DAMAGES RELATING FROM ANY DEFECT OR DELAY IN RESPONDING TO SAID WARRANTY. CONTRACTOR SHALL NOT BE LIABLE FOR ANY LOST PROFITS, INCIDENTAL, SPECIAL, EXEMPLARY, INDIRECT OR CONSEQUENTIAL DAMAGES RESULTING FROM ANY WORK PERFORMED, OR ANY PROBLEM, WHETHER OR NOT COVERED BY THIS LIMITED WARRANTY. NO WARRANTIES SHALL APPLY IF CONTRACTOR WAS NOT PAID IN FULL FOR ALL OF THE WORK IT PERFORMED.



## **CHANGES IN THE WORK CONCEALED CONDITIONS:**

Should the Customer or any public body or inspector direct any modification or addition to the work covered by this contract, the contract price shall be adjusted accordingly. The change in the contract price caused by such additional work shall be as agreed to in writing, or if the parties are not in agreement as to the change in contract price, Contractor's actual cost of all labor, equipment, subcontracts and materials, plus \_\_\_\_\_% for its overhead and profit shall be the change in contract price. A change order may also increase the time within which the contract is to be completed.

Contractor shall promptly notify the Customer of: (a) latent physical conditions at the site differing materially from those indicated in this contract, or (b) unknown physical conditions differing materially from those ordinarily encountered and generally recognized as inherent in work of the character provided for in this contract.

Any expense incurred due to such conditions shall be paid for by Customer as added work. No extra or change order work shall be required to be performed without prior written authorization of the person contracting for the repair or construction. However, in the event that the building department or other governing body requires a change or modification then Contractor may make that change prior to receiving written authorization and thereafter negotiate the effect of that change with the Customer.

## **INFORMATION ABOUT THE CONTRACTOR'S STATE LICENSE BOARD (CSLB):**

CSLB is the state consumer protection agency that licenses and regulates construction contractors. Contact CSLB for information about the licensed contractor you are considering, including information about disclosable complaints, disciplinary actions and civil judgments that are reported to CSLB.

Use only licensed contractors. If you file a complaint against a licensed contractor within the legal deadline (usually four years), CSLB has authority to investigate the complaint. If you use an unlicensed contractor, CSLB may not be able to help you resolve your complaint. Your only remedy may be in a civil court, and you may be liable for damages arising out of any injuries to the unlicensed contractor or the unlicensed contractor's employees.

### **For more information:**

**Visit CSLB's Internet Web Site at [www.cslb.ca.gov](http://www.cslb.ca.gov).**

**Call CSLB at 800-321-CSLB (2752)**

**Write CSLB At P.O. Box. 26000, Sacramento, CA 95826**

## YOUR RIGHT TO CANCEL BEFORE WORK BEGINS

(A) You, the buyer, have the right to cancel this contract until:

1. You receive a copy of this contract signed and dated by you and the Contractor; and
2. The Contractor starts work.

(B) However, even if the work has begun you, the buyer, may still cancel the contract for any of the reasons specified in items 1 through 4 of this paragraph. If any of these reasons occur, you may cancel the contract within three business days of signing the contract for normal service and repairs, or within seven business days of signing a contract to repair or correct conditions resulting from any sudden or catastrophic event for which a state of emergency has been declared by the executive officer or governing body of any city, county, or city and county:

1. You may cancel the contract if the price, including all labor and materials, is more than seven hundred fifty dollars (\$750).
2. You may cancel the contract if you did not initiate the contact with the Contractor to request the work.
3. You may cancel the contract if the Contractor sold you goods or services beyond those reasonably necessary to take care of the particular problem that caused you to contact the Contractor.
4. You may cancel the contract if the payment was due or the Contractor accepted any money before the work was complete.

(C) If any of these reasons for canceling occurred, you, the buyer, have the right to cancel this contract within three business days. You may cancel by e-mailing, 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 receive a signed and dated copy of the contract that include this notice. Include your name, your address and the date you received the signed copy of the contract and this notice.

If you cancel, the contractor must return to you anything you paid within 10 days of receiving the notice of cancellation. For your part, you must make available to the contractor at your residence, in substantially as good as new condition as you received them, any goods or delivered to you under this contract or sale. Or, you may, if you wish, comply with the contractor's instructions on how to return the goods at the contractor's expense and risk. If you do make the goods available to the contractor and the contractor does not pick them up within 20 days of the date of your notice of cancellation, you may keep them without any further obligation. If you fail to make the goods available to the contractor, or if you agree to return the goods to the contractor and fail to do so, then you remain liable for performance of all obligations under the contract.

I, \_\_\_\_\_ hereby acknowledge that on \_\_\_\_\_ I was provided this  
(Buyer) (Date)  
document entitled "Your Right to Cancel Before Work Begins" \_\_\_\_\_  
(Buyer's Signature)

## COMMERCIAL GENERAL LIABILITY INSURANCE (CGL)

- ☐ (A) \_\_\_\_\_ does not carry Commercial General Liability Insurance.  
(Contractor's Name)
- ☐ (B) \_\_\_\_\_ carries Commercial General Liability Insurance.  
(Contractor's Name)

The insurance company is \_\_\_\_\_  
(Contractor's Name)

You may call the insurance company at \_\_\_\_\_ to verify coverage.  
(Telephone Number)

## WORKERS' COMPENSATION INSURANCE

*Check the applicable box:*

- ☐ (A) This contractor has no employees and is exempt from workers' compensation requirements.
- ☐ (B) This contractor carries workers' compensation insurance for all employees.

