

SEAL BEACH MUTUAL NO. FIVE

Solar Panel Maintenance, Repair, Replacement Indemnity Agreement

**MAINTENANCE, REPAIR, REPLACEMENT AND INDEMNITY AGREEMENT
REGARDING THE INSTALLATION OF A SOLAR ENERGY SYSTEM AT:**

Street Address _____ Building _____ Unit _____

THIS AGREEMENT (“Agreement”) is effective when fully executed and notarized by Leisure World Seal Beach Mutual No. Five (“Mutual”) and _____ :
(Shareholder’s Name)

Mutual is an association, as defined by Civil Code §4080 created to manage a common interest development known as Seal Beach Mutual No. Five consisting of that certain real property located in Leisure World Seal Beach, Seal Beach, California (“the Property”).

This Agreement is subject to the Mutual’s governing documents, including, without limitation, its Bylaws, and Occupancy Agreement. Shareholder is the sole record fee title owner of dwelling unit within the Property.

Shareholder has submitted an Architectural Request Form, with plans and specifications, to the Mutual seeking approval for the installation of a solar energy system upon the Common Area roof directly above the Unit, as reflected in the records of the Mutual, and the Mutual has considered the application and has conditionally approved the installation of the system in such location upon such terms and conditions in Conditions of Approval of Architectural Application of (Shareholder) _____, a copy of which is attached hereto as Exhibit A and incorporated by reference.

One of the conditions of approval is that Shareholder execute this Agreement which contains those terms and conditions that are affecting real property and will run with the land as equitable servitudes and be binding on Shareholder and all future successive owners of the Unit during the respective periods of their record ownership.

Now therefore, Mutual and Shareholder covenant and agree as follows:

1. Shareholder – Definition. For the purposes of this Agreement, “Shareholder” means all current shareholders of record of the Unit, as of the date this document is recorded, any future shareholders of record of the Unit who take ownership at any time on or after the date this Agreement is signed, and all heirs, executors, personal representatives, successors, transferees, and assigns, of any current or future owner of the Unit.
2. Conformance to Plans. Installation and any reinstallation of the Solar Energy System must be completed according to the plans submitted with the architectural request and not otherwise, including, without limitation, the placement of solar panels as designated on the approved solar panel allocation drawing. Installation must not interfere with any maintenance, repair, or replacement obligations of the Mutual.

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3. **Governing Documents.** Each Shareholder, during his period of ownership, must comply with all provisions of the Mutual's current and future governing documents as they may bear on the Solar Energy System.
4. **Contractors.** All maintenance, repair, replacement or removal of the Solar Energy System must be performed by licensed contractors hired by an Shareholder, with a license entitling them to do the work they are to perform. Such licensed contractors must carry one or more commercial liability insurance policies with coverage limits of at least one million dollars (\$1,000,000) combined single limit per occurrence for personal injury and property damage, workers' compensation in such amounts required by law, and one or more automobile insurance policies with coverage limits of at least one million dollars (\$1,000,000) combined single limit per occurrence for personal injury and property damage for any vehicle to be driven on Mutual property. Any subcontractors of a general contractor must carry the same types of insurance policies with the same coverage. Each Shareholder must provide the Board with proof of such policies before construction begins. All contractors performing any work on the Solar Energy System must be notified of and abide by the Mutual's parking and construction rules subject to any exceptions granted by the Board of Directors to facilitate the work.
5. **Permits.** Each Shareholder and/or its contractors must obtain and comply with all necessary City and County building permits, inspections and required approvals prior to, during, and in connection with any use, installation, maintenance, repair, replacement and/or removal of the Solar Energy System. A permit must also be obtained from Physical Properties department of Golden Rain Foundation.
6. **Initial Leak Check.** Immediately following the initial installation or any reinstallation of the Solar Energy System, at the sole expense of the Shareholder(s) of record, a contractor must inspect the roof for damage and water test for any leaks at any points where the Solar Energy System is attached to the roof. Any roof damage, or leaks, or damage cause by leaks, resulting from the initial installation, use or reinstallation of the Solar Energy System must be immediately repaired by a qualified licensed, insured and bonded contractor, at the sole expense of the Shareholder(s) of record. The contractor must certify to the Mutual either that the inspection revealed no damage and no leaks or that any leaks and/or damage located were successfully repaired.
7. **Ownership and Care.** The Solar Energy System will be owned by and remain the property of the Shareholder(s) of record of the Unit during the Shareholder's period of ownership of the Unit. Any Shareholder(s) of record of the Unit are solely responsible for the installation, maintenance, repair, replacement and removal of the Solar Energy System, and all associated costs and expenses, during the Shareholder's period of record ownership except that routine cleaning of the System must be performed by LW Service Maintenance, an LW approved vendor, or the contractor who installed the System each as shareholders expense. The Solar Energy System must be periodically inspected and maintained by the Shareholder(s) of record of the Unit, during the Shareholders' period of record ownership, in the manner recommended by the manufacturer, provider, and/or

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installer of the Solar Energy System and in first class condition and working order.

8. Annual Leak Inspection. At the sole expense of any Shareholder(s) of record, during the Shareholders' period of record ownership, the Solar Energy System and the portion of the Common Area roof upon which the Solar Energy System is installed, will be inspected annually, during the months of July or August, for any damage and water tested for any leaks at all points where the Solar Energy System is attached to the roof. Any roof damage, or leaks, or damage cause by leaks, resulting from the initial installation, use or reinstallation of the Solar Energy System must be immediately repaired by a qualified licensed, insured and bonded contractor, at the sole expense of the Shareholder(s) of record. The contractor must certify to the Mutual either that the inspection revealed no damage and no leaks or that any leaks and/or damage located were successfully repaired.
9. Access for Repairs. The Mutual is granted full right of access beneath, over and around the Solar Energy System to conduct Common Area and/or roof maintenance, repairs and replacement required by the CC&Rs. If Common Area maintenance, repairs and replacement cannot safely be undertaken or completed with the Solar Energy System in place, the Shareholder(s) of record of the Unit, during their period of record ownership, at the Shareholders' sole expense, will disable, disconnect or remove the entire Solar Energy System, or any portion thereof, necessary to allow the Mutual to conduct required Common Area maintenance, repairs and replacement. The Solar Energy System may thereafter be replaced by the Shareholder(s) of record, during the Shareholders' period of record ownership, at the Shareholders' sole expense. Any removal or replacement of the Solar Energy System will be subject to and comply with all other conditions of this Agreement.
10. Removal. If the Solar Energy System is no longer desired, or must be removed, Shareholder will remove the Solar Energy System and all components thereof and restore all portions of the Common Area to the condition they were in before the Solar Energy System was installed.
11. Code and Law Compliance. All installation, maintenance, repair, replacement and removal of, or other work performed on, the Solar Energy System will comply with all Building Code, Municipal Code, or other legal requirements, and will be done under any building or other permits and inspections required by the City of Seal Beach, County of Orange, State of California, or any other municipality or governmental agency imposing any requirements.
12. Health and Safety Compliance. The Solar Energy System must meet all health and safety standards and requirements imposed by state and local permitting authorities, consistent with Section 65850.5 of the Government Code. The Solar Energy System must meet all safety and performance standards of the California Electrical Code, the Institute of Electrical and Electronics Engineers, and accredited testing laboratories, such as Underwriters Laboratories. Where applicable, the Solar Energy System must comply with the rules of the Public Utilities Commission regarding safety and reliability.

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13. Architectural Approval. Any installation, maintenance, repair, replacement, removal of, or other work performed on, the Solar Energy System requires approval of the Board of Directors of the Mutual, as provided for in the Mutual's governing documents.
14. Insurance. Regardless of any insurance policy held by the Mutual which may cover personal injuries or property damage or other losses arising from or concerning the use, failure, malfunction, installation, maintenance, repair, replacement and/or removal of the Shareholder's Solar Energy System, each Shareholder must maintain in full force and effect a homeowner's liability policy covering any claims, liabilities, and/or causes of action for personal injuries or property damage or other losses arising from or concerning the use, failure, malfunction, installation, maintenance, repair, replacement and/or removal of the Solar Energy System. The insurance policy must: (i) have policy limits of at least one million dollars (\$1,000,000) combined single limit per occurrence for personal injury and property damage, (ii) be primary and non-contributing with the Mutual's insurance policies, (iii) remain in effect at all times and require thirty (30) days' prior written notice to the Mutual of any cancellation, termination or expiration thereof, and (iv) to the extent available, name the Mutual as an additional insured. The Shareholder must present the Board with proof of such policy within 14 days of installation.
15. Liability for Damage from System. Shareholder(s) of record are solely responsible to install, remove, repair, maintain, and replace the System must bear all costs therefor. Shareholder(s) of record are also liable for all costs of maintenance, repair, and replacement of any portion of the building damaged or affected by the installation, removal, repair, maintenance, replacement and/or use of the System. This includes, without limitation, (1) damage to the roof, framing/structural components, roof covering, shingles, eaves, gutters, and any other part of the building that may be penetrated or otherwise affected by any activity or use involving the System, (2) damage from water leaks and/or resulting mold that develops due to those leaks, (3) damage from any fires and/or (4) any other property damage or personal injury caused by and/or resulting from such installation, removal, repair, maintenance, replacement and/or use of the System.
16. Hold Harmless, Defend and Indemnify. Each Shareholder, during their period of ownership, is responsible for, and will hold harmless, defend and indemnify the Mutual, and each of the Mutual's past, present and future officers, directors, employees, agents, and members, and each of them, from any and all claims, liabilities, and/or cause of action, for personal injuries, property damage, attorneys' fees and costs, and any other losses of any kind, which arise from or concern or are related to the use, failure, malfunction, maintenance, repair, replacement and/or removal of the Solar Energy System and/or any component thereof, whenever such claims, liabilities, causes of action, injuries, damages and/or expenses occur, except when caused by or resulting from the willful misconduct of the Mutual, its officers, directors, or employees, or any member of the Mutual.
17. Attorneys' Fees. The prevailing party in any legal action to enforce this Agreement will be awarded reasonable attorney's fees and costs.

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18. Agreement Runs with the Land. This Agreement runs with the land as an enforceable equitable servitude and is binding upon the current Shareholder, the Unit and all future, successive Shareholders of the Unit.

IN WITNESS WHEREOF, the parties have duly executed this Agreement effective upon full execution and notarization.

Dated: _____

LEISURE WORLD SEAL BEACH MUTUAL NO. FIVE

By: Mutual Five President

Dated: _____

Shareholder Signature

Document History

Adopted: 15 Feb 2023 Amended:

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