

ADDENDUM

In consideration of the mutual covenants and promises of the parties hereunder, this Addendum, shall be incorporated into and made a part of the Preventative Maintenance Roof Program Agreement dated June 27, 2013,(the "Agreement") between Peterson Roofing, Inc. ("PRI") and Dana Point Condominium Association (the "Association" or "Owner"). To the extent there is any inconsistency between this Addendum and the Agreement, this Addendum shall control.

The Agreement is modified as follows:

- I. The following shall be added to Section 2 of the Agreement, entitled "Temporary Repair Work" :

Prior to commencing work after receipt of notice from Owner, PRI shall make a reasonable attempt to contact the Association's property manager to discuss the temporary repair work which is needed in PRI's opinion and a estimated cost of those repairs. PRI shall not proceed with any temporary repair to the extent Association has directed PRI not to proceed.

- II. The following shall be added to Section 3 fo the Agreement, entitled "Permanent Roofing Work":

No permanent roofing work or other roofing work, other than Temporary Repair Work pursuant to Section 2, shall be performed unless and until a separate written agreement for work is prepared and executed by PRI and the Association.

- III. The Temporary Repair Work, and any Permanent Roofing Work, which might be performed by PRI is not exclusive to PRI, and the Association reserves the right in its sole discretion to retain other contractors to perform such work.

- IV. The General Project Notes/Terms & Conditions, at the paragraph entitled "Mold" is modified as follows: Subsection 1 shall only refer to claims relating to mold as set forth in this Paragraph, and no other claims; and Subsection 2 is hereby modified by adding the following language to Subsection 2: except to the extent any such mold is the direct result of any negligent or intentional act or omission of PRI, and/or except to the extent PRI is covered by insurance on any such claim."

- V. The General Project Notes/Terms & Conditions, at the paragraph entitled "Payments" is modified by replacing the last sentence with the following: "In any action brought by any Party to enforce the terms of this Agreement, the prevailing party in said action shall be entitled to recover its attorneys fees and costs incurred in said action."

- VI. The General Project Notes/Terms & Conditions, at paragraph entitled "Payments" is modified by adding the following:

Payments shall be made within thirty days after PRI submits its invoice for payment, containing specific detail to itemize the services and materials upon which it seeks

payment. No service charge or interest shall accrue on disputed amounts ultimately found not to be due. Disputed amounts ultimately found to be due shall bear interest at said rate from the date beginning on the thirty-first day after the invoice was submitted to the Association for payment.

VII. The following shall be added to the Agreement:

INDEMNIFICATION BY PRI; INSURANCE: PRI shall indemnify and hold harmless the Association, its directors, officers, employees, managers, members and agents, from and against all claims, damages, losses and expenses including attorneys' fees arising out of or resulting from the performance or non-performance of the services and work provided pursuant to this Agreement, provided that any such claim, damage, loss or expense is (a) attributable to bodily injury, sickness, disease or death, or to injury to or destruction of tangible property (other than the work itself) including the loss of the use resulting therefrom and (b) caused in whole, or in part, by any negligent act or omission or intentional act of PRI or any subcontractors, anyone directly or indirectly employed or retained by any of them, or anyone for whose acts any of them may be liable, regardless of whether or not it is caused in part by any party indemnified hereunder.

PRI shall maintain at all times during the term of this Agreement the following insurance coverage and any other additional insurance and/or bonds required by law: Commercial General Liability insurance with limits of at least \$1,000,000 per occurrence for bodily injury or death and property damage liability and at least \$2,000,000 General Policy Aggregate (applicable to Commercial General Liability Policies); and Workers Compensation insurance in the amount of statutory limits. The Association shall be named as an additional insured on all Liability policies. At no time shall any employee or agent of PRI come on to the Association's Property without any and all of the foregoing insurance coverage in place. PRI shall immediately provide proof of such insurance upon request by the Association.

VIII. The Association may terminate the Agreement at any time, without penalty or termination or cancellation fee, and PRI shall be entitled to payment for proper services and materials it provided up to the date of termination.

DANA POINT CONDOMINIUM
ASSOCIATION:

By: _____

Title: _____

Date: _____

PETERSON ROOFING, INC.

By: _____

Title: _____

Date: _____