

## Rhode Island Supplement

(Customer's Last Name/First Name)	(Store No.)	(Order No.)

This Supplement applies to, and is expressly made a part of, all Home Depot (interchangeably referred to as "The Home Depot") Home Improvement Agreements in Rhode Island. In the event of any conflict, inconsistency or discrepancy between the terms of Your Home Improvement Agreement and this Rhode Island Supplement, the terms of this Supplement will control.

### **NOTICE OF POSSIBLE MECHANIC'S LIEN**

To: \_\_\_\_\_  
(Customer's Last Name/First Name)

The undersigned is about to perform work and/or furnish materials for the construction, erection, alterations or repair upon the land at \_\_\_\_\_  
(insert address of project), under contract with you. This is a notice that the undersigned and any other persons who provide labor and materials for the improvement under contract with the undersigned may file a mechanic's lien upon the land in the event of nonpayment to them. It is your responsibility to assure yourself that those other persons under contract with the undersigned receive payment for their work performed and materials furnished for the construction, erection, alteration or repair upon the land. Failure to adhere to the provisions of this subsection may result in a one thousand dollar (\$1,000) fine against the contractor and shall not affect the right of any other person performing work or furnishing materials of claiming a lien pursuant to Chapter 34-28. However, such person failing to provide such notice shall indemnify and hold harmless any owner, lessee or tenant, or owner of less than the fee simple from any payment or costs incurred on account of any liens claims by those not in privity with them, unless such owner, lessee or tenant, or owner of less than the fee simple shall not have paid such person.

\_\_\_\_\_  
(Customer's Initials)

### **SUMMARY OF R.I. GEN. LAWS § 5-65-1, et seq.**

**Pursuant to R.I. Gen. Laws § 5-65-3(k), a summary of R.I. Gen. Laws § 5-65-1, et seq., prepared by the contractors' registration and licensing board and provided at cost to all registered contractors shall be delivered by Home Depot to You when the Home Depot begins work on a structure. The summary is provided as follows:**

**Beneficial Information to Consumers**  
**Summary of Registration Law (R.I.G.L. Title 5 Chapter 65)**  
**Web Site: [www.crb.state.ri.us](http://www.crb.state.ri.us) / Telephone Number (401) 222-1268**

***Contractor Registration***

Rhode Island state law requires anyone who is in the business of home construction, alterations, remodeling, or repair to a residential structure to be registered with the state. This includes partnerships, corporations, and self-employed individuals, whether working by the hour, week, job, or “cost plus”, whether by a written contract or oral agreement. The law also applies to anyone advertising, bidding, or otherwise offering or arranging to do or have such work performed including painting, roofing, floor covering, framing, finish carpentry, and many more building specialties. Violations of the law can result in penalties of up to \$10,000.00 per offense as well as criminal prosecution for non-compliance of final orders issued by the board.

• **Does the contract have the contractor’s registration number listed?**

• **What are the terms of cancellation?** Contracts entered into must contain a notice of rescission as stipulated in all pertinent R.I. consumer protection laws, pursuant to RIGL 5-65-3 (h) (iii). If signed outside of the place of business, Rhode Island General Law 6-28-4, clearly states that no agreement of the buyer in a door-to-door sale shall be effective unless it is signed and dated by the buyer and unless it contains the following in ten (10) point bold face type or larger directly above the space reserved in the agreement for the signature of the buyer: Notice to buyer: (1) Do not sign this agreement if any of the spaces intended for the agreed terms to the extent of then available information are left blank; (2) You are entitled to a copy of this agreement at the time you sign it; (3) You may at any time pay off the full unpaid balance due under this agreement, and in so doing you may be entitled to receive a partial rebate of the finance and insurance charges; (4) The seller has no right to unlawfully enter your premises or commit any breach of the peace to repossess goods purchased under this agreement; (5) You may cancel this agreement if it has not been signed at the main office or a branch office of the seller, provided you notify the seller at his or her main office or branch office shown in the agreement by registered or certified mail, which shall be posted not later than midnight of the third calendar day after the day on which the buyer signs the agreement, excluding Sunday and any holiday on which regular mail deliveries are not made. (see the RIGL 6-28 for more information regarding this law)

• **Insurance!** The Rhode Island contractors’ registration law requires contractors to maintain a minimum of \$500,000.00 in liability insurance. In addition, contractors with employees are required to maintain workers’ compensation insurance. Insist that a current certificate of the company’s insurance policy be sent directly to you from their insurance carrier / agent with your name and address on it listing you as a certificate holder before any work begins.

• **What are the payment terms?** Payments should be made pursuant to the terms of the written contract. Consider and question the amount of the deposit which can vary depending on type of work. (i.e. Special orders, etc.)

• **What is the time frame?** Provide start date, finish date? Maybe a reward or penalty clause should be included if time is of the essence.

• **Is there an arbitration clause in the contract?** Who is paying for that service? Read the fine print and make sure you know the terms.

• **Permits?** Is this included in your contract, or are you taking care of it? This is for your safety!

• **Contracts:** All contracts exceeding \$1,000.00 in value must be in writing.

• **Disclaimer:** The above information is provided by the board pursuant to 5-65-3 and does not encompass all the recent amendments to the general law, for additional information please contact the Board or visit our website.

**INFORMATION IN REGARD TO THE CONTRACTORS'  
REGISTRATION BOARD DISPUTE RESOLUTION PROCESS**

**About the Contractors' Registration and Licensing Board**

- Established in 1989 by the RI General Assembly
- Consists of 17 Board Members
- Operates within the Department of Administration, under the direction of George W. Whalen, Executive Director

**Jurisdiction of the Board**

- Regulates by registration – **All** contractors: residential & commercial
- Regulates by licensing – commercial roofers
- Regulates by licensing – home inspectors
- Regulates by licensing – underground utility contractors
- Regulates by licensing – well drillers, pump installer contractors

**Dispute Resolution Process**

- A \$25.00 processing fee is required to file a claim

**Claims heard by the Board include:**

- Property owner against registered/licensed or non-registered/ non-licensed contractors for: alleged negligence, improper work, breach of contract, contract disputes or release of a mechanics lien.
- Contractor against registered/licensed subcontractor for: alleged negligence, improper work, breach of contract or release of a mechanics lien.
- Employee against contractor.

**Enforcement Procedures Include:**

- Complaints against non-registered/ non-licensed contractors, fines and penalties issued for advertising, insurance, and bond violations and violations of statutory provisions and/or rules and regulations.
- Violations of Rhode Island General Laws §§5-65, 5-65.1, 5-65.2, 5-65.3, and 5-73.

**Criminal Prosecutions**

- Violations of final orders and non-registered/non-licensed contractor complaints may be prosecuted by the RI Department of Attorney General in accordance with Rhode Island General Law § 5-65-19.

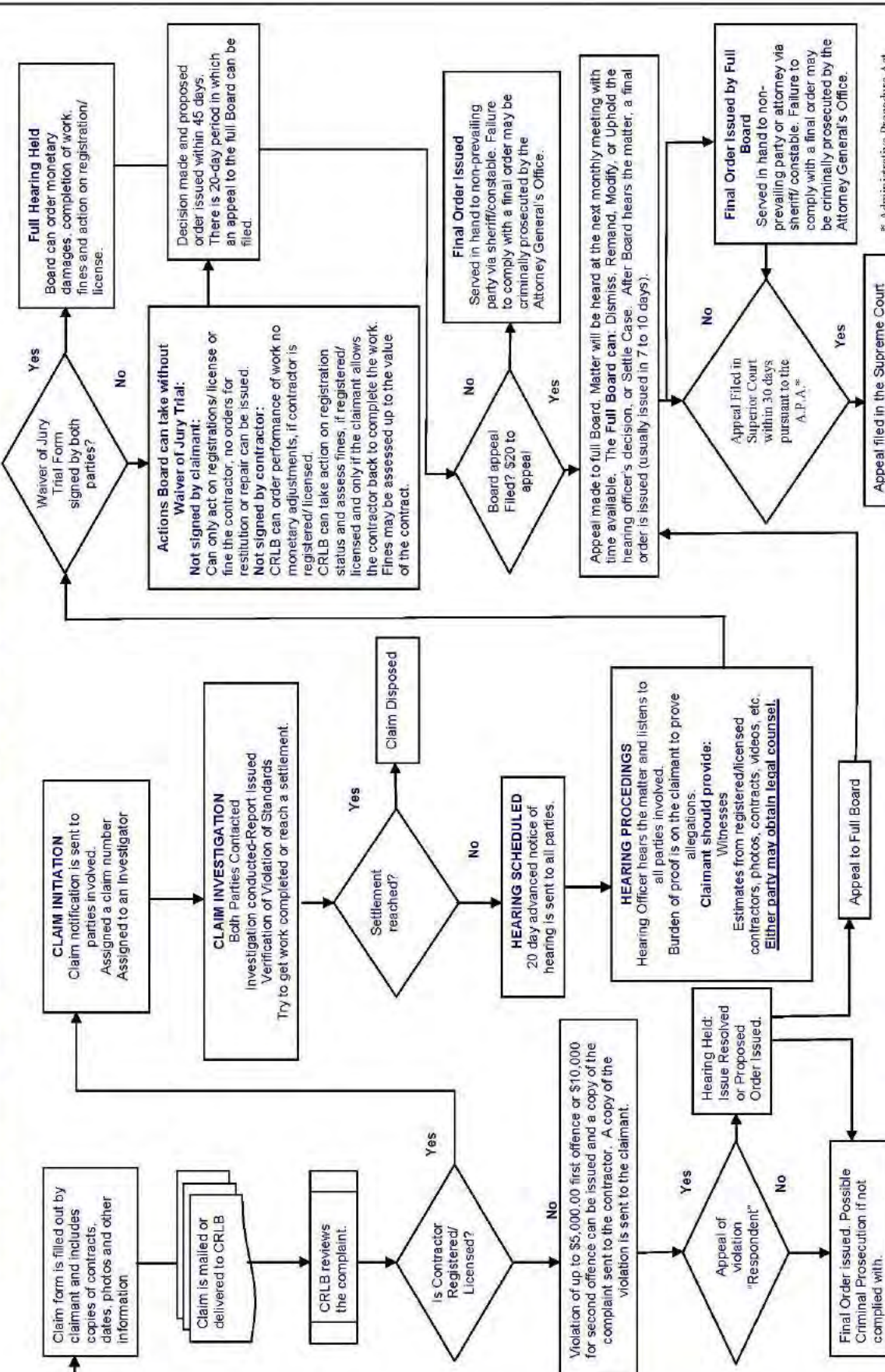
**Agency Appeals**

- After a hearing, a proposed order is issued which can be appealed to the full Board. After Board has issued a final order it may be appealed to the RI Superior Court and finally to the RI Supreme Court.

One Capitol Hill  
2<sup>ND</sup> Floor  
Providence, RI 02908  
Phone (401) 222-1270  
Fax (401) 222-1940  
Website: [www.crb.ri.gov](http://www.crb.ri.gov)

# Rhode Island Contractors Registration and Licensing Board Dispute Resolution Process

- Property owner, contractor or contractor employee who wants to file a claim with the CRLB. (see contact information at bottom)
- What types of work are covered?**
- Work on Residential and Commercial Property
- Who Can File a Claim?**
- Property owners
  - Registered/licensed contractors against registered/licensed contractors
  - Employees against registered/licensed contractor
- What types of Claims can be filed?**
- Negligent Work
  - Contract Dispute
  - Improper Work
  - Breach of Contract
  - Mechanic Liens
  - Materials
- What does it cost?**
- \$25 processing fee to file a claim
- Period for filing**
- 1 year from end of new construction or date work ceased on other types of work.
  - Time frame extended to two years if contractor is informed in writing of issue within the 1<sup>st</sup> year.



Contact the CRLB via mail at: One Capitol Hill – 2<sup>nd</sup> Floor, Providence, RI 02908 Phone (401) 222-1270, Fax: (401) 222-1940, Website [www.crlb.ri.gov](http://www.crlb.ri.gov)

\* Administrative Procedure Act

**ACCEPTANCE OF CONSUMER EDUCATION MATERIALS**

I/We hereby acknowledge receipt of the following consumer education materials and notice of possible mechanics' lien which are attached to this contract: (1) Beneficial Information to Consumers/Summary of Registration Law (R.I.G.L. Title 5, Chapter 65); (2) Notice of Possible Mechanics' Lien, and (3) Information in Regard to the Contractors' Registration Board Dispute Resolution Process.

\_\_\_\_\_  
Customer's Initials

**NOTICE TO CUSTOMER**

(For a door-to-door sale under R.I. Gen. Laws § 6-28-4(a))

If the Agreement is the result of a door-to-door sale Home Depot is required to provide the following notice to You:

- (1) Do not sign this Agreement if any of the spaces intended for the agreed terms to the extent of then available information are left blank.
- (2) You are entitled to a copy of this Agreement at the time you sign it.
- (3) You may at any time pay off the full, unpaid balance due under this Agreement and in so doing You may be entitled to receive a partial rebate of the finance and insurance charges.
- (4) The seller (Home Depot) has no right to unlawfully enter Your premises or commit any breach of the peace to repossess goods purchased under this Agreement.
- (5) You may cancel this Agreement if it has not been signed at the main office or a branch office of the seller (Home Depot), provided You notify the seller (Home Depot) at his or her main office or branch office shown in the Agreement by registered or certified mail, that shall be posted not later than midnight of the third calendar day after the day on which the buyer signs the Agreement, excluding Sunday and any holiday on which regular mail deliveries are not made. See the attached notice of cancellation form for an explanation of buyer's rights.

\_\_\_\_\_  
(Customer's Signature)

**NOTICE OF CANCELLATION TO CUSTOMER**

(For a door-to-door sale under R.I. Gen. Laws § 6-28-4(c)(2))

\_\_\_\_\_ (Insert Date of Transaction)

You may cancel this transaction, without penalty or obligation, within three (3) business days from the above date. If you cancel, your cancellation notice must state that you do not wish to be bound by the agreement and mailed by registered or certified mail not later than midnight three (3) days following the buyer's signing the agreement, excluding Sunday and any holiday on which regular mail deliveries are not made. All cancellations must be mailed to:

\_\_\_\_\_  
(Seller's Name)

\_\_\_\_\_  
(Seller's Address Line 1)

\_\_\_\_\_  
(Seller's Address Line 2)

**INSURANCE REPRESENTATION**

Pursuant to R.I. Gen. Laws § 5-65-3(q), the Home Depot stipulates that the proper insurances, public liability and property damage insurance and workers' compensation insurance as called for in R.I. Gen. Laws § 5-65-7 are in effect for this work.

**INSULATION INFORMATION AND LEGALLY REQUIRED NOTICES**  
**TO CUSTOMER REGARDING INSULATION SERVICES**

The following notices apply to You only if the attached Agreement between You and the Home Depot is for insulation services:

Type of Insulation: \_\_\_\_\_

Manufacturer of Insulation: \_\_\_\_\_

Commercial Brand Name of Insulation: \_\_\_\_\_

For urea-formaldehyde insulation, please read the following caution carefully:

**CAUTION: Under some conditions urea-formaldehyde insulation may cause the release of formaldehyde gas into living areas and the development of adverse health effects. Continued exposure to formaldehyde can cause nausea and vomiting, respiratory difficulties, headaches, eye irritation, and allergic reactions. The symptoms may develop anywhere from a few days to more than six (6) months after the gas is released. This notice of caution shall be acknowledged by the purchaser by signifying in an appropriate box that the purchaser has read and understands the nature and terms of the notice, provided, however, that the acknowledgment shall not constitute a waiver of any rights pursuant to the contract.**

Resistance Factor per product inch: \_\_\_\_\_.

Thickness of Insulation to be installed: \_\_\_\_\_ inches.

Flammability of Insulation product: \_\_\_\_\_.

**NOTICE: In the event of fire, a urethane-based product, if burned, can emit a highly toxic and deadly gas.**

Area to be insulated as calculated in square feet: \_\_\_\_\_.

Description of Area to be insulated: \_\_\_\_\_  
(i.e., walls, roof and/or floors)

Method for installation of insulation: \_\_\_\_\_.

Type of ventilation to be installed in the insulated area: \_\_\_\_\_.  
*(If no ventilation is to be installed, the contract must state that no ventilation is required and the reasons for the statement must be provided.)*

Type of vapor barrier to be installed: \_\_\_\_\_.  
*(If no vapor barrier is installed, the contract must state that no vapor barrier is required and the reasons for the statement must be provided.)*

Maximum percentage by which the insulation product can be expected to settle over a specified period of time: \_\_\_\_\_.

Structural changes, if any, required to install the insulation and an estimate of the cost of those structural changes: \_\_\_\_\_.  
*(If no structural changes are required, the contract must state this.)*

Home Depot intends to complete all work necessary to restore the structure and surrounding area where work is performed to its condition prior to commencement of installation of insulation.

Product and installer warranties in addition to those stated in the Agreement are as follows:  
\_\_\_\_\_.

(Customer's Last Name/First Name)	(Store No.)	(Order No.)

**NOTICE OF CANCELLATION**

**You may CANCEL this transaction, without any Penalty or Obligation, within THREE (3) BUSINESS DAYS from the above date.**

**If you cancel, any property traded in, any payments made by you under the contract or sale, and any negotiable instrument executed by you will be returned within TEN (10) BUSINESS DAYS following receipt by the seller of your cancellation notice, and any security interest arising out of the transaction will be cancelled.**

**If you cancel, you must make available to the seller at your residence, in substantially as good condition as when received, any goods delivered to you under this contract or sale, or you may, if you wish, comply with the instructions of the seller regarding the return shipment of the goods at the seller's expense and risk.**

**If you do make the goods available to the seller and the seller does not pick them up within twenty (20) calendar days of the date of your Notice of Cancellation, you may retain or dispose of the goods without any further obligation. If you fail to make the goods available to the seller, or if you agree to return the goods to the seller and fail to do so, then you remain liable for performance of all obligations under the contract.**

**To cancel this transaction, mail or deliver a signed and dated copy of this Cancellation Notice or any other written notice, or send a telegram, TO**

\_\_\_\_\_  
 (Print/type name of seller or seller's authorized representative)

**AT**

\_\_\_\_\_  
 \_\_\_\_\_

\_\_\_\_\_  
 (Print/type address for receipt of Cancellation Notice)

**NOT LATER THAN MIDNIGHT OF**

\_\_\_\_\_  
 (Date - THREE (3) BUSINESS DAYS from the date of transaction)

**I HEREBY CANCEL THIS TRANSACTION.**

\_\_\_\_\_  
 (Date)

\_\_\_\_\_  
 (Buyer's signature)

\_\_\_\_\_  
 (Buyer's printed name)