

September 25, 2013

Dear Centex Homeowner:

Thank you for taking the time to read this new information and important update regarding your solar panels.

As you are aware, Centex stepped forward and has been making repairs to the OE-34 solar panel at no cost to homeowners, even though the responsibility for the issues found by the Consumer Products Safety Commission lies with the companies that manufactured and sold the product. Throughout this complicated process, our top priority has always been to get homeowners' solar systems operational as soon as possible.

Based on an independent review of the OE-34 panels, Centex is not confident in their long-term viability and safety. Because of this, we are pleased to inform you that we will replace all existing OE-34 solar panels with new solar panels at no cost to homeowners. This includes all homeowners who have previously had their systems repaired.

In short, we believe resuming repairs is simply not sufficient to address the issues with the original solar panel system. When repairs were suspended and investigations underway, all homeowners were instructed to turn off their systems. We remind you to continue to keep your solar system **turned off** until the new system is installed.

Our goal is to replace all existing solar panel systems by February 2014. This replacement schedule is aggressive, but we have retained several companies to conduct the necessary work that entails: removal of current solar system panels, installation of new roof tiles in their place, and installation of a new raised-panel solar system. We estimate that it will take approximately two days per home for the removal and installation process.

Attached please find a form homeowners must fill out in order for Centex to begin the replacement process on your home. **Please fill out and return this form as soon as possible so we can begin the replacement process.** Forms can be scanned and emailed, faxed or mailed. You will be contacted by the repair contractor prior to your scheduled replacement with details of your repair schedule.

Please know that Centex is not asking you for a release of your rights for this replacement system, but simply asking for an assignment of rights from each homeowner relating solely to the OE-34 system so we can one day attempt to recover our cost of replacement from the original manufacturer and provider of the solar panel system. Centex does not want to leave its homeowners without solar while the ultimate responsibility is determined.

ABOUT THE NEW SOLAR SYSTEMS

The new raised solar panels to be installed on your roof will produce more wattage than your current panels; going from the current 2.31 kW integrated solar panel system to a 2.45-2.5 kW elevated solar panel system. The new panels will be provided by one of the following manufacturers:

- Hanwha - HSL60 black frame panels - <http://goo.gl/o7dO5e>; or
- ET Solar - ET-P660BB panels - <http://goo.gl/o7dO5e>

The existing panels will be removed, concrete roof tiles will be installed in their place to best match surrounding tiles, and the new elevated panel system will be installed. The existing inverter is compatible and will remain in place for the new system panel system.

Again, please fill out the attached form as soon as possible so we can expedite the replacement process. Forms can be returned using any of the following methods:

- Scan & Email: NorCalSolar@Centex.com
- Fax: 1-800-917-2201
- Post Mail: Centex Solar Repair
6210 Stoneridge Mall Rd, Suite 500
Pleasanton, CA 94588

As always, for any other service issues, please feel free to contact our Customer Service office at NorCal@Centex.com.

We are pleased to share this good news of a total panel replacement with you. Our homeowners have been very understanding during this process and we sincerely appreciate your patience.

Sincerely,



Centex Customer Service

WORK AUTHORIZATION AND ASSIGNMENT OF CLAIMS

This Work Authorization and Assignment of Claims (“Agreement”) is made and effective as of September 24, 2013, by _____ and _____ (“Homeowners”), on the one hand, and Centex Homes, a Nevada general partnership (“Centex”), on the other, regarding the removal and replacement of OE-34 solar panels currently installed at the home located at _____, _____, California (“Home”).

1. Homeowners hereby authorize Centex and its subcontractors to perform the following work at their Home (“Work”): (a) removal of existing OE-34 solar panels; (b) installation of new concrete roof tiles in their place to best match surrounding tiles; and (c) installation of a new elevated solar panel system. Homeowners understand and acknowledge that the existing inverter is compatible with the new solar panel system and will remain in place. Homeowners further understand and acknowledge that the new solar panels will be provided by one of the following manufacturers, in Centex’ sole discretion and subject to availability: Hanwha (HSL60 black frame panels) or ET Solar (ET-P660BB).
2. Homeowners confirm that they are the only persons with an ownership interest in the Home. Homeowners’ contact information is:

Address (if different than address of Home): _____

Telephone: Day: _____
Evening: _____
Cell: _____

E-mail: _____

3. Homeowners understand and acknowledge that they will receive a limited warranty from the manufacturer of the new solar panels installed in their Home, as well as a limited warranty from the subcontractor responsible for performing the Work, but that they are not receiving a warranty or guarantee of any kind from Centex in connection with the Work. Homeowners further understand and acknowledge that the Work does not create, extend or modify any warranties or guarantees, express or implied, for any other components or systems in the Home.
4. Homeowners hereby transfer and assign to Centex all claims, actions, causes of action or suits of any kind or nature whatsoever, whether known or unknown, contingent or

certain, past, present or future, which arise out of or relate in any way to the design, manufacture, installation, performance or replacement of the OE-34 solar panel system at the Home, including all warranties and guarantees, express or implied, as well as the right to recover all sums and amounts paid by Centex to Homeowners or incurred by Centex in connection with the repair or replacement of the OE-34 solar panel system (“Claims”).

5. Homeowners represent and warrant that they are the sole owners of the Claims, and have not previously transferred or assigned the Claims to any other person.
6. Homeowners acknowledge and agree that they have executed this Agreement voluntarily, without reliance on any representation, warranty, statement or promise by Centex or any other person purporting to speak on its behalf.

Dated: _____, 2013

HOMEOWNERS:

Signature: _____

Printed Name: _____

Signature: _____

Printed Name: _____

Dated: _____, 2013

CENTEX:

CENTEX HOMES, a Nevada general partnership
By: CENTEX REAL ESTATE CORPORATION,
a Nevada corporation, its managing general partner

By: _____

Its: _____