

**Home Improvement Contract
For
Installation and Sale of Solar Photovoltaic Electric Generation System**

This **AGREEMENT** is between:

Global Resource Options, Inc.

Dan Altenburg

(Hereinafter called "Contractor")

(Hereinafter called "Owner")

In exchange for the mutual terms and conditions set forth herein, Owner and Contractor hereby agree as follows:

1. Information and Notices as required by law:

a. Date of Agreement Signed By Owner: 11/11/09

b. Notice of Cancellation may be sent to Contractor at the following address:

Global Resource Options, Inc.
Attn: Office Manager

2. Contract Price. Total Contract Price is: \$21,242.60 (Twenty one thousand two hundred forty two dollars and 60/100)

3. Description of the Project and Description of the Significant Materials to be Used and Equipment to be Installed:

Property Owner: Dan Altenburg

Property Address:

a. Turnkey installation of a roof mounted solar electric system

b. System will include: 16 x Canadian Solar CSSP-240M
1 x Motech PVMate 3840U 240V
*Data Monitoring Package included

c. Procurement of city/county building permit(subject to general and Project Specific exclusions listed in Section 10 below).

d. Ten-Year Limited Warranty for Components and Installation of Global Resource Options, Inc. Electrical Generating Systems.

4. Deposit. One Thousand Dollars (\$) payable at time of contract execution

THE DOWN PAYMENT MAY NOT EXCEED \$1,000 OR 10 PERCENT OF THE CONTRACT PRICE, WHICHEVER IS LESS.

5. Schedule of Progress Payments. Owner shall make the following progress payments when the work, services, materials and/or equipment has been provided:

First Payment(Installation of Roof Mounts/Electrical Rough In)	\$ 1,764.96
Second Payment(Substantial Commencement of Work)	\$ 10,589.76
City/County Inspection Payment	\$ 4,294.88

All remaining charges are due upon final signoff from city/county building inspector. Please note system cannot be turned on until passing utility inspection.

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 WORK NOT YET COMPLETED, OR FOR MATERIALS NOT YET DELIVERED. HOWEVER, A CONTRACTOR MAY REQUIRE A DOWNPAYMENT.

The parties agree that should one or more of the items of work or materials referenced in the above schedule not be completed by the progress payment event, Owner agrees to pay for that portion of the work completed through said date and to pay for the remaining item(s) with the next scheduled progress payment.

If site is not ready for inspection within 30-days of contractor notifying Owner that Construction Completion has occurred, Owner will be responsible for paying Contractor any outstanding balance including uncollected rebates. Contractor will then transfer and convey to Owner all rights, title and interest in any rebates.

- 6. Late Charge and Service Charge.** A late charge in the amount of \$150.00 will be charged on all Late Payments under this Agreement. "Late Payments" are defined as any payment not received within 14 days of invoice date. In addition to the late charge, service charges will be charged on any payment not received within 30 days of invoice date at the rate of 1.5 percent per month. In addition to the above, should Owner not pay an invoice within 30 days of invoice date, any "Quick Pay Discount" provided to owner will be voided. Contractor reserves the right to suspend performance hereunder should Owner not timely make payments under this Contract.
- 7. Approximate Construction Schedule.**
- a. **Approximate Start Date:** work should begin: * 12.18.2009
*subject to Section 7(c) through (e)
 - b. **Approximate Completion Date:** work should be substantially completed: three weeks after delivery of panels.
 - c. **Definition Substantial Commencement of Work:** Shall occur when Contractor first supplies materials to job site, or begins physical installation of system.
 - d. **Definition Construction Completion:** When contractor has completed construction phase of project and is prepared for city/county and utility inspection.
 - e. Contractor shall be entitled to an extension of the construction time due to the following: holidays; acts of god; acts of public utilities; governmental bodies, or inspectors; inclement weather; accidents; delay in receipt of solar panels from manufacturer, shortage of labor or materials; additional time required for change orders and additional work; vandalism; Owner's failure to provide Contractor with continual uninterrupted access to job site; delays caused by Owner, Owner's design professionals, agents, and separate contractors, jurisdictional delays, scheduling conflicts; and other delays unavoidable or beyond the control of the Contractor.
- 8. Contractor's Performance.** Contractor shall furnish all labor and materials to perform the Project as described in Section 3 above in a good and workmanlike manner for the Contract Price subject to the Exclusions set forth below in Section 10 below. All work shall be performed during normal working hours. If Owner desires work to be done on weekends or non-business hours (before 7AM or after 6PM), Owner will be charged additional fees to cover overtime wages. Non-standard working hours work will require a signed change order prior to commencement of work.
- 9. Owner Acknowledgements Regarding Items Excluded from Project Scope.** Owner acknowledges and agrees that Contractor's scope of work on this Project does not include the following works:
- a. **Standard Exclusions:**
 - i. Any cost associated with municipal design or architectural review, or other specialty permits. This includes: cost to attend any public hearings, notification of neighbors, or additional drawings required.
 - ii. Cost of stamped engineering calculations and/or drawings.
 - iii. Correction of concealed substandard framing.
 - iv. Any expenses incurred to correct pre-existing deficient conditions or code violations.
 - v. Removal and replacement of existing dry rot or insect infestation.
 - vi. Moving any of Owner's property around the site.
 - vii. Removal of any Asbestos that Contractor may be exposed to during construction.
 - viii. Cost to replace or source broken roof tiles (however installation of new replacement tiles is included)
 - ix. Failure of surrounding part of existing structure, despite Contractor's good faith efforts to minimize damage, such as plaster or drywall cracking and popped nails in adjacent rooms or blockage of pipes or plumbing fixtures caused by loosened rust within pipes.
 - x. Owner acknowledges that Contractor is not responsible for pre-existing roof condition and normal wear and tear during installation. Contractor recommends that Owner replace roof that has less than 10-years of expected usable lifetime prior to commencement of project. Composite roofs typically have 20-30 years of usable life. Flat roofs range from 10-20 years.

xi. Risk of loss or theft of solar panels after delivery of solar panels and other construction materials to the Project site.

b. Project Specific Exclusions.

- i. No batteries, generator, or backup systems are included as part of this Agreement. Owner understands that the solar system provided under this Agreement will have no back up system and will not provide any electricity to Owner if the utility electric grid were to fail.
- ii. No upgrade of Owner's existing electrical service/panel or building electrical grounding system.
- iii. No painting of conduit or other electrical boxes.
- iv. Any required structural reinforcement of roof.
- v. Any utility interconnection or meter replacement costs.
- vi. Installation of any smoke detectors, sprinklers, or life safety equipment required by city/county due to this project.
- vii. Any removal or relocation of equipment, obstacles or vegetation in the vicinity of equipment or components.
- viii. Any digging, trenching or excavation work.
- ix. Preparation or implementation of a Stormwater Pollution and Prevention Plan if required by city/county.
- x. Repair of damage to concealed underground pipes, conduits and utilities or other underground equipment not physically staked out by Owner or located and marked by USA North. (Contractor will procure the services of USA North to assist in locating underground utilities but Contractor is not liable for items not located by said service or Owner).

10. Owner Responsibilities. Owner agrees to provide the following:

- a. Owner to allow Contractor use of Owner's utilities (electric and water) while on job site;
- b. Owner is responsible for granting utility any required access to property, meter, and system. Any failure or delay of owner to meet utility access requirements is not the responsibility of contractor.
- c. Owner is responsible for making sure property is ready for city/county and utility inspection (includes execution of Interconnection Agreement) within 30 days of Construction Completion.
- d. PREEXISTING CODE VIOLATIONS: If any pre-existing violations prevent the execution of the interconnection agreement, then Owner agrees to fix such violations within thirty (30) days after receiving notice thereof from Contractor.
- e. Owner agrees to promptly furnish Contractor with all details and decisions about unspecified construction decisions, and to consent to or deny changes in the scope of work that may arise so as not to delay the progress of the work.
- f. Owner bears risk of loss or theft of solar panels and other construction materials after they are delivered to Project site. Owner should provide a safe location for Contractor to store construction materials during installation.
- g. Preparation or implementation of a Stormwater Pollution and Prevention Plan if required by city/county.
- h. Physically stake out any concealed underground pipes, conduits and utilities or other underground equipment prior to commencement of work. Owner liable for repair of all damaged, concealed underground pipes, conduits and utilities or other underground equipment not physically staked out by Owner or not.

11. Notes and Clarifications. Owner understands and acknowledges the following items:

- a. Contractor has no control over the speed at which the Rebate will be paid to Owner. Typical payment times vary from 4-12 weeks. However under certain circumstances payment times can be longer than 12 weeks. Contractor agrees to furnish, complete, and submit required paperwork in a timely manner.
- b. Owner grants Contractor permission to use photos, system technical details, owner's last name and city in marketing materials.
- c. Owner agrees to allow Contractor to post sign or banner on or in front of building during course of construction.
- d. If any web-based data monitoring/information technology is included as part of the scope of work, the lump sum Contract Price referred to in Section 2 above includes 4 hours of installation time and troubleshooting. Any additional time required to install the data monitoring software or hardware will be billed as extra work as rates outlined in Section 16 below.
- e. Owner is responsible for providing a wired, connection to the local area network and internet connectivity at the location of the Inverter for data monitoring equipment, when DATA MONITORING is included in this agreement.
- f. Please note the system cannot be turned on until passing utility inspection (see Section 13 below).
- g. Contractor is not liable for damage to equipment (including but not limited to solar modules and inverters) caused by electrical grid fluctuations.
- h. Any necessary trenching will be performed using walk behind or drive behind trenching machines. Trench can be up to 28" deep. Owner agrees to allow Contractor to excavate the most direct path possible between any two points. The repair of any underground irrigation conduits damaged during construction is not included and will be billed as extra work. Any hand digging required to work around underground metal conduit either located by USA North or found will be billed as extra work.

12. Rebates & Incentives for Solar Electric (Photovoltaic) Systems provided the California Public Utility Commission ("CPUC") or California Energy Commission ("CEC") or Public Utilities or Municipal Utilities. The parties hereby acknowledge that in connection with the System, Owner may be entitled to a Rebate equivalent (Herein called "Rebate") to \$3,593.00. If the listed Rebate is to be assigned to Contractor, Owner hereby irrevocably assigns, transfers and conveys to Contractor all of its rights, title and interest in and to said Rebate(s); the amount of which shall be a credit against the contract Purchase Price upon its receipt by Contractor. Should Owner receive any Rebate and/or incentive check, Owner shall immediately endorse and deliver the same to Contractor and do all other things necessary or appropriate to transfer said Rebate funds to Contractor. Contractor agrees to execute all interconnection paperwork promptly in order to speed in the payment of Rebate to Owner. This includes initial submission and any necessary revisions. Contractor agrees to track application through Program Administrator and assist Owner in obtaining payment. In the event that the Rebate is assigned to Contractor and the Rebate amount paid is less than the amount indicated in this section Owner will pay Contractor the difference, immediately upon written notice.

13. Interconnection Agreement and Utility Inspection. The system to be installed under this Agreement cannot be activated until Owner executes an Interconnection(Net Metering) Agreement with the utility having jurisdiction of the subject property, allowing the system to be legally connected to the utility's grid. In addition the utility having jurisdiction will likely require an inspection of the system prior to interconnection. Inspection usually occurs from 1-4 weeks after passing city/county building inspection.

14. Extra Work/Change Orders. Should Owner, Owner's agent, Owner's design professional, the construction lender or any public body or inspector direct any modification or addition to the work covered by this Contract, the cost shall be added to the Contract Price. The cost of the Change Order will include the direct labor, material and subcontracted costs plus supervision, general conditions, overhead and profit. If there is a deductive Change Order, the direct costs of the change will be credited back to the Owner. Expenses incurred because of unusual or unanticipated conditions (such as inadequate roof support structure or inadequate electrical service) shall be paid for by Owner as extra work. No Extras or Change Order work shall be required to be performed without prior written authorization of Owner. Any Change Order for extra work shall be paid in full as provided in the Change Order or if not specifically state, at the completion of the extra work covered by the Change Order.

15. Allowance for Trenching and Excavation Work. The parties agree that the cost of the excavation and trenching work included in the Contract Price is an allowance based on the time and equipment estimated in Exhibit "___" hereto because the parties are uncertain about the soil and subsurface conditions. Contractor will subcontract out this excavation and trenching work on a time and material basis. The parties agree to execute a Change Order after completion of said subcontracted work to adjust the Contract Price, either upward or downward, to reflect the difference between the allowance amount and the actual subcontractor charges. The allowance and Contractor's scope of work do not include hauling any soil or materials off of the project site. Excess soil will be spread on the Project site.

16. Rates Charged for Allowance Only and Time & Materials Work. Contractor's rates for work performed at regular hourly rates(not overtime) on allowance items, on a time and materials basis, or for extra work, shall be as follows:

Installer: \$75.00 per hour	Designer: \$125.00 per hour	Clerical: \$90.00 per hour
Laborer: \$65.00 per hour	Data Monitoring/IT: \$125.00 per hour	Project Manager: \$150.00 per hour

Subcontractor performed work at amount charged by Subcontractor - Materials at cost On all of the foregoing, Contractor shall charge Owner a markup of 15% for overhead and 10% for profit.

17. Persons Authorized to Sign Change Orders. The following people are authorized to sign Change Orders:

FOR OWNER:

FOR CONTRACTOR:

(Please fill in line(s) above at time of signing Agreement)

18. Owner Termination. Should Owner seek to terminate this Agreement for any reason other than Contractor's breach after Contractor has initiated design process, substantially commenced its work, or purchased project specific materials Owner shall then be in material default hereunder and Contractor shall be entitled to retain the deposit (which shall be applied against Contractor's damages) and may recover from Owner all other damages allowable under law such as: labor costs, design and permitting costs, and materials purchased. Owner will also be charged a restocking fee of 25% for any materials ordered by Contractor prior to termination.

- 19. Contractor Termination or Suspension of Work.** Contractor shall have the right to stop all work on the Project and keep the job idle if payments are not made to Contractor strictly in accordance with the Payment Schedule in this Agreement, or if Owner repeatedly fails or refuses to furnish Contractor with access to the job site and/or product selections or information necessary for the advancement of Contractor's work. Simultaneous with stopping work on the project, the Contractor shall give Owner written notice of the nature of Owner's material breach of this Agreement and shall also give the Owner a 14-day period in which to cure this breach of contract. Owner to follow this same notice procedure with Contractor if Owner alleges Contractor is in material breach of this Agreement.
- 20. Owner Supplied Fixtures and Materials.** Contractor cannot and will not warrant any Owner-supplied materials or owner performed labor (whether new or used). If Owner-supplied fixtures or materials fail due to a defect in the materials or fixtures themselves, Contractor will charge for all labor and materials required to repair or replace both the defective materials or fixtures, and any surrounding work that is damaged by these defective materials or fixtures.
- 21. Arbitration.** Any and all claims and disputes arising out of or related to the Contract shall be resolved by binding arbitration in accordance with the Construction Industry Arbitration Rules of the American Arbitration Association then in effect. The demand for arbitration shall be filed in writing with the other party to the Contract and with the American Arbitration Association. No demand for arbitration shall be made after the date when the institution of legal or equitable proceedings based on such claim would be barred by the applicable statute of limitations. An award rendered by an arbitrator(s) may include an award of attorney's fees, costs and pre-award interest at the legal rate, in addition to any other relief granted.
- 22. Attorneys Fees.** The prevailing party in any arbitration or legal proceeding related to this Agreement shall be entitled to payment of reasonable attorney's fees and expert costs.
- 23. Entire Agreement and Severability.** The Contract represents the entire and integrated agreement between the parties hereto and supersedes prior negotiations, representations or agreements, either written or oral. If any conflict should arise between the plans, specifications, addenda to plans, and this Agreement, then the terms and conditions of this Agreement shall be controlling and binding upon the parties to this Agreement.

In the event that any provision of this Agreement is at any time held by a Court to be invalid or unenforceable, the parties agree that all other provisions of this Agreement will remain in full force and effect. Any future modification of this Agreement should be made in writing and executed by Owner and Contractor.

- 24. Additional Required Legal Notices, Information and Disclosures.** Contractor provides the following information, notices and disclosures to Owner as required by applicable law which is expressly incorporated as part of this Contract.
- a. **Notice about Extra Work and Change Orders.** Extra Work and Change Orders become part of the contract once the order is prepared in writing and signed by the parties. The order must describe the scope of the extra or change, the cost to be added or subtracted from the contract, and the effect the order will have on the schedule of progress payments. Change orders required by the building department at the jobsite shall be considered incorporated into the contract without being signed by both parties.
 - b. **Lien Releases.** Upon satisfactory payment being made for a portion of the work performed, Contractor shall, prior to any further payment being made, furnish Owner a full and unconditional release from any claim of mechanic's lien for that portion of the work for which payment has been made.
 - c. **Notice concerning Commercial General Liability Insurance (CGL).** This contractor carries commercial general liability insurance written by American Home Assurance Company (hereinafter called "CGL Insurance Company"). You may call CGL Insurance Company's insurance agent, Allied North American at 800-639-9547 to check the contractor's insurance coverage.
 - d. **Notice concerning Workers' Compensation Insurance.** This contractor carries workers' compensation insurance for all employees.
 - e. **Notice about Performance of Extra or Change Order Work:**
 - i. Owner may not require Contractor to perform extra or change-order work without providing written authorization prior to the commencement of any work covered by the new change order;
 - ii. Extra work or a change order is not enforceable against Owner unless the change order also identifies all of the following in writing prior to the commencement of any work covered by the new change order:
 - (1) The scope of work encompassed by the order.
 - (2) The amount to be added or subtracted from the contract.
 - (3) The effect the order will make in the progress payments or the completion date.
 - iii. Contractor's failure to comply with the requirements of this paragraph does not preclude the recovery of compensation for work performed based upon legal or equitable remedies designed to prevent unjust enrichment.

f. **Mechanic's Lien Warning:**

Anyone who helps improve your property, but who is not paid, may record what is called a mechanics' lien on your property. A mechanics' lien is a claim, like a mortgage or home equity loan, made against your property and recorded with the county recorder.

Even if you pay your contractor in full, unpaid subcontractors, suppliers, and laborers who helped to improve your property may record mechanics' liens and sue you in court to foreclose the lien. If a court finds the lien is valid, you could be forced to pay twice or have a court officer sell your home to pay the lien. Liens can also affect your credit.

To preserve their right to record a lien, each subcontractor and material supplier must provide you with a document called a '20-day Preliminary Notice.' This notice is not a lien. The purpose of the notice is to let you know that the person who sends you the notice has the right to record a lien on your property if he or she is not paid.

BE CAREFUL. The Preliminary Notice can be sent up to 20 days after the subcontractor starts work or the supplier provides material. This can be a big problem if you pay your contractor before you have received the Preliminary Notices. You will not get Preliminary Notices from your prime contractor or from laborers who work on your project. The law assumes that you already know they are improving your property.

PROTECT YOURSELF FROM LIENS. You can protect yourself from liens by getting a list from your contractor of all the subcontractors and material suppliers that work on your project. Find out from your contractor when these subcontractors started work and when these suppliers delivered goods or materials. Then wait 20 days, paying attention to the Preliminary Notices you receive.

PAY WITH JOINT CHECKS. One way to protect yourself is to pay with a joint check. When your contractor tells you it is time to pay for the work of a subcontractor or supplier who has provided you with a Preliminary Notice, write a joint check payable to both the contractor and the subcontractor or material supplier.

For other ways to prevent liens, visit CSLB's Web site at www.cslb.ca.gov or call CSLB at 800-321-CSLB(2752).

REMEMBER, IF YOU DO NOTHING, YOU RISK HAVING A LIEN PLACED ON YOUR HOME. This can mean that you may have to pay twice, or face the forced sale of your home to pay what you owe.

g. **Information about the Contractors' 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 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 Web site at www.cslb.ca.gov

Call CSLB at 800-321-CSLB (2752)

Write CSLB at P.O. Box 26000, Sacramento, CA 95826.

h. **Notice to Buyer/Owner.** You are entitled to a completely filled in copy of this agreement, signed by both you and the Contractor, before any work may start.

i. **Right to Require Contractor to Provide Performance and Payment Bond.** Owner has a right to require Contractor to have a performance and payment bond for the project. The cost of the premium for such performance and payment bond would be an extra cost to Owner in addition to the Contract Price. Owner has elected not to request Contractor provide a performance and payment bond.

j. **Three-Day Right to Cancel:**

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 Three-Day Right to Cancel."

Owner's initials ☐ ☐ ☐

I have read and understood, and I agree to, all of the terms and conditions in the Agreement above.

11/11/09 DANIEL T. ALTENBURG
DATE OWNER'S NAME (PRINTED) OWNER'S SIGNATURE

DATE OWNER'S NAME (PRINTED) OWNER'S SIGNATURE

Global Resource Options, Inc.
A Vermont Corporation

11/11/09
DATE CONTRACT

**Ten-Year Limited Warranty for Components and Installation of
Global Resource Options, Inc. Electrical Generating Systems**

This is a ten-year limited warranty that conforms to the **requirements for licensed installers of electricity generating systems participating in the California Energy Commission's California Solar Initiative** pursuant to the Renewable Guidelines for the Emerging Renewable Resources Account, and the Public Utilities Commission Self Generation Program.

For the electrical generating system installed pursuant to a contract dated 11/11, 2009 between Global Resource Options, Inc. and Dan Altenburg (herein "Owner") at:

3577 Grim Ave
San Diego, CA 92104

Global Resource Options, Inc. hereby warrants for a period of Ten (10) years the following, subject to the terms set forth below:

1. All components of the solar photovoltaic generating system installed by Global Resource Options, Inc. This does not include pre-existing equipment that may affect the integrity of the system or data monitoring equipment.
2. The System's installation, against defects in materials, against malfunction, and against degradation of electrical output of more than 10% from the originally rated output for system (PTC system rating).

Global Resource Options, Inc. hereby further warrants for a period of Five (5) years the following, subject to the terms set forth below.

1. Any roof leaks that prove to be a direct result of roof penetrations made by Global Resource Options, Inc.

See Section D for obtaining warranty service and for making warranty claims.

A. General Terms

1. This warranty extends to Owner and to any subsequent purchaser for value of said real property (also herein "Owner") during the Warranty Period.
2. The Warranty Period commences the date the system passed the city/county building inspection, and continues for a period of Ten (10) years ("herein Warranty Period").

B. Global Resource Options, Inc.'s Duties

In the event of defect, malfunction, or degradation of electrical output covered by this Warranty, Global Resource Options, Inc. will diagnose, repair or replace, without charge, defective or malfunctioning components of the generating system or faulty installation of said system, subject to the terms of this Warranty.

C. Exclusions

1. This Warranty will NOT apply to:

a. Damage, malfunction, or degradation of electrical output caused by or resulting from:

- i. Failure to properly operate or maintain the system in accordance with the printed instructions related to the system;
 - ii. Any repair, replacement, modification, enhancement or reinstallation of the system or any part thereof using a part or service not provided or authorized in writing by Global Resource Options, Inc.;
 - iii. Improper use, misuse or abuse of system by Owner, subsequent owner or any third party;
 - iv. An accident, alteration, negligence, vandalism or other misconduct by Owner, subsequent owner or any third party;
 - v. Or earthquake, fire, flood, or other acts of God.
- b. Electricity storage equipment such as batteries, battery cables, charge controllers, or any other equipment not eligible for the CEC or PUC rebate programs. However, this Warranty does cover the installation of said equipment when installed by Global Resource Options, Inc., if such equipment affects the proper operation of the generating system.
 - c. Degradation in roof performance as a result of wear and tear that occurs during normal course of construction.
 - d. Any roof performance issues not directly related to roof penetration made as part of the installation of this photovoltaic system.
 - e. Any solar system where the Owner fails to timely pay to Global Resource Options, Inc. the entire installation contract purchase price.

2. No warranty or guarantee is provided herein that any anticipated, estimated or desired level of performance, energy production or cost savings will be obtained from the operation of system.

3. In the event that the manufacturer is not able or willing to honor its product warranty to Global Resource Options, Inc., then this Warranty will not cover the material replacement costs of any such manufacturer's components.

D. Obtaining Warranty Service

1. Contact Global Resource Options, Inc. at (510) 843-1113 or write to Global Resource Options, Inc. at 601 Old River Rd, Suite 3, White River Junction, VT 05001. Include in your letter the component serial number and date of installation, and enclose a copy of the original purchase contract.
2. Global Resource Options, Inc. will normally provide warranty service within one (1) business day after Global Resource Options, Inc. has received written notice of a claim from Owner; but in some instances, by reason of the prevailing circumstances, it may take longer to provide warranty service.
3. In the event of a warranty claim with regard to total module output, the Owner must promptly notify Global Resource Options, Inc. in writing upon the discovery thereof and shall also follow the manufacturer's procedures with regard to testing module output and obtaining warranty service.

E. One-Business Day Repair Guarantee

1. In the case of a system malfunction or failure, Global Resource Options, Inc. will endeavor to return the system to working order within One Business Day of receipt of written notice from Owner of problem. Should Global Resource Options, Inc. not return the system to working order within said one day, Global Resource Options, Inc. will compensate the owner for lost energy production. Failures reported after 5pm will be treated as if they were reported the next day.
2. A system malfunction or failure will typically occur if either of the two following events occur:
 - a. Inverter fails.
 - b. Under PTC system is producing less than 90% of its PTC rating in kW.
3. Limitations of this One Day Repair Guarantee
 - a. Owner will only be compensated for system malfunction or failure that results in lost energy. For example, malfunction of LCD, data monitoring equipment, or backup power is not eligible for compensation.
 - b. Does not apply to cases where any of the following apply:
 - i. **Damage, malfunction, or degradation of electrical output caused by any of exclusions set forth in Section C above.**
 - ii. **Outages caused by local utility or the grid.**
 - iii. **Any malfunction due to components of building, roof, or electrical service not installed by Global Resource Options, Inc.**
 - iv. **Global Resource Options, Inc. has responded to the claim within One Business Day of receipt of written notice of claim and either of the following has occurred:**
 1. **The inverter requires parts or service from the manufacturer**
 2. **One or more PV modules must be replaced and have been ordered**
4. Definitions
 - a. **Business Day** is defined as Monday through Friday excluding holidays.
 - b. PTC is defined as PVUSA Test Conditions: 20° C ambient temperature, 1kW/m² plane-of-array irradiance, AM1.5, 1 m/s wind speed.
5. Compensation for Energy Loss

Owner will be compensated for energy lost due to system malfunction or failure in excess of 1 Business Day. Owner will be compensated at a flat rate of [kW x 5kWh] x Days at a rate of \$0.15/kWh. kW rating of system will be based on PTC rating of system at time of system installation.
6. If system is composed of multiple inverters, then Owner will only be compensated for non-functioning inverters.
7. When measuring system output in order to verify the validity of a warranty claim, if PTC is not present then the expected rating of the system will be determined by performing calculations that account for the differences between the PTC and the environmental conditions present at the time of measurement. For example: if the only difference was that the irradiance level was only 900 watts/m² then the expected rating of the system would be 90% of its PTC rating. Differences in ambient temperature will invoke a calculation incorporating the thermal coefficients of the module according to the module manufacturer's specifications.

F. Consequential Damages

Global Resource Options, Inc.'s obligations under this warranty are solely limited to the repair or replacement of defective or malfunctioning components as provided in Section B., above. Except as stated in Section E, Global Resource Options, Inc. shall not be obligated to pay any monetary damages to Owner, including, without limitation, consequential damages, damages resulting from loss of income, increased cost of electrical output, or other monetary losses. Owner hereby waives and releases all claims against Global Resource Options, Inc., its officers, directors, shareholders, employees, agents and contractors, for lost income, increased expenses, including utility expenses, losses or other monetary or consequential damages resulting from any defect, malfunction or degradation in system (including system's failure or inoperability) which is subject to this Warranty Agreement.

G. EXCEPT AS SPECIFICALLY PROVIDED IN THIS AGREEMENT THERE ARE NO WARRANTIES, WHETHER EXPRESS OR IMPLIED, OF ANY KIND, PROVIDED BY GLOBAL RESOURCE OPTIONS, INC. TO OWNER WITH RESPECT TO THE GENERATING SYSTEM, OR THE COMPONENTS THEREOF, DESCRIBED IN THIS WARRANTY.