

AGREEMENT

This Agreement between Advanced Equipment Maintenance Service & Repair, Inc. (hereinafter "Contractor") of 8390 A Terminal Road, Lorton, Virginia 22079 and Timothy and Jennifer Ridley (hereinafter "Homeowner") of 9011 Georgetown Pike, Great Falls, Virginia 22066 is effective this 12th day of March, 1999.

- I. SCOPE OF WORK** - This agreement specifies the installation of a 12 KW emergency electricity generator at the Homeowner's residence, 9011 Georgetown Pike, Great Falls, Virginia, and other related considerations. This Agreement is binding and represents the entire understanding between the parties.
- (a) The Contractor shall install a ONAN Model RS 1200, 12KW 120/240 Volt, Phase 1, Automatic Transfer Switch emergency generator at the Homeowner's residence, on or before July 1, 1999. Generator shall be installed adjacent to the rear doorway entrance to the Homeowner's garage.
 - (b) Contractor shall secure all appropriate electrical permits and organize the timely completion of all governmental inspections. All work performed by contractor will conform to National Electrical Code standards and all local statutory and regulatory requirements.
 - (c) Contractor shall provide new emergency sub-panel, breakers and all wiring necessary to satisfy the terms of this Agreement.
 - (d) Contractor shall wire new sub-panel to provide emergency power to the following circuits: #2 (basement storage areas); #5 (kitchen wall outlets); #10 (1st floor foyer & bathroom); #11 (garage & laundry room); #12 (kitchen ceiling/breakfast room/dining room); #14 (master bedroom); #17 (washer); #18 (upstairs back/right bedroom & main bath); #26 (master bedroom/back bathroom); #28 (upstairs back/left bedroom); #31 (furnace/upstairs); #32 (furnace - 1st floor); #34 (ac/upstairs); #36 (ac/1st floor). These fourteen (14) circuits shall be wired to emergency switch board in order to receive emergency power.
 - (e) Contractor shall wire new sub-panel so as not to provide emergency power to the following circuits: #1 (kitchen wall outlets); #3 (basement rec. room wall outlets); #4 (alarm system); #6 (basement/rec. ceiling/bar/bath/west exterior); #7 (instant hot water-kitchen); #8 (central vacuum); #9 (garbage disposal- kitchen); #13 (family room); #15 (trash compactor- kitchen); #16 (living room/study); #19 (dishwasher); #20 (master bedroom- front bathroom); #22 (upstairs playroom/bath/closet) #24 (attic); #25 (front exterior lights); #30 (exterior flood lights); #33 (dryer); #35 (range top); #37 (oven); #38 (water pump); #39 (septic pump); #40 (water heater); #41 (septic pump). These twenty-three (23) circuits shall not be wired to receive emergency power.

Timothy Ridley 3/15/99
Jennifer Ridley 3/14/99

- (f) Contractor shall ascertain what household functions are powered by circuits #21 and #23 on main panel board. Having ascertained the functions powered by these circuits (#21 & #23), Contractor shall consult with Homeowner to determine if they shall be wired to receive emergency power.
- (g) Contractor shall coordinate with liquid propane distributor, to be selected and contracted with by Homeowner, to ensure efficient and timely connection between propane fuel source and emergency generator. Installation of generator shall not take place until coordination with said propane distributor occurs. Permit(s) for installation of propane shall be the sole responsibility of the Homeowner.
- (h) Contractor shall patch the point of entry of generator's power line into residence so as to ensure water proofing, insulation and barrier to pest and rodent access.

II. WARRANTY & REPRESENTATIONS -

- (a) Contractor shall warrant, at full cost of labor and material, workmanship of installation as specified in I, (a), (b), (c) and (f). Warrant shall be for one year from date of final completion of work. Said date shall be established by the posted date on check to Contractor from Homeowner for second and final payment (see PAYMENT, VI). Homeowner understands that all warranted work related to installation must be performed by Contractor in the event of a warrant claim.
- (b) Contractor warrants that the ONAN Model RS 12000 to be installed is newly manufactured and is neither previously used nor reconditioned.
- (c) Contractor represents that the ONAN Model RS 12000 is warranted by manufacturer for one year, for parts and labor, unless otherwise stated in manufacturer's warranty. Homeowner understands that all claims made against manufacturer's warranty must be submitted to Contractor, as the manufacturer's dealer, or as otherwise provided for and directed in the manufacturer's warranty.
- (d) Contractor warrants that the installation of the ONAN Model RS 12000 involves no issue or consideration necessitating a Virginia Power meter change.
- (e) Contractor represents that the ONAN Model RS 12000 is Y2K compliant as are all its component parts. Additionally, contractor warrants that all other materials used in satisfying the terms of this contract are Y2K compliant.
- (f) Contractor warrants that Homeowner's utility service entrance is capable of integrating with the 12KW emergency generator.

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III. EXCEPTIONS

- (a) Contractor has surveyed 9011 Georgetown Pike and has made a studied determination that installation of an emergency sub-panel, breakers and all wiring necessary to complete and satisfy the terms of this Agreement will cost one thousand four hundred and thirty dollars (\$1,430.00). In the event installation encounters unanticipated contingencies and requires troubleshooting or upgrading, Homeowner shall receive written notice and be invoiced for expenses (labor and material) not to exceed an additional one thousand dollars (\$1,000.00) over proposed price (\$1,430.00). Thereafter, Contractor is, without exception, required to complete the work specified by this Agreement at no additional expense or charge to Homeowner as regards "troubleshooting" or "upgrading".
- (b) Contractor shall not be responsible for any painting, patching or plastering of any work areas made during installation, except as provided for in paragraph I (h).
- (c) Contractor is not responsible for any damages to curbs, shrubs, sidewalks or lawn caused by equipment used to complete work specified. Nevertheless, Contractor shall take reasonable and prudent care to prevent such damages.
- (d) Contractor will not place sign at 9011 Georgetown Pike advertising installation of generator or Advanced Equipment Maintenance Service & Repair, Inc.

IV. **TEST** - At a time mutually convenient to both Contractor and Homeowner, but not more than seven (7) calendar days after completion of installation, emergency generator system shall be tested. Test will require power to main panels to be switched-off for twenty-four (24) consecutive hours so that circuits specified in paragraph I(d) are powered solely by ONAN Model RS 12000. Any problems discovered during test shall be immediately remedied by Contractor at no cost to Homeowner. Emergency generator system shall then be re-tested. This process of test and remediation shall continue until twenty-four hour startup emergency powering of Homeowner's residence is successfully completed.

V. **COSTS**- Contractor has identified five (5) component expenses of total costs related to this Agreement: i) cost of equipment (ONAN Model RS 12000) - \$7,300.00; ii) cost of sub-panel, breakers, wiring (labor and materials) - \$1,430.00; iii) cost of pad/start-up - \$450.00; iv) cost of delivery and rigging - \$1,050.00; v) Virginia sales tax (4.5%)-\$328.50. Total charge to Homeowner is \$10,558.00.

VI. **PAYMENT** - Upon execution of this Agreement, Homeowner shall pay Contractor five thousand two hundred and seventy-nine dollars (\$5,279.00). Final payment of outstanding balance shall be due within three (3) business days of Contractor satisfying the requirements of paragraph IV (TEST).

Handwritten signatures and dates:
T.R. 3/15/99
J.R. 3/15/99

VII. INDEMNIFICATION--- The Contractor agrees to indemnify The Ridleys against any and all third party claims arising out of this Agreement. Such third party claims include, but are not limited to, claims by Contractor's employees, agents, contract laborers, vendors, subcontractors, suppliers, creditors or any governmental agency or unit. The Contractor's indemnification of The Ridleys shall include reimbursement of any and all legal expenses related to third party claims arising from this Agreement; or judgments against The Ridleys relating to third party claims arising from this Agreement; or lost income forgone by The Ridleys in the course of defending against third party claims arising from this Agreement. The Contractor affirms that the performance of "work" described herein will be done in a manner that is in compliance with all applicable local, state and federal laws including the payment of all applicable taxes. The Contractor further affirms and pledges that he will carry workers' compensation insurance for all personnel who will enter The Ridley's property for purposes related to completion of work specified by this Agreement or that in the case of third parties, such as subcontractors, vendors, or suppliers, the Contractor will have exercised reasonable due diligence to warrant that said third parties carry workman's compensation insurance for their employees, agents, contract laborers, subcontractors, vendors or suppliers. The Contractor additionally affirms and pledges that he will carry liability insurance sufficient to satisfy the provisions and requirements of this paragraph (*III. INDEMNIFICATION*) and the Contractor will exercise reasonable due diligence to warrant that all third parties retained by the Contractor to perform work specified by this Agreement also carry liability insurance sufficient to satisfy the provisions and requirements of this paragraph.

VIII. MODIFICATION--- Any modification or waiver of any provision of this Agreement must be in writing and agreed to by both the Contractor and The Ridleys. Modifications to this Agreement include, but are not limited to, any alteration or deviation from the plans or specifications described herein (*I. SCOPE OF WORK*). Costs related to said alterations or deviations will also be made in writing in specific detail and will be added to or deducted from the sum total payment made in paragraph V and VI of this Agreement. Paragraph VII and Paragraph IX of this Agreement shall apply to and bind any modifications to this Agreement.


IX. ARBITRATION--- Any dispute arising out of this Agreement shall be settled through binding arbitration by a qualified arbitrator licensed to practice law in the Commonwealth of Virginia and experienced in real estate, general contracting, home improvement or other related areas of the law. The arbitration shall be conducted on an expedited basis and in accordance with the rules and practices of the American Arbitration Association. Arbitrator may award reimbursement of legal fees as part of a binding decision.

X. GOVERNING LAW--- This Agreement shall be governed by the laws of the Commonwealth of Virginia.

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DD 3/16/99

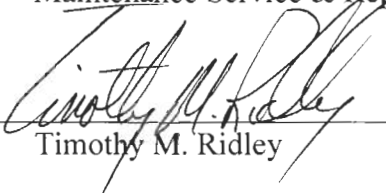
- XI. MERGER---** This Agreement contains the entire understanding of the parties and there are no warranties, representations, covenants or undertakings relating to the parties' dealings with each other, other than those set forth herein.
- XII. SEVERABILITY---** The provisions of this Agreement are severable and, if any part is found to be unenforceable, the remainder of that part and other parts shall remain fully valid and enforceable.
- XIII. THREE COUNTERPARTS---** This Agreement may be executed in three counter parts, each of which shall be deemed to be an original

IN WITNESS WHEREOF, the parties have set their hands to this Agreement, each having signed his or her signature on the date set forth below.




for Advanced Equipment
Maintenance Service & Repair, Inc.

3/16/99
Date



Timothy M. Ridley

3/15/99
Date



Jennifer L. Ridley

3/15/99
Date