

~~IMPROVEMENT CONTRACT IN THE STATE WHICH HAS A FACE AMOUNT OF \$10,000 OR MORE SHALL:~~

~~(1) PARTICIPATE IN A MANDATORY ENROLLMENT HOME IMPROVEMENT WARRANTY SECURITY PLAN; OR~~

~~(2) UNLESS WAIVED BY THE OWNER UNDER SUBSECTION (P) OF THIS SECTION:~~

~~(I) ENROLL THE HOME IMPROVEMENT PERFORMED OR TO BE PERFORMED BY THE CONTRACTOR IN A NONMANDATORY ENROLLMENT HOME IMPROVEMENT SECURITY PLAN; OR~~

~~(II) PROVIDE A BOND OR IRREVOCABLE LETTER OF CREDIT UNDER SUBSECTION (Q) OF THIS SECTION.~~

~~(C) EXCEPT FOR COVERAGE EXCLUDED UNDER SUBSECTION (D) OF THIS SECTION, A HOME IMPROVEMENT WARRANTY OFFERED TO MEET THE REQUIREMENT OF SUBSECTION (B) OF THIS SECTION SHALL WARRANT AT A MINIMUM THAT:~~

~~(1) FOR 1 YEAR, BEGINNING ON THE WARRANTY DATE, THE HOME IMPROVEMENT IS FREE FROM ANY DEFECTS IN MATERIALS AND WORKMANSHIP;~~

~~(2) FOR 2 YEARS, BEGINNING ON THE WARRANTY DATE, THE HOME IMPROVEMENT IS FREE FROM ANY DEFECT IN THE ELECTRICAL, PLUMBING, HEATING, COOLING, AND VENTILATING SYSTEMS, EXCEPT THAT IN THE CASE OF APPLIANCES, FIXTURES, AND ITEMS OF EQUIPMENT, THE WARRANTY MAY NOT EXCEED THE LENGTH AND SCOPE OF THE WARRANTY OFFERED BY THE MANUFACTURER; AND~~

~~(3) FOR 5 YEARS, BEGINNING ON THE WARRANTY DATE, THE HOME IMPROVEMENT IS FREE FROM ANY STRUCTURAL DEFECT.~~

~~(D) A HOME IMPROVEMENT WARRANTY MAY EXCLUDE:~~

~~(1) DAMAGE TO REAL PROPERTY THAT IS NOT PART OF THE HOME COVERED BY THE WARRANTY AND THAT IS NOT INCLUDED IN THE PURCHASE PRICE OF THE HOME;~~

~~(2) BODILY INJURY OR DAMAGE TO PERSONAL PROPERTY;~~

~~(3) ANY DEFECT IN MATERIALS SUPPLIED OR WORK PERFORMED BY ANYONE OTHER THAN THE CONTRACTOR OR THE CONTRACTOR'S EMPLOYEES, AGENTS, OR SUBCONTRACTORS;~~

~~(4) ANY DAMAGE THAT THE OWNER HAS NOT TAKEN TIMELY ACTION TO MINIMIZE OR FOR WHICH THE OWNER HAS FAILED TO PROVIDE TIMELY NOTICE TO THE CONTRACTOR;~~

~~(5) NORMAL WEAR AND TEAR OR NORMAL DETERIORATION;~~