

action based on building industry practices customary in the geographic area where your *Home* was built.

While the warranties are extended to subsequent owners of the *Home*, *KB* is not responsible for any representation or misrepresentation made by one *Home Owner* to any subsequent owner of the *Home*.

Actions taken by *KB* to cure defects hereunder will not extend periods of coverages under this Warranty.

C.

MAKING A CLAIM

1. *HOME OWNER'S OBLIGATION* — By signing this Warranty and purchasing the *Home*, *Home Owner* agrees that it will perform necessary and regular maintenance and take care of the *Home* so as to prolong the life of the materials and construction in the *Home*.
2. *INITIAL CLAIM* — *KB* and *Home Owner* acknowledge that the Florida State Legislature adopted "Senate Bill 1286", also known as the "Right to Cure" bill, which was signed into law May 27, 2003 and agree to comply with the provisions of Senate Bill 1286 and any successor legislation or modifications thereto. In conformance with such legislation, *Home Owner* agrees that with respect to any concerns about the quality or condition of the *Home*, *Home Owner* shall contact *KB* in writing just as soon as reasonably possible after the discovery of a potential defect or other Warranty claim and to contact *KB* **first** if it believes that the type of problem *Home Owner* has may be covered by the Warranty. Since it would not be reasonable to *KB* or its subcontractors if it were not first given an opportunity to inspect and resolve such a Warranty claim, *Home Owner* accepts and agrees that, in such event, *KB* will not be responsible for unauthorized repairs done by other than its personnel or its subcontractors, or for the cost of such repairs, provided, however, the foregoing shall not prohibit or limit *Home Owner* from making any necessary emergency repairs to the dwelling so long as *Home Owner* complies with the provisions of Subsection C.4 and subparagraph B of Subsection C.5, below. *Home Owner* agrees that, as an express condition of this Warranty, *KB* will be given a written Warranty claim by *Home Owner*, a reasonable opportunity to inspect the applicable defect or claim and the *Home* and, if action is required under the Warranty, *KB* will be given a reasonable opportunity (and access to the *Home*) to resolve the *Home Owner's* claim. Further, *Home Owner* recognizes and agrees that both Florida state law and the express terms of this Warranty require that *KB* be provided with such first opportunity to cure any applicable Warranty claim. In the event *KB* is not provided a reasonable opportunity to inspect the *Home* or to take the action required under the Warranty to cure any problems described by *Home Owner*, *Home Owner* will be in breach of the Warranty.
3. *CLAIM FORM* — If *Home Owner* has identified a defect believed to be covered by this Warranty as a result of non-compliance with the Warranty Performance Standards, a claim must be given to *KB*, **in writing**, within the appropriate warranty period set forth in

Section B above. Except as described with respect to emergency claims below, claims may not be made by telephone alone. Claims must be made no more than thirty (30) days after *Home Owner* discovers a particular defect. Claims should be made by completing the Warranty Claim Form provided by *KB*. *Home Owner* may include multiple alleged defects in one claim.

4. EMERGENCY CLAIMS — In the event of emergency repairs only, claims may be made by telephone to a representative of the *KB* Customer Service Department, but must be followed up promptly with a completed Warranty Claim Form. The phone number for *KB*'s Customer Service Representative is given at the top of the Warranty Claim Form.
5. *KB* RESPONSE TO COVERED CLAIMS — Within five (5) business days after receipt of a claim, *KB* will arrange for a member of its Customer Service Department to enter and inspect the *Home* and determine whether or not the claim is covered by the Warranty Performance Standards. Such inspection may include destructive testing in accordance with the provisions of Senate Bill 1286. If *KB* believes that a subcontractor, supplier and/or design professional may be responsible for the alleged defect, *KB* may, within ten (10) days after service of notice of *Home Owner's* claim, forward a copy of such notice to such subcontractor, supplier and/or design professional. Any such subcontractor, supplier and/or design professional shall similarly have the right, within five (5) business days after it receives a copy of the notice of claim, to enter and inspect the *Home*.

Within twenty-one (21) days after receiving *Home Owner's* notice of claim, *KB* and/or its subcontractors, suppliers or design professionals shall serve a written response to *Home Owner*, which written notice must provide:

- (a) A written offer to remedy the alleged defect at no cost to *Home Owner*, including a report of the scope of the inspection, the findings and results of the inspection, a detailed description of the repairs necessary to remedy the defect, and a timetable for the completion of such repairs; or
- (b) A written offer to compromise and settle the claim by monetary payment to be paid within thirty (30) days after *Home Owner's* acceptance of the offer; or
- (c) A written statement that *KB* disputes the claim and will not remedy the defect or compromise and settle the claim.

If *KB* and/or its subcontractors, suppliers or design professionals do not serve such a written response to *Home Owner* within twenty-five (25) days after receiving notice of the claim, *Home Owner* may take the steps described in Section E.

Home Owner recognizes that if *KB* determines that the claim is covered, *KB* has the choice of repairing the defect, replacing the defective item or paying the *Home Owner* the reasonable cost of repairing or replacing the defective item.

The decision to replace or repair an item or to reimburse *Home Owner* will be made solely by *KB* and/or its subcontractors, suppliers or design professionals in its or their sole discretion. These parties will also determine the materials and methods which should be used in making any repair, and whether repair or replacement is most appropriate, in their sole discretion. As described in the Warranty Performance Standards, substitutions of brands, colors or patterns may be necessary and perfect matches are not guaranteed.

- A. REPAIR MATERIALS/SUBCONTRACTORS — If *KB* elects to perform repairs, all repairs will be made with materials or components identical to, or of an equal or better grade or quality than, the materials or components used in the original construction of the *Home*. *KB* has the right to independently select the contractors, subcontractors or tradespeople used for repair or replacement work in its sole discretion.
- B. NO OBLIGATION FOR REIMBURSEMENT — *KB* has no obligation to reimburse *Home Owner* for work done by *Home Owner* or for amounts paid by *Home Owner* to a repairperson or subcontractor which have not been pre-approved, in writing, by the *KB* Customer Service Department. However, in the event of an emergency caused by a defect expressly covered by this Warranty in which *Home Owner* can reasonably demonstrate that *KB* could not be contacted by the *Home Owner* despite *Home Owner's* diligent efforts, *KB* will reimburse *Home Owner* for the reasonable and actual costs of repairing or replacing the applicable defect.
- C. TIME FOR CORRECTIVE WORK — *KB* intends to fulfill its obligations for a particular warranty claim for defects covered by this Warranty within thirty (30) days of its receipt of a completed Warranty Claim Form so long as *KB* is given reasonable cooperation by *Home Owner*. However, *Home Owner* recognizes that the thirty (30) day period for certain covered repairs or replacements may be required to be extended for circumstances beyond the reasonable control of *KB*, such as the unavailability of parts, strikes, labor or material shortages, unsuitable weather conditions, lack of cooperation by *Home Owner* or the magnitude of the repair required.
- D. LIMITS ON WARRANTY OBLIGATIONS — THE EXPRESS WARRANTIES SET FORTH HEREIN ARE IN LIEU OF ANY OTHER WARRANTIES, EXPRESS OR IMPLIED; THERE ARE NO WARRANTIES THAT EXTEND BEYOND THOSE EXPRESSLY SET FORTH HEREIN. ANY IMPLIED WARRANTIES, INCLUDING WITHOUT LIMITATION THE IMPLIED WARRANTY OF MERCHANTABILITY, THE IMPLIED WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE, THE IMPLIED WARRANTY OF USE, THE IMPLIED WARRANTY OF CONSTRUCTION IN A WORKMANLIKE MANNER, AND THE IMPLIED WARRANTY OF HABITABILITY, ARE EXPRESSLY DISCLAIMED, WAIVED AND EXCLUDED.