

ONE YEAR LIMITED WARRANTY AND BINDING DISPUTE RESOLUTION AGREEMENT

If the Manufacturer has not resolved your problems within a reasonable time period, then contact the Customer Advocacy Department either by mail, telephone, or e-mail:

Customer Advocacy Department
5000 Clayton Road
Maryville, Tennessee 37804
1-877-264-2812
CAT@claytonhomes.com

You can also find the address of the Manufacturer of the Home on either the front of your Homeowner's Manual or the Data Plate located in your Home. To learn more about the Data Plate, see page 20 of this Homeowner's Manual.

BY SUBMITTING A WARRANTY SERVICE REQUEST YOU CONSENT TO RECEIVE AUTOMATED SMS TEXT MESSAGE COMMUNICATIONS FROM THE MANUFACTURER AND ITS AFFILIATES AND AGENTS FOR THE PURPOSE OF SCHEDULING, CONFIRMING, AND OTHERWISE FACILITATING THE WARRANTY SERVICE TRANSACTION.

Warranted repairs or replacement will be completed within a reasonable time or the time required by applicable law. The time required for repair or replacement will depend upon the availability of parts or labor, the accessibility of the Home, the weather or the season of the year, and other factors outside of the Manufacturer's control. Repair work performed under this Limited Warranty is warranted under the same terms and conditions of this Limited Warranty until the end of the Warranty Period or the time provided by applicable law, whichever is longer.

SUBJECT TO APPLICABLE LAW, THIS LIMITED WARRANTY PROVIDES YOUR EXCLUSIVE REMEDIES.

TO THE EXTENT ALLOWED BY LAW, THE MANUFACTURER EXPRESSLY DISCLAIMS ANY IMPLIED WARRANTIES OF ANY KIND OR NATURE, INCLUDING THE IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, AND HABITABILITY.

ANY IMPLIED WARRANTY CREATED BY LAW IS LIMITED IN DURATION TO THE TERM OF THE WARRANTY PERIOD UNLESS A DIFFERENT PERIOD IS PROVIDED BY LAW. SOME STATES DO NOT ALLOW LIMITATIONS ON HOW LONG AN IMPLIED WARRANTY LASTS, SO THE ABOVE LIMITATION MAY NOT APPLY TO YOU.

THE MANUFACTURER SHALL HAVE NO LIABILITY TO THE ORIGINAL PURCHASER OR ANY OTHER PERSON FOR ANY INCIDENTAL OR CONSEQUENTIAL DAMAGES, INCLUDING ECONOMIC LOSS OR EXTRA EXPENSE INCURRED. Incidental and consequential damages are damages you may suffer as a result of a

Defect. For example, the following are incidental or consequential damages and are NOT covered by this Limited Warranty:

- Lodging, meals, or other travel costs;
- Loss of Home use;
- Payment for loss of time or pay;
- State or local taxes required on warranty repair;
- Storage.

This disclaimer and exclusion shall apply even if the express limited warranty set forth herein fails of its essential purpose.

SOME STATES DO NOT ALLOW THE EXCLUSION OR LIMITATION OF INCIDENTAL OR CONSEQUENTIAL DAMAGES, SO THE ABOVE LIMITATION OR EXCLUSION MAY NOT APPLY TO YOU.

THE ONE YEAR LIMITED WARRANTY DOES NOT COVER THE FOLLOWING:

1. Defects or damages resulting, in whole or in part, from:
 - (a) Movement of the Home from the site where it was originally installed;
 - (b) Improper transportation or storage of the Home, unless such Defect or damage results from improper transportation or storage by the Manufacturer;
 - (c) Improper installation of the Home, including but not limited to:
 - Improper leveling or re-leveling;
 - Improper perimeter blocking;
 - Improper connection(s) of a multi-section Home;
 - Improper connection(s) of plumbing, electrical, or HVAC "cross-overs," connections, wiring, and components;
 - Any failure to comply with the Manufacturer's Installation Manual or applicable code governing installation.
 - (d) Settling of the Home or shifting soil conditions.
 - (e) Inadequate drainage from beneath the Home or exposure to ground moisture.
 - (f) Any structures attached to the Home, including but not limited to decks, porches, and awnings.
 - (g) Alteration or modification of the Home.

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This One Year Limited Warranty and Binding Dispute Resolution Agreement applies to your Home, and your agreement to be bound by its terms is a condition of the sale of your Home and of the Manufacturer's performance of its warranty obligations to you.

THIS WARRANTY GIVES YOU SPECIFIC LEGAL RIGHTS, AND YOU MAY ALSO HAVE OTHER RIGHTS THAT VARY FROM STATE TO STATE.

TO THE EXTENT THE RIGHTS SET FORTH IN THIS WARRANTY VARY FROM RIGHTS PROVIDED BY STATE LAW, THEN THE MANUFACTURER WILL HONOR YOUR RIGHTS UNDER BOTH THIS WARRANTY AND YOUR RIGHTS UNDER STATE LAW.

THE MANUFACTURER WILL HONOR ANY MANUFACTURER'S WARRANTY THAT IS REQUIRED BY APPLICABLE LAW.

IF ANY PROVISION REQUIRED TO BE SET FORTH IN A MANUFACTURER'S EXPRESS WARRANTY BY APPLICABLE LAW IS NOT INCLUDED IN THIS LIMITED WARRANTY, THAT PROVISION IS INCORPORATED BY REFERENCE AND WILL BE HONORED.

SOME STATES DO NOT ALLOW LIMITATIONS ON HOW LONG AN IMPLIED WARRANTY LASTS, SO LIMITATIONS SET FORTH BELOW MAY NOT APPLY TO YOU.

SOME STATES DO NOT ALLOW THE EXCLUSION OR LIMITATION OF INCIDENTAL OR CONSEQUENTIAL DAMAGES, SO LIMITATIONS OR EXCLUSIONS SET FORTH BELOW MAY NOT APPLY TO YOU.

LIMITED WARRANTY

For purposes of this Limited Warranty, the terms set forth below mean:

- "Defect" means any failure to comply with an applicable building code or state or federal law that was in effect when the Home was manufactured.
- "Home" means a new manufactured or modular home manufactured by the Manufacturer and purchased by the Original Purchaser.
- "Original Purchaser" means the individual(s) or entity who bought the Home from an authorized dealership and uses the Home as a dwelling or permits others to use the Home as a dwelling.

- "Manufacturer" means **Clayton Perris**, along with any divisions or subsidiaries.
- "Warranty Period" means a period of 12 months, which period begins when a Home is installed on the property of the Original Purchaser or the designee of the Original Purchaser. Applicable state law may provide a longer Warranty Period, which the Manufacturer will honor. If the Original Purchaser is a community or park owner/operator that will solely rent the Home to tenants, then "Warranty Period" means a period of 12 months, which period begins when the first renter is entitled to take possession of the Home.

For the duration of the Warranty Period, Manufacturer extends this Limited Warranty to the Original Purchaser of the Home and any individual(s) or entities to whom title to the Home is transferred during the Warranty Period.

During the Warranty Period, the Manufacturer warrants that the Home is manufactured in accordance with all building codes, professional standards, requirements, and regulations prescribed by applicable law, and that it is manufactured in a workman-like manner and is free from Defects in materials, workmanship, and design.

If, during the Warranty Period, you discover that the Home contains a condition that you believe is a Defect that was present at the time of its manufacture, you should provide written notice to the Manufacturer (at the address below) as soon as reasonably possible and no later than 30 days after the expiration of the Warranty Period. Upon receipt of your written notice, the Manufacturer will contact you to arrange an inspection of the condition. If you do not make your Home available for inspection, the Manufacturer may be excused from its obligations under this Limited Warranty. Following inspection of the condition, the Manufacturer will inform you whether the condition is a Defect covered by this Limited Warranty and will advise you of the steps the Manufacturer will take to perform its obligations under this Limited Warranty. To perform its obligations under this Limited Warranty, the Manufacturer will either (1) repair or cause the repair of the Defect, or (2) replace or cause the replacement of the component in which the Defect appears. The choice whether to repair or replace rests solely with the Manufacturer. Please note, replacement parts may have slight variations in color.

To obtain performance of the Manufacturer's obligations under this Limited Warranty, you must provide written notice identifying the condition that you believe is a covered Defect and request warranty service to the following address(es):

**Clayton Perris
3100 North Perris Blvd
Perris, CA 92571
951.657.1611**

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pay for their own costs incurred in connection with the Arbitration (including fees and/or expenses of their own attorneys, experts, and witnesses), regardless of which Party prevails in the Arbitration.

F. Location: The Arbitration will be conducted, in one or more hearings, at a place within the federal judicial district where Original Purchaser's physical address is located, or in the federal judicial district within which a lawsuit between the Parties is pending and in which a motion to compel arbitration is made, or at any other place mutually acceptable to the Parties. If the Parties agree, then all or a portion of the Arbitration may be conducted by telephone conference. If the Parties cannot agree on the location of the Arbitration, then the Arbitrator shall have the power to decide where the Arbitration will be conducted.

G. Collective Actions Waiver: The Parties expressly waive the right to participate as a representative or member in a class action, a representative action, a collective action, a private attorney-general action, or otherwise join the Parties' Claims with those of any other person. The Parties agree that if the above limitation on proceedings is deemed to be unenforceable or interpreted to not prevent a collective or class action, then such collective or class action shall proceed in a court of law and not in arbitration.

H. Joinder of Arbitrations: Except as provided expressly in section "D." of this Agreement with respect to the Arbitration of Original Purchaser's and Beneficiaries' individual Related Claims, the Parties agree to waive any right to consolidate or join any individual arbitration with the arbitration of others.

I. Enforcement and Appeal of Award: The award and judgment by the Arbitrator shall be final, binding, and enforceable in any court having jurisdiction over the Parties. The Arbitrator's decision may be judicially reviewed on all grounds set forth in 9 U.S.C. § 10 and other applicable state law. Once final, an award may be enforced as a court judgment in accordance with federal or state law.

J. Exceptions: The Parties expressly agree that this Arbitration Agreement does not apply to any Claims where the amount in controversy is less than the jurisdictional limit of the small claims court in the jurisdiction where Original Purchaser resides, provided, however, that the Parties agree that any such small claims Claim may only be brought on an individual basis and not as a class action. Bringing a court proceeding described in this section "J.", however, shall not be a waiver of any Party's right to compel Arbitration of any other Claims.

K. Severability: If it is determined that any paragraph or provision in this Agreement (with the exception of the Collective Actions Waiver in section "G") is illegal, invalid, or unenforceable, such illegality, invalidity, or unenforceability shall not affect the other paragraphs and provisions of this Agreement, and the remainder of this Agreement shall continue in full force and effect as if the severed paragraph or provision had not been included. Notwithstanding this severability provision or any other provision this Agreement, if a court of competent jurisdiction determines the Collective Actions Waiver in section "G." to be illegal, invalid, unenforceable, or not to prevent any of the actions set forth in section "G.", then the Parties agree that such waiver shall not be severed and that this Agreement shall be void in its entirety.

L. Rules of Construction: If there is a disagreement on the interpretation of this Agreement, this Agreement shall be construed to require Mediation and Arbitration, rather than to defeat them, except for any disputes arising out of class actions, representative actions, collective actions, and private attorney-general actions, which the Parties agree not to mediate or arbitrate. The Parties waive the rule of construction that requires a tribunal to construe a vague or ambiguous provision against the drafting party. To the extent Original Purchaser is subject to any other dispute resolution agreement with others, then this Agreement controls to the extent the other agreement and this Agreement are inconsistent.

M. Entire Agreement: This Agreement encompasses the entire agreement of the Parties with respect to the subject matter of this Agreement and supersedes all previous understandings and agreements between the Parties, whether oral or written.

N. Court Waiver: For Claims subject to the terms of section "A.", the Parties hereby expressly and irrevocably waive any right to a trial by judge or jury. This waiver will remain enforceable even if any portion of this Agreement is otherwise found to be unenforceable. The Parties agree that this waiver is made knowingly, willingly, and voluntarily. This waiver does not apply to Claims filed in small claims court, pursuant to the provisions of section "J".

O. NOTICE: ORIGINAL PURCHASER UNDERSTANDS THAT THIS DISPUTE RESOLUTION AGREEMENT IS AN IMPORTANT AGREEMENT AND THAT THE TERMS OF THIS AGREEMENT AFFECT ORIGINAL PURCHASER'S LEGAL RIGHTS. ORIGINAL PURCHASER ACKNOWLEDGES THAT ORIGINAL PURCHASER HAS READ, UNDERSTANDS, AND AGREES TO BE BOUND BY THIS AGREEMENT. ORIGINAL PURCHASER AND MANUFACTURER FURTHER INTEND TO DIRECTLY BENEFIT AND BIND

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BINDING DISPUTE RESOLUTION AGREEMENT

The Parties (defined below) agree to resolve all disputes pursuant to the terms of this Binding Dispute Resolution Agreement (the "Agreement"). This Agreement is intended to apply to the Original Purchaser; Manufacturer (including its subsidiaries) and their/its agents, assignees, successors in interest, and employees, as well as to certain Beneficiaries of this Agreement, as defined below. This Agreement supplements any and all other Agreements between Original Purchaser and Manufacturer related to the Home. Original Purchaser and Manufacturer agree that this Agreement also applies to and governs the rights of intended beneficiaries of this Agreement, including (i) any retail dealership involved in the sale, transport and/or installation of the Home (ii) any contractor, subcontractor, vendor and supplier (whether one or more) involved with the sale, transport and/or installation of the Home; (iii) any person who has an ownership interest in the Home; and (iv) any person who resides at the Home or whose claims arise from that person's use of the Home (collectively, "Beneficiaries"). The Original Purchaser, Manufacturer (including subsidiaries) and Beneficiaries are sometimes referred to herein as "Party" or "Parties."

A. Scope of the Agreement: This Agreement applies to all pre-existing, present, or future disputes, claims, controversies, grievances, and causes of action against Manufacturer, including, but not limited to, common law claims, contract and warranty claims, tort claims, statutory claims, administrative law claims, and any other matter in question, not otherwise excepted herein, arising out of or relating to the Home, including, but not limited to, (i) the limited warranty provided with the Home, (ii) any events leading up to the purchase of the Home, (iii) the Beneficiaries' work and materials related to the Home, and (iv) the interpretation, scope, validity, and enforceability of the any documents related to the Original Purchaser's purchase of the Home, including insurance, or the improvements to the Home (collectively referred to as the "Claim" or "Claims"). Notwithstanding anything herein to the contrary, the jurisdiction of the Arbitrator, including objections with respect to the existence, scope, and validity of this Agreement, shall be determined solely by a court of competent jurisdiction and not by the Arbitrator. The Parties agree that Claims must be brought on an individual basis and not on a representative basis as a class action, which involves the aggregation of similar individual Claims of Original Purchaser, Beneficiaries, and/or other persons into a single proceeding. The Parties expressly agree not to arbitrate any Claims as a class action, a representative action, a collective action, or a private attorney-general action.

B. Agreement to Mediate: All Claims that cannot be settled through direct discussions and negotiation shall be submitted first to mediation with a mutually agreeable mediator ("Mediation"). If the Parties cannot agree on a mediator within a reasonable time, then the Mediation shall be administered by the American Arbitration Association ("AAA") under its Construction Industry Arbitration Rules and Mediation Procedures (the "Rules") in effect at the time Mediation is requested. A copy of the Rules may be obtained, free of charge, from AAA, on the internet at www.adr.org or by writing to American Arbitration Association, 120 Broadway, New York, NY 10005. The Parties agree to mediate in good faith. The Parties agree that information exchanged in the Mediation shall be held confidentially. The requirement of formally filing a Claim with a tribunal, to satisfy an applicable statute of limitations, shall be tolled during the mediation process, with said tolling period to begin on the date that any Party notifies the other(s) in writing of its intent to mediate (either through a mutually agreeable mediator or the AAA). The tolling period shall end on the date that either Party notifies the other in writing following mediation that the Parties have reached an impasse. In the event the Parties are not successful in resolving their dispute in mediation, then the Parties agree to submit their Claims to binding arbitration. Mediation of Claims is a mandatory condition precedent to arbitration or a court proceeding. An agreement to resolve the Claims in mediation shall be enforceable in any court having jurisdiction thereof.

C. Agreement to Arbitrate: The Parties agree to mandatory, binding arbitration ("Arbitration") of all Claims that are not resolved in Mediation. Arbitration is a process in which a neutral arbitrator decides a dispute instead of a judge or jury. Each side has an opportunity to present evidence to the Arbitrator, both in writing and through witnesses. Arbitration proceedings are less formal than court trials. Other rights that the Parties have in court may not be available in Arbitration. The information that can be obtained in discovery from each other or from third persons in Arbitration is generally more limited than in a lawsuit. An arbitrator will decide the case by issuing a written decision called an "award."

D. Conducting Arbitration: Any Party to this Agreement may commence arbitration at any time following Mediation, subject to applicable statute of limitations and section "C." of this Agreement. The Arbitration shall be governed by and conducted under: (a) the Federal Arbitration Act, 9 U.S.C. § 1, *et seq.*, and to the extent not otherwise preempted by the FAA, by applicable state laws, including common law; (b) this Agreement; and (c) the Rules. The Parties acknowledge and agree that the Home was constructed with component parts manufactured outside of the state where the Home was manufactured and

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- (h) Abuse, misuse, negligence, accident, theft, vandalism, natural disasters or acts of God.
 - (i) Condensation, mold, and mildew.
 - (j) Moisture related damage arising out of or relating to:
 - Inadequate homeowner maintenance or homeowner neglect.
 - The Home's proximity to streams, creeks, oceans, and rivers.
 - Improper drainage causing water to flow or accumulate under the Home.
 - Non-vented skirting.
 - Operating a greenhouse within the Home.
 - (k) The use of fixed or portable kerosene, LPG, natural gas or other forms of fuel-burning unvented heater(s) or unvented gas logs in the Home.
 - (l) Discoloration, soot, or smoke damage caused by smoking or use of candles or open flame in the Home.
 - (m) Normal deterioration due to wear or exposure.
 - (n) Wear and tear in stock and display Homes.
 - (o) Lack of maintenance. Please refer to this Homeowner's Manual for information regarding maintenance your Home requires.
 - (p) An oversized air conditioning system. Contact your retailer or Manufacturer for information concerning the proper method for right-sizing a system for your Home.
 - (q) Use of room/window air-conditioners.
 - (r) Failure to comply with instructions contained in the Homeowner's Manual or the Manufacturer's Installation Manual or installation instructions.
 - (s) Heavy furniture, artwork, appliances, or other items that exceed the Home's structural capacity, including but not limited to: safes, tanks, chests, sculptures, aquariums, or freezers.
2. Any Home used in whole or in part for commercial or industrial purposes (other than a community or park owner/operator that will solely rent the Home to tenants).
 3. Claims, demands, or liabilities arising out of the leasing of the Home.
 4. Subject to applicable law, any item manufactured or installed by a third party, including appliances or accessories; provided that if the Manufacturer installed an item manufactured by a third party, this Limited Warranty will cover Defects resulting from improper installation.
 5. Any Home installed or located outside the continental United States.
 6. Expenses incurred to repair the Home that are not approved by the Manufacturer in advance.
 7. Damage to personal property other than the Home.
 8. Shadows in the ceiling due to mud texture buildup at ceiling joints.
 9. Roof rumble and other roof noises on a Home equipped with a metal roof.
 10. Frozen pipes.
 11. "Hammer pipe" or other noises emitting from plumbing pipes which do not result in a Defect or damage to the Home.
 12. On Homes with hinged roofs, the exposed surface of the shingle tabs may vary in the runs of shingles at the hinged area (usually three to four courses).
 13. Cosmetic damage and imperfections. Even though cosmetic damage and imperfections are not covered by the Limited Warranty, should cosmetic damage or imperfections be present at the time the Home is delivered to the Original Purchaser, the Manufacturer will repair or cause the replacement of such cosmetic damage or imperfection provided you give the Manufacturer written notice of such cosmetic damage or imperfection within thirty (30) days of the date when the Home was installed. The Manufacturer will not repair any cosmetic damage that has not been set forth in a written notice received within thirty (30) days of the date when the Home was installed. Cosmetic damage and imperfections include but are not limited to:
 - (a) Broken, missing or loose trim or gaps in trim;
 - (b) Dents, gouges, scratches, or scuffs in vinyl floor coverings, walls, doors, cabinets, moldings, countertops, appliances, or plumbing fixtures, including toilet seats, shower stalls and tubs;
 - (c) Minor drywall and ceiling cracks;
 - (d) Visible floor decking seams in areas with roll goods or tile floor coverings;
 - (e) Broken, chipped or scratched glass, mirrors, or electrical cover plates;

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- (f) Stains, cuts and/or tears in and on carpets, floor coverings, and window treatments;
- (g) Damaged or stained hardware (such as door pulls, knobs, towel bars, etc.), shower doors, exterior siding, trim or shutters;
- (h) Torn or damaged window screens or shower curtains.

14. Special notes:

- (a) In cases where vinyl floor coverings have to be replaced due to damage, only the floor covering in the room affected will be changed. Tile bar(s) will be used at doorways or other room transitions. Additionally, quarter-round molding may be used around the perimeter of the room as a result of the floor covering change.
- (b) It is not uncommon for exterior vinyl siding to expand during periods of extreme heat, which can create a wavy look to the exterior of the Home. As the heat dissipates, so will this issue.

THE MANUFACTURER IS NOT RESPONSIBLE FOR ANY UNDERTAKING, REPRESENTATION, OR WARRANTY MADE BY ANYONE OTHER THAN THE MANUFACTURER.

IN THE EVENT ANY PROVISION OF THIS LIMITED WARRANTY IS FOUND TO BE UNENFORCEABLE FOR ANY REASON, THE REMAINING PROVISIONS SHALL BE ENFORCEABLE TO THE FULLEST EXTENT PERMITTED BY LAW.

THIS HOME MAY HAVE SUFFERED DAMAGE DURING PRODUCTION, TRANSIT, OR WHILE UNDER THE CONTROL OF OR IN THE POSSESSION OF THE DEALER, AND REPAIRS MAY HAVE BEEN MADE PRIOR TO SALE.

The Manufacturer will undertake all actions that it is ordered to undertake by state or federal agencies regarding your Home.

This One Year Limited Warranty and Binding Dispute Resolution Agreement is and shall be interpreted as one agreement.

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that the manufacture, transportation, sale, and use thereof has been and will continue to be regulated by the laws of the United States of America and involve and affect interstate commerce. The Parties further recognize that the Home is regulated by the laws of the United States of America and involve and affect interstate commerce. To commence arbitration, a Party must submit the dispute to AAA via mail, fax, or through AAA's WebFile Service. If the terms of this Agreement and the Rules conflict, then the terms of this Agreement shall control to the extent of the conflict. The Arbitration will be conducted by a single person (the "Arbitrator") and selected in accordance with the "Regular Track" selection process of the Rules irrespective of the amount of the Claims. The Arbitrator shall be impartial, and his or her conduct shall be governed by the most current Code of Ethics for Arbitrators in Commercial Disputes, promulgated by the AAA and the American Bar Association. The Parties agree that if the claim or counterclaim of any party is \$1,000,000.00 or more, exclusive of interest, attorneys' fees, and arbitration fees and costs, then the Procedures for Large, Complex Construction Disputes under the Rules shall apply to any Arbitration commenced under this Agreement. Otherwise, the Parties agree that the Regular Track Procedures and Rules shall apply. The Parties do not agree to the Fast Track Procedures under the Rules. The Parties agree to an inspection of the Home. Further, the Parties agree to allow party and expert witness depositions, irrespective of the amount of the Claim(s). In the event the Claims include alleged personal injury, then the Parties agree to permit discovery of such Claims including, but not limited to, depositions of the treating physicians and medical experts. The Parties agree to an in-person/live hearing and do not agree to a document only/desk arbitration. At the election of the Parties (and at the expense of the electing Party or Parties), the Arbitration may be recorded and transcribed by a court reporter. Judgment upon the award rendered may be entered in any court having jurisdiction over the Parties to the award. The Parties agree that information exchanged in the Arbitration shall be held confidentially and shall not be used in other arbitrations or court proceedings. Except as may be required by law, neither a Party nor an Arbitrator may disclose the existence, content, or results of any arbitration hereunder without the prior written consent of all Parties. All statutes of limitation that would otherwise apply to Claims in a judicial action shall apply to the Arbitration of Claims under this Agreement. The Arbitrator shall apply applicable substantive law and shall honor assertions of privilege recognized at law and consider defenses that a court could consider. With respect to any award for punitive damages, the Arbitrator may award punitive damages only under circumstances where a court of competent jurisdiction could award such damages. In awarding punitive damages, the Arbitrator must abide by all applicable state and federal laws regarding the amount of such damages, and the Arbitrator must state

the precise amount of any punitive damages award. Before the award becomes final, the Arbitrator must also conduct a post-award review of any punitive damages, allowing the Parties the same procedural rights and using the same standards and guidelines that would apply in a judicial proceeding in the state where the Arbitration is located. Any ruling based on this post-award review must be set forth in writing with a reasoned explanation. The Arbitrator shall not have the power to depart from substantive law, including due process principles, in connection with an award. The Arbitrator's findings, reasoning, decision, and award shall be set forth in a detailed writing and must be based upon the laws governing this Agreement.

Except as expressly provided in section "J." of this Agreement, any Claim or counterclaim (including compulsory or permissive under law) of a Party must be made in the Arbitration, and the failure to bring such Claim or counterclaim shall constitute a waiver of and a bar to bringing such Claim or counterclaim in a later Arbitration or action in court.

If Original Purchaser or Beneficiaries have Claims against others (each, a "Third Party") related to or arising from Claims against the Manufacturer (each, a "Related Claim"), then the Parties agree to consolidate the Arbitration of such Claims against Manufacturer, brought on an individual basis, with the Arbitration of any and all Related Claims, brought on an individual basis, into one Arbitration to be governed by this Agreement, provided, however, that the Third Party must agree to be joined in the Arbitration of the Related Claims under this Agreement. The claims of Third Parties are not subject to the mandatory Mediation requirement set forth in section "B." above. If any Third Party does not agree to be joined in the Arbitration of its Related Claim, then Arbitration under this Agreement shall proceed without that Third Party. Original Purchaser and Beneficiaries agree not to arbitrate any Related Claims as a class action, a representative action, a collective action, or a private attorney-general action. The consolidation of these Related Claims will be administered by the Arbitrator initially selected as described in this section "D."

E. Fees and Costs: The fees and costs imposed by the Arbitration Administrator associated with the Arbitration, including the Arbitrator's fees, shall be paid in accordance with the Rules and this Agreement. Original Purchaser and Beneficiaries may request that the Arbitration Administrator reduce or waive Original Purchaser's and Beneficiaries' fees or that Manufacturer voluntarily pay an additional share of the fees and costs (however, such request does not obligate Manufacturer to do so), based upon Original Purchaser's and Beneficiaries' financial circumstances or the nature of such Claim. Unless inconsistent with applicable law or the Rules, the Parties will

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ALL BENEFICIARIES TO THIS AGREEMENT. IF ORIGINAL PURCHASER DOES NOT UNDERSTAND ANY OF THE TERMS OR PROVISIONS OF THIS AGREEMENT, INCLUDING ADVANTAGES OR DISADVANTAGES OF ARBITRATION, THEN ORIGINAL PURCHASER SHOULD SEEK INDEPENDENT LEGAL ADVICE BEFORE PURCHASING THE HOME. THE PARTIES HEREBY WAIVE THEIR RIGHTS, IF ANY, TO TRIAL BY JUDGE OR JURY, WHERE APPLICABLE. THE PARTIES HAVE ENTERED INTO THIS AGREEMENT KNOWINGLY, WILLINGLY, AND VOLUNTARILY.