**SERVICE AGREEMENT**

Name of Property Owner: **%PRIMARY\_FULL\_NAME% Date**: **%CURRENT\_DATE%**

Property Address: **%PRIMARY\_FULL\_ADDRESS%**

Owner/ Agent Phone #: **%PRIMARY\_CELL\_PHONE%** Owner Email: **%PRIMARY\_EMAIL%**

Insurance Carrier: **%CARRIER\_NAME%** Policy Number: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Adjuster Name: **%ADJUSTER\_NAME%** %ADJUSTER\_EMAIL% %ADJUSTER\_WORK\_PHONE%

Date of Loss: **%DATE\_OF\_LOSS%** Cause of Loss: **%DAMAGE\_TYPE%**

This Service Agreement (“Agreement”) is entered into by and between %CUSTOMER\_DISPLAY\_NAME% ("Owner/Agent") and %COMPANY\_NAME% (“Contractor”) who agree to the following Project as follows:

1. *Description of Project*

The Project, located above, will consist of the following construction, alteration, and/or improvement: **%SERVICE\_AGREEMENT\_NOTES%** (the “Work”).

1. *Drawings*

Drawings, plans, and/or specifications for this project, if applicable, are attached and incorporated into this Agreement. Contractor and Owner agree that they have carefully examined these Drawings and agree that they are complete and accurate.

1. *Term and Schedule*

The contractor estimates that it will begin work within 5 business days from receipt of the first insurance payment. Contractor estimates that it will complete the Work for this Project within a reasonable and appropriate timeframe from the date Work commences. Contractor shall not be responsible for any delays outside of its control, which may include but are not limited to: weather, labor strikes, material shortages or unavailability, Owner delays, acts of God, government regulations, or any other action or event which is outside the control of Contractor.

1. *Contract Price*

This Service Agreement is contingent upon Owner’s Insurance Company approval of claim and paying for the Work described in Paragraph 2. This Agreement shall be void if the claim is disallowed by the Owner’s Insurance Company. Owner and Contractor will not be obligated to perform under this Agreement unless all Work described in Paragraph 2 is approved by the Owner’s Insurance Company. Owner authorizes Contractor to work with the Insurance Company and obtain labor and materials in accordance with the work specified on the Insurance Scope of Loss Sheet. **Owner understands and agrees that it is responsible for paying its deductible to Contractor at the time the Work is approved by the Insurance Company. Owner’s out of pocket expenses will not exceed the deductible amount for insurance approved work unless upgrades are ordered, or ordinance and law required repairs are necessary but not paid for by the insurance company.**

1. *Pricing Terms and Methodology*

Owner understands that the final price will be determined after the work is completed, based on the actual scope of services. Pricing will follow Malama Restoration’s Time, Equipment, and Materials (“TEM”) rates and/or industry-standard pricing such as Xactimate\*. A copy of Malama’s TEM rate sheet is available upon request. Final costs may vary depending on damage severity, materials, moisture levels, and site conditions, and the Owner agrees to pay for all work performed accordingly.

If the insurance company pays the Owner directly, the Owner agrees to endorse and transfer those funds to Malama Restoration within fifteen (15) business days. Any costs not covered by insurance—including deductibles, depreciation, or out-of-pocket expenses—are the Owner’s responsibility and must be paid per the agreed terms.

\* Xactimate gets its pricing from a combination of contractor surveys, supplier data, labor rate research, and real-time market feedback. This data is updated monthly by region to reflect actual costs for materials, labor, and equipment, using both market input and economic indexes.

1. *Payment Schedule*

Payment is due as follows: ½ of Contract Price due prior to work commencement or first insurance check (Actual Cash Value) plus insurance deductible and remaining balance is due upon completion of work, or upon receipt of any subsequent insurance checks, whichever is sooner. No work will begin until the initial balance is received and Contractor shall not be liable for any delays caused by Owner’s failure to pay. Owner agrees to endorse all drafts from their insurance company within seven (7) days of receipt of such check and shall turnover any insurance proceeds within seven (7) days after such check clears and shall cooperate with Contractor to ensure prompt payment. Failure of Owner to endorse and turnover any insurance check within this time frame shall result in a work stoppage and shall constitute a material breach of this Contract.

1. *Termination by Owner*

Owner may cancel this agreement in writing to their Malama Restoration contact, before midnight on one of the following:

* Within five (5) business days of written notice from the insurer that the claim is not covered, or
* Within thirteen (13) business days of the insurer receiving executed proof of loss.

If the owner cancels after five business days but before work starts, the owner must pay the contractor 20% of the insurance proceeds plus any out-of-pocket expenses incurred. If the cancellation is received after work has started, the owner must pay for labor, materials, overhead, and profits up to the cancellation date, plus 20% of the cost of any remaining unpaid work approved by the insurance company.

Cancellation of services must be submitted in writing to: your project manager and specialty manager, as well as emailed to [office@malamrestoration.com](mailto:office@malamrestoration.com) .

1. *Termination by Contractor*

If the Owner breaches any obligation created by this Agreement, the Contractor may give the Owner a Notification of Breach which provides the Owner notification identifying the breach, in writing. Upon receipt of such Notification of Breach, Owner will have seven (7) days to cure the breach. If the breach cannot be cured within seven (7) days, the Contractor is entitled to terminate this Agreement and pursue all remedies available under law. The contractor will remain entitled to payment for work performed prior to Termination.

1. *No Legal Advice*

Malama Restoration is committed to providing high-quality service related to restoration and construction. However, we are not licensed to provide legal advice or representation. While we can help coordinate with your insurance company, we cannot guarantee the outcome of any claim, and we do not assume responsibility for any decisions made by your insurer during the adjustment or settlement process. If you have legal questions or concerns about your claim, we recommend consulting with a licensed attorney or public adjuster.

1. *Severability*

If any provision of this Agreement should be found invalid or unenforceable, that provision should be severed from the Agreement and shall have no effect on the remaining provisions of this Agreement.

1. *Venue*

This Agreement shall be governed by the laws of Hawaii. If any suit or claim is brought to enforce the terms of this Agreement, such suit or claim shall be brought in the Circuit Court of Honolulu County, Hawaii. In the event of a default, the prevailing party shall be entitled to reimbursement of all costs and expenses incurred, including reasonable attorneys’ fees.

1. *Indemnification*

Each party agrees to indemnify and hold harmless the other for claims arising from their own negligence or willful misconduct. Any dispute relating to this agreement shall first be subject to mediation. If unresolved, the dispute may then be submitted to binding arbitration under the rules of the American Arbitration Association.

1. *Owner Responsibilities and Site Conditions*

Owner agrees to remove or secure all valuables including cash, jewelry, firearms, collectibles, or other irreplaceable items prior to the commencement of work. Owner acknowledges that children and pets should be kept away from the work area and all restoration equipment. Owner will not unplug, move, or tamper with drying or restoration equipment without prior consent from Contractor, as doing so may affect project outcomes and timelines.

Owner understands that the drying process may require multiple days depending on materials, humidity, and environmental conditions. Windows should remain closed unless directed otherwise by Contractor. Floors and surfaces may be slippery when wet, and tackless carpet strips may be exposed and pose a hazard—Owner agrees to exercise caution in affected areas.

Owner assumes responsibility for the loss or theft of equipment while in their care, custody, or control and agrees to take reasonable precautions to safeguard all equipment on site.

1. Client Communication Consent

By signing this Agreement, Owner/Agent authorizes Malama Restoration LLC to contact them via phone call, voicemail, and text message at the phone number(s) and email address provided in this Agreement. These communications may include but are not limited to scheduling updates, project notifications, billing reminders, and customer service follow-ups. Message and data rates may apply. Message frequency may vary. Consent to receive such communications is not a condition of purchase, and the Owner/Agent may opt out of text messaging at any time by replying “STOP.” Mobile opt-in information will never be shared with third parties.