

May 21, 2010

Dear Contractor:

As part of our services to you, we continually update you with certain changes in legislation and regulations that affect your contracts and the way you conduct your business. This letter is a follow up regarding recent developments in the new lead paint regulations.

As we reminded you last month, the new lead paint abatement requirements went into effect on April 22, 2010. Part of the new requirements included an opt-out provision which allowed you to be exempt from the Environmental Protection Agency (EPA) requirements when you receive a signed statement from the homeowner, which we attached to the letter.

The EPA has since amended the new lead paint abatement regulations so that the **opt-out will no longer be available starting July 6, 2010**. Prior to July 6, 2010, you may continue to use the signed statement we provided you. After July 6, 2010, you must comply with the EPA requirements for all jobs.

Also, effective January 1, 2011, before entering into a contract with a prospective customer, you must provide the prospective customer with written performance guidelines for the services you will be performing. The performance guidelines must also be included or incorporated by reference in your construction contracts. For your convenience we will be providing you with an addendum to your contract which incorporates the building performance guidelines prior to January 1<sup>st</sup>.

Significant revisions were also made for notices of statutory warranty claims given and statutory warranty claims commenced on or after January 1, 2011. Including requirements that you: (i) perform an inspection of the alleged defect to prepare an offer to repair for the homeowner within 30 days after receipt of notice of the alleged defect from the homeowner; and (ii) make an offer to repair the alleged defect within 15 days of completion of the inspection. Also, if you and the owner do not agree regarding repairs to be made from a claim, you and the owner must now submit the matter to a new homeowner warranty dispute resolution process outlined within Minnesota Statute § 327A.051.

If you have any questions regarding any of the information discussed in this letter, please let me know.

Sincerely,



Brodie L. Miller