

CALIFORNIA HOME IMPROVEMENT CONTRACT SCRIPT

January 11, 2021 Update

(dialogue in *italics*)

DO NOT GIVE THIS FORM TO CUSTOMERS

Introduction: With effective communication, the execution of legal documents need not be an uncomfortable experience. The purpose of our scripts is to facilitate a smooth presentation of the forms, and to ensure uniformity in the way various employees explain the principal terms of the contracts. Orally explain all principal terms of home improvement contracts to the customer before the customer (or agent) signs. Always instruct that the person to sign the form must read the form before signing. The oral presentation introduces the concepts and makes the reading easier. The customer should have a review of the documents. Our Scripts are for general information purposes and are not intended to be a substitute for legal advice.

How To Use This Script: First, carefully read the special set of instructions that come with the form. The form is completely filled out, and the “customer” or “agent” box checked, it is ready to be used. Read the form to the customer and guide the customer through the form. The paragraph headings from the form are in *italics*. Memorize (as closely as possible) the explanation of the form to give to every customer.

[IMPORTANT: Before executing the form, do not pay any amount not covered by insurance. Fill in the signature box--even if that person is not signing the Agreement. If you are not signing, make sure the person signing is authorized to sign and is making payment; that person signing is an “authorized person.”]

Customer(s): _____

Property Address: _____

“This is our Home Improvement Agreement. It describes what we expect of you.”

1. **Contract Documents:** *“This paragraph explains what we have provided you.”*

2. **Scope of Work:** *“This explains our scope of work, and in what manner. This contract {does/does not} include reconstruction services.”*

[Optional for wary customers: *“It will be your decision to approve the workmanlike.”*

[For projects involving containment: *“We will build containment in those areas and we are not responsible for damage or contamination.”*

[For mold jobs: *“Mold is everywhere in the environment, and its remediation is not to remove every spore but to bring the concentration to an acceptable level.”*

[Optional for wary mold customers where post-remediation testing will be performed: *“When you receive the report, you will see there is mold; that’s normal. If it shows excessive levels, then we will address it; just don’t expect a report showing zero mold; that’s not our goal. The consultant can tell you what levels are acceptable for your needs.”]*

//

Preview

[CLICK HERE TO BUY](#)

For more information:
EdCross.com/Contracts

LAW OFFICES OF
EDWARD H. CROSS
ADVOCATES FOR RESTORERS SINCE 1997

3. Contract Price: [Note: Clarity about the price is crucial to success!]

[For emergency service: “The State of California requires us to give you a lump sum for our work, but since we do not know the extent of the damage, we cannot quote a price to complete the whole job. Instead, we are giving you a price for _____ (example: first three days of service, or 10 labor hours, etc.). Based on what we know now, the price for that work will be (\$_____). We don’t know if that will return the property back to the pre-loss condition but since the State requires a fixed price, we are quoting a price based on the services, rather than the final outcome. If more work is needed after this scope of work is complete, we will give you the opportunity to sign a Change Order for additional work, which you can sign if you wish.]

[For non-emergency service: “Our price for the work is _____ per additional damage or unknown conditions.”

4. Approximate Start Date: _____ / _____ /202____; Approximate End Date: _____ / _____ /202____; Approximate Duration: _____ (date). Based on what I know at this moment, I have estimated that the work will start on _____ (date). There are a variety of situations that could cause delays beyond our control.

5. Right to Cure: “You will notify us if there are any problems with the work before you have them repaired or take any other action. We will respond promptly to any such notification.”

6. Performance and Payment Bond: “This says there is a requirement for a performance and payment bond.”

“The last paragraph gives you notice that you are entitled to a copy of the bond. Please initial the bottom of the bold paragraph to confirm we gave you the bond.”

“Please sign here to confirm your agreement.” Then stop talking.

“Customer(s)” (I have read this contract and understand it)

Check the “Customer” or “Agent” box before giving it to them to sign

Signature. Check one: Customer; Customer’s Agent

Print Name and Title

**TERMS AND CONDITIONS
(dialogue)
DO NOT GIVE THIS FORM TO ANYONE**

1. Release for Third Party Professionals; Indemnification: “We are not responsible for the actions of environmental consultants and won’t be doing any testing. If you have medical questions, call your doctor.”

[If the job involves long-term water damage or mold or other conditions, we suggest you hire an independent environmental consultant to inspect and prepare a report for any mistakes by the consultant. If don’t choose to hire a consultant could have discovered.”] **Note: the suggestion to hire a consultant is not a requirement.**

2. Personal Liability: “We are working for you and not your insurance company. We will send the invoice to you, and a copy of your invoice to the insurance company as a courtesy to you, but you are responsible for any amounts not paid by insurance. Payment is due in 15 days. Please initial here to confirm you understand that we are working for you. **Customer initials:** _____. We will send a copy of the invoice to the insurance company as a courtesy only. You agree to promptly sign all proofs of loss and other documents required by your insurance company and endorse checks paid for our work and deliver them to us. This says you are responsible for any charges not covered by insurance.”


3. Down Payment and Schedule of Progress Payments:

[If requesting progress payments: “This explains our payment schedule.”]

Preview

CLICK HERE TO BUY

For more information:
EdCross.com/Contracts



LAW OFFICES OF
EDWARD H. CROSS
ADVOCATES FOR RESTORERS SINCE 1997

er additional

will start on

ately (date).

before you

iod. Please

ors and not

tant. If you

to hire an

responsible

onditions a

l-breaker.

“We are prohibited from collecting more than \$1,000 or 10% of the contract price in advance, whichever is less.” **Get frequent progress payments!**

[If not requesting progress payments, write “none” in the table; do not cross-out the paragraph. “This explains the rules on down payments and progress payments.”]

Description of Phase	Amount Payable (in Dollars)

4. Payment: *“If we are not paid on time, we may stop work, and you will be responsible for finance charges, interest and collection costs.”*

5. Finance Charges: *“There are no finance charges.”*

6. Partial Lien Releases: *“When we are paid, we will release your lien to the extent of the amount paid to us.”*

7. Extra Work and Change Orders: *“Any change order work that we do for you that is not reasonably anticipated will be at your expense. If you ask us to proceed with change order work and we do the work but you do not pay for it, you will be responsible for the cost of the change order work. You agree to sign Change Orders to authorize us to proceed with change order work that is reasonably anticipated.”*

8. Limit of Liability and Indemnity: *“We are not responsible for any damages, including consequential damages, that you or your agents incur as a result of our negligence. Our liability is limited to two times the amount of the Contract Price. We do not indemnify you for claims that don’t result from our sole negligence.”*

9. Commercial General Liability Insurance (CGLI): *“We will maintain CGLI during the term of the contract.”*


10. Workers Compensation Insurance: *“We will maintain workers compensation insurance during the term of the contract.”*

“Please initial the bottom of the form to approve the terms.”
nature of the concern and attempt to resolve it. See the information.

Preview

[CLICK HERE TO BUY](#)

For more information:
EdCross.com/Contracts



LAW OFFICES OF
EDWARD H. CROSS
ADVOCATES FOR RESTORERS SINCE 1997

”
of work that
. If you ask
nable value
ld not have
gents. Our
arty claims
”
t the exact
for more