CONTRACTORS STATE LICENSE BOARD STATE OF CALIFORNIA
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Conditional and Unconditional Waiver and Release Forms

Civil Code Section 3262

General Principles:

No lien release is binding unless the claimant executes (signs) and delivers a waiver and release.

Be careful: paying your contractor (and/or getting a release from your contractor) does not guarantee that other claimants, like subcontractors and suppliers, are paid. A claimant is a person who, if not paid, can file a lien on your home.

To be effective, the waiver and release forms must follow substantially one of the forms set forth in Civil Code Section 3262. The four forms are:

- Conditional Waiver And Release Upon Progress Payment
- Unconditional Waiver And Release Upon Progress Payment
- Conditional Waiver And Release Upon Final Payment
- Unconditional Waiver And Release Upon Final Payment

These forms are binding if signed by the claimant or his or her authorized agent. The signed form is effective to release:

- the owner;
- the construction lender; and
- the surety (in the case of a payment bond).

Caution: in the case of a conditional release, the release is only binding if there is evidence of payment to the claimant. Evidence of payment may be demonstrated by:

- the claimant's endorsement on a single check or a joint payee check which has been paid by the bank upon which it was drawn; or
- written acknowledgment of payment given by the claimant.

Conditional Waiver and Release Upon Progress Payment

Use this form when the claimant is required to execute a waiver and release in exchange for or in order to induce the payment of a progress payment and the claimant has not been paid. This form is useful when the claimant has not been paid yet, but will be paid out of a progress payment that is not the final payment. This conditional waiver and release is only effective if the claimant is *actually paid*. This release does not cover all items. See the "Conditional Waiver And Release Upon Progress Payment" form for more information.

CONDITIONAL WAIVER AND RELEASE UPON PROGRESS PAYMENT

Civil Code Section 3262(d)(1)

Upon receipt by the undersigned of a check from _____
MAKER OF CHECK

in the sum of $_____ payable to _____
AMOUNT OF CHECK PAYEE OR PAYEES OF CHECK

and when the check has been properly endorsed and has been paid by the bank upon which it is drawn, this document shall become effective to release any mechanic's lien, stop notice, or bond right the undersigned has on the job of _____
OWNER

located at _____ to the following extent.
JOB DESCRIPTION

This release covers a progress payment for labor, services, equipment, or material furnished to

_____ through _____
YOUR CUSTOMER DATE

only and does not cover any retentions retained before or after the release date; extras furnished before the release date for which payment has not been received; extras or items furnished after the release date. Rights based upon work performed or items furnished under a written change order which has been fully executed by the parties prior to the release date are covered by this release unless specifically reserved by the claimant in this release. This release of any mechanic's lien, stop notice, or bond right shall not otherwise affect the contract rights, including rights between parties to the contract based upon a rescission, abandonment, or breach of the contract, or the right of the undersigned to recover compensation for furnished labor, services, equipment, or material covered by this release if that furnished labor, services, equipment, or material was not compensated by the progress payment.

Before any recipient of this document relies on it, said party should verify evidence of payment to the undersigned.

Dated: _____ _____
COMPANY NAME

By _____
TITLE

NOTE: This form complies with the requirements of Civil Code Section 3262(d)(1). It is to be used by a party who applies for a progress payment when the progress check has not yet cleared the bank. This release only becomes effective when the check, properly endorsed, has cleared the bank.

Unconditional Waiver and Release Upon Progress Payment

Use this form when the claimant is required to execute a waiver and release in exchange for or in order to induce payment of a progress payment and the claimant asserts in the waiver that he or she has in fact been paid the progress payment. This release does not cover all items. See the “Unconditional Waiver And Release Upon Progress Payment” form for more information.

UNCONDITIONAL WAIVER AND RELEASE UPON PROGRESS PAYMENT

Civil Code Section 3262(d)(2)

The undersigned has been paid and has received a progress payment in the sum of

$ _____ for labor, services, equipment or material furnished to _____
YOUR CUSTOMER

on the job of _____ located at _____
OWNER JOB DESCRIPTION

and does hereby release any mechanic’s lien, stop notice or bond right that the undersigned has on the above referenced job to the following extent.

This release covers a progress payment for labor, services, equipment, or material furnished

to _____ through _____
YOUR CUSTOMER DATE

only and does not cover any retentions retained before or after the release date; extras furnished before the release date for which payment has not been received; extras or items furnished after the release date. Rights based upon work performed or items furnished under a written change order which has been fully executed by the parties prior to the release date are covered by this release unless specifically reserved by the claimant in this release. This release of any mechanic’s lien, stop notice, or bond right shall not otherwise affect the contract rights, including rights between parties to the contract based upon a rescission, abandonment, or breach of the contract, or the right of the undersigned to recover compensation for furnished labor, services, equipment, or material covered by this release if that furnished labor, services, equipment, or material was not compensated by the progress payment.

Dated: _____ _____
COMPANY NAME

By _____
TITLE

NOTICE: THIS DOCUMENT WAIVES RIGHTS UNCONDITIONALLY AND STATES THAT YOU HAVE BEEN PAID FOR GIVING UP THOSE RIGHTS. THIS DOCUMENT IS ENFORCEABLE AGAINST YOU IF YOU SIGN IT, EVEN IF YOU HAVE NOT BEEN PAID. IF YOU HAVE NOT BEEN PAID, USE A CONDITIONAL RELEASE FORM.

NOTE: This form complies with the requirements of Civil Code Section 3262(d)(2). It is to be used to release claims to the extent that a progress payment has actually been received by the releasing party.

Conditional Waiver and Release Upon Final Payment

Use this form when the claimant is required to execute a waiver and release in exchange for or in order to induce the payment of a final payment and the claimant has not been paid. This release is only binding if there is evidence of payment to the claimant. Evidence of payment may be demonstrated by:

- the claimant's endorsement on a single check or a joint payee check which has been paid by the bank upon which it was drawn; or
- written acknowledgment of payment given by the claimant.

CONDITIONAL WAIVER AND RELEASE UPON FINAL PAYMENT

Civil Code Section 3262(d)(3)

Upon receipt by the undersigned of a check from _____
MAKER OF CHECK

in the sum of $_____ payable to _____
AMOUNT OF CHECK PAYEE OR PAYEES OF CHECK

and when the check has been properly endorsed and has been paid by the bank upon which it is drawn, this document shall become effective to release any mechanic's lien, stop notice, or bond right the undersigned has on the job of _____
OWNER

located at _____ .
JOB DESCRIPTION

This release covers the final payment to the undersigned for all labor, services, equipment, or material furnished on the job, except for disputed claims for additional work in the amount of $ _____ . Before any recipient of this document relies on it, the party should verify evidence of payment to the undersigned.

Dated: _____ _____
COMPANY NAME

By _____
TITLE

NOTE: This form of release complies with the requirements of Civil Code Section 3262(d)(3). It is not effective until the check that constitutes final payment has been properly endorsed and has cleared the bank.

Unconditional Waiver and Release Upon Final Payment

Use this form when the claimant is required to execute a waiver and release in exchange for, or in order to induce payment of, a final payment *and* the claimant asserts in the waiver he or she has in fact been paid the final payment.

UNCONDITIONAL WAIVER AND RELEASE UPON FINAL PAYMENT

Civil Code Section 3262(d)(4)

The undersigned has been paid in full for all labor, services, equipment or material furnished

to _____ on the job of _____
YOUR CUSTOMER OWNER

located at _____ and does hereby waive and release any right to a
JOB DESCRIPTION

mechanic's lien, stop notice, or any right against a labor and material bond on the job, except for

disputed claims for extra work in the amount of $_____.

Dated: _____ _____
COMPANY NAME

By _____
TITLE

NOTICE: THIS DOCUMENT WAIVES RIGHTS UNCONDITIONALLY AND STATES THAT YOU HAVE BEEN PAID FOR GIVING UP THOSE RIGHTS. THIS DOCUMENT IS ENFORCEABLE AGAINST YOU IF YOU SIGN IT, EVEN IF YOU HAVE NOT BEEN PAID. IF YOU HAVE NOT BEEN PAID, USE A CONDITIONAL RELEASE FORM.

NOTE: This form complies with the requirements of Civil Code Section 3262(d)(4).