

IMPORTANT NOTICE REGARDING CONTINGENCY FUNDS ON RENOVATION LOANS

EACH CONTRACTOR MUST SIGN AND DATE THIS DISCLOSURE

A contingency fund is for the sole purpose of unforeseen issues that develop as a result of the proposed scope of work detailed in the lender approved agreements.

THEREFORE, THE CONTINGENCY FUND IS NOT AUTHORIZED TO BE USED FOR WORK THAT IS UNRELATED TO THE SCOPE OF WORK IN THE LENDER APPROVED AGREEMENTS.

FURTHERMORE, THE FUNDS CAN ONLY BE USED WITH APPROVAL PRIOR TO THE WORK STARTING.

In order to request approval for any qualified changes, Borrower(s) and Contractor must submit a fully completed and executed change order request using the form "Request for Acceptance of Changes".

This form is available on the Forms page of AFR's website at www.afrwholesale.com.

You may submit this completed form to AFR either by fax at (866)797-3137, by e-mail at Renovation@afrwholesale.com, or by mail at:

American Financial Resources, Inc.
9 Sylvan Way
Parsippany, NJ 07054
Attn: Renovation Department

If you have any questions, please call 800-624-0501.

ALL PAYMENTS TO THE CONTRACTOR FOR ANY CHANGES IS SOLELY THE RESPONSIBILITY OF THE BORROWER IF THE BORROWER ALLOWS ADDITIONAL WORK TO BE PERFORMED WITHOUT PRIOR WRITTEN APPROVAL FROM AFR's RENOVATION DEPARTMENT.

If your request is approved you will be notified in writing by AFR's Renovation department.

PLEASE NOTE: DO NOT BEGIN WORK WITHOUT NOTICE OF APPROVAL BY AFR'S RENOVATION DEPARTMENT.

By signing below, you are acknowledging that you understand the procedures and requirements for the use of the contingency funds and fully accept your responsibility as stated above.

CONTRACTOR'S COMPANY NAME

CONTRACTOR'S SIGNATURE

EXECUTED BY (Please Print Clearly)

DATE

BORROWER'S SIGNATURE

DATE

CO-BORROWER'S SIGNATURE

DATE