AMENDMENT TO MANAGEMENT AGREEMENT
between
SANTA RITA RANCH III HOMEOWNERS ASSOCIATION
and
AAM, LLC

This document serves to amend the Management Agreement between the **Santa Rita Ranch III Homeowners Association** and AAM, LLC executed on **January 1, 2024.** The below changes shall have the effective date of **January 1, 2026.** All other terms and conditions of the Agreement shall remain the same.

Amendment to Section 2. (Agent's Obligations) Sub-Section titled ASSOCIATION BANK ACCOUNTS:
Not to commingle any of the revenues from the Association with Agent's own funds, but to promptly deposit same in the Association's bank account, interest or non-interest bearing, or in certificates of deposit in any bank authorized to do business in the State of Arizona. The Board of Directors acknowledges that its decision to transfer funds into a bank, financial institution, or depository other than principal Bank selected by Agent may result in monthly service charges from the Bank to the Association to cover the bank's lockbox and administrative costs on the Association account(s). Agent shall make every effort to execute brokerage account orders, purchases, trades, or transfer requests within ten (10) business days of receipt of written Board approved instructions. Agent shall not be liable for any loss of interest or investment value relative to the timing of these transactions.

Amendment to Section 3. (Association's Obligations) Sub-Section titled PAYMENT OF EXPENSES:
To assume full responsibility for the funding of any expenses and obligations incurred in connection with the exercise of Agent's duties set forth in this Agreement. Association shall provide Agent sufficient funds to pay any amounts due under existing contracts and to compensate Agent for management fees as outlined in 4.1 of the Agreement and the expenses referenced in Exhibits of the Agreement.

Amendment to Section 4. (Compensation to Agent) Sub-Section titled FEE INCREASES:
The Agent shall notify the Board of Directors in writing of any proposed fee increase, which shall be voted on by the Board at the time that the Board reviews and approves the Association's annual budget. Management fee increases and Exhibit pricing shall have the same effective date as the approved annual budget.

Addition of Exhibit: AGENT'S RELATIONSHIP TO OTHER ENTITIES (Attached)

AMENDMENT TO EXHIBIT A - SUPPLEMENTAL COSTS:	
Accounts Payable Remittance	$1.50 each (Price includes processing, payment distribution, postage, and envelope)
Assessment Invoices/eStatements	$1.50 each (Price does not include cost for envelopes and postage)
Attendance at Meetings	No charge for Association Meetings as outlined in the original Management Agreement assuming Board Meetings will not exceed 2 hours. An additional charge of $150.00 per hour may apply if meeting time exceeds 2 hours.

AMENDMENT TO EXHIBIT A - SUPPLEMENTAL COSTS:	
Bank and Brokerage Accounts	$75.00 per month will be charged to Associations that choose to open non-partner banking relationships or wealth management accounts. Associations that utilize AAM partner banks for their Operating and Reserve banking needs will not be charged this fee. Partner banks tailor their services to the HOA industry and they provide additional technology, tools, and support.
Cell Phone Reimbursement per Month, per Line	[redacted]
Certified Mailings	At cost
Color Ink Print (Including stock)	$0.80 each
Color Stock Paper	$0.25 each
Community Information Statement Annual Fee	$150.00 (Filing required by State Statute)
Conference Call/Video Conferencing Service	Included ($100.00 per recorded meeting)
Copies	$0.22 each
Credit/Debit Card Management (if applicable)	$50.00 per month
E-Document Monthly Fee	$30.00 Cost of filing, handling, and distribution of all association-related electronic correspondence and documents, inclusive of use of DocuSign license for electronic signature capabilities.
Envelopes	$0.22 each (Additional charge for specialty sizes)
E-Voting	Negotiated Separately
File Storage	$4.00 per box per month
Form 1099	$20.00 per applicable vendor
Gate/Amenity Access Programming Fee (if applicable)	$30.00 per month per program, i.e. vehicular gate programming and amenity access programming
Insurance Claim Administration	Paid to Agent maximum amount permissible by the Insurance Carrier, or at $150.00 per hour special project fee.
Legal Proceedings - Attendance	$150.00 per hour (Scope to be provided per case)
Legal Proceedings – Coordination	$250.00 one-time fee upon service of a lawsuit
Mileage Reimbursement (as applicable)	[redacted]
Minute Taking	Negotiated Separately
Newsletters	One-time setup fee of $50.00 and quarterly preparation fee of $50.00 per hour. Association is responsible for copies and postage.
NSF Fee (Non-Sufficient Funds)	$25.00
Point-of-Sale (POS) & Recreation Management Software Systems Accounting Fees	Associations choosing to utilize third-party point-of-sale or recreation management systems will be charged for the setup, hardware, support, and accounting services associated with these systems. A $300.00 setup fee and $150.00 monthly recurring accounting reconciliation fee will be charged for POS systems such as Square, Stripe or PayPal, as well as other third-party systems requiring additional accounting reconciliation. All processing fees associated with these systems will be the responsibility of the

AMENDMENT TO EXHIBIT A - SUPPLEMENTAL COSTS:	
	Association. Additional hourly special project fees and/or an additional monthly fee may apply for technology related customizations or additional accounting reconciliation resources.
Postage	Current Rate
Procurement Fee	10% of cost for use of corporate credit card for association purchases
Recording and Filing of Association Documents	$50.00 per occurrence for recording association governance documents with county recorder's office and filings with the state.
Records Transfer	$500.00 (Fee for compiling and transferring all association records to new management provider)
Scans	$0.15 each
Setup of owner and financial information fee	Included
Special Assessment Collections	Setup fee of $100.00 in addition to $5.00 to $15.00 per Lot/Unit (Fee dependent upon complexity and frequency of billing)
Special Meetings as approved by the Board of Directors	$150.00 per hour (Special meetings are defined as, including but not limited to, committee meetings, construction defect litigation meetings, meetings associated with board recalls, and other meetings outside the normal scope of standard board and membership meetings.)
Special Projects	$150.00 per hour (Association acknowledges that a special project fee may apply in accordance with pricing outlined in Exhibit A of the Management Agreement. Special Projects shall include but are not limited to financial reporting not covered in Section 2 of the Management Agreement. Reporting may include requests for financial analysis, investment modifications, special reports, change of accounting methods, in-depth financial analysis, audit assistance, etc.)
Special Reports	$150.00 per hour (Will require a scope of services and will be billed as a special project with Board approval)
Statutory Agent Annual Fee	$150.00; *$300.00 upon Arizona Corporation Commission implementation of new online filing requirements*
Text Messaging Service (Resident Opt-In)	Negotiated separately
Website	Refer to Website Addendum, if applicable. Negotiated separately.
Welcome Packets	$8.00 per Unit Resale/ $10.00 per Unit New Build. Includes cost of envelopes and postage.
Year End Reporting & Tax Coordination Fee	$100.00

OWNER - MISCELLANEOUS COSTS (The following fees are charged to the <u>owner</u>; they are not an Association fee:)	
New Home Administrative Fee	$125.00
Bulk Lot Sale Administrative Fee	$500.00–$2,000.00
Ownership Start Up Fee	$50.00 (Service fee for the administration of association records)
Re-sale Disclosure and Lien Estoppel Fee	$400.00
Disclosure/Lien Estoppel Update Fee	$50.00
Document Rush Fee	$100.00
Refinance Statement Fee	$150.00
Lender PUD Statement Fee	Standard $150.00 / Custom $200.00

OWNER - MISCELLANEOUS COSTS (The following fees are charged to the owner; they are not an Association fee:)	
Foreclosure/Research Fee	$300.00
Package Account for Third Party Litigation	$100.00 (One-time transaction)
Collection Agency Package Fee	$85.00 (One-time transaction)

OWNER - COLLECTION FEES (The following fees are the responsibility of the owner; they are billed to the Association and reimbursed by the owner upon collection of fees):	
Demand Letter	$70.00
Rebill Fee	$15.00
Lien Fees	$185.00 (Plus all applicable filing fees)
Last Notice Fee	$10.00 (Does not include cost for standard and certified mailing)

LEGAL DOCUMENT PREPARATION SERVICES	
CLDP Court Document Preparation Fee	$400.00
Process Server/Attempt Fee	At Cost (Subject to change by County)
Court Filing Fee	At Cost (Subject to change by County)
Miscellaneous Costs:	
Skip Trace Fee	$45.00
Re-Attempt Processing Fee	$25.00
Administrative Fees	$1.50 - $10.00

SANTA RITA RANCH III HOMEOWNERS ASSOCIATION
an Arizona [redacted]

By _____

Title President

Date 12/11/2025

AAM, LLC
an Arizo [redacted] **pany**

By _____

Title Chief Operating Officer

Date 12/11/2025

EXHIBIT F

AGENT'S RELATIONSHIP TO OTHER ENTITIES

1. The Association acknowledges that the Agent, and/or its affiliates, may enter into certain agreements, affiliate relationships or affinity partnerships with third-party companies, including financial institutions (collectively, "Agent Agreements"), that provide a range of services for the Agent and/or Association related to this Agreement. The Association consents to the Agent's participation in such agreements, understanding that these agreements are made independently by the Agent and that the Association is not a party to them. The Association further acknowledges and agrees to all of the below:

    a. Agent Agreements are made to secure commercial services at competitive rates, reduce operational costs, create operational efficiencies, and enhance the scope of services offered to the Association, individual unit owners and the Agent's clients overall. They may benefit the Association indirectly by subsidizing, reducing or eliminating costs otherwise incurred by the Association, and/or may provide a direct financial and/or operational benefit to the Agent or its affiliates. Some benefits may be realized by the Agent as a result of the maintenance of deposits by the Agent's clients, and/or total accumulated Agent and Association business with certain third-party providers.

    b. Agent Agreements may include, but are not limited to, services related to technology support, website management, banking services, assessment recovery, payment automation, vendor enrollment, bid procurement, preparation of payoff statements, estoppel certificates and mortgage questionnaires, compliance inspections, transcription services, records retention and production, restoration and capital expenditure projects, election management, insurance products, lending assistance, leasing administration, back-office support, and other operational functions.

    c. Any benefits that might be achieved through Agent Agreements will not be distributed or allocated on an individual client basis. The Association waives any claim to a proportionate share of such benefits, whether financial or operational, that may be achieved by the Agent.

    d. The Agent may establish Agent Agreements to offer certain consumer services directly to individual members, unit owners, and/or tenants (collectively, "Residents") for home-based services. Residents may choose to engage with these service providers independently, and the Agent may receive fees and a financial or other benefit from these arrangements. Purchase of any product and/or service which is part of any Agent Agreements or marketing plans operated by the Agent and its affiliates is not in any manner required by the provisions of this Agreement.

    e. The Association acknowledges the disclosure of the relationships, affiliations, and activities described above and agrees that such Agent Agreements do not constitute a violation of this Agreement or a conflict of interest.



HOMEOWNERS COMMUNITY MANAGEMENT AGREEMENT

This agreement is made and entered into by and between

SANTA RITA RANCH III HOMEOWNERS ASSOCIATION

an Arizona Non-Profit Corporation

and

AAM, LLC

an Arizona Limited Liability Company

[redacted]

1. INTRODUCTION **4**

1.2. *Agreement to engage services:* 4
1.3. *Termination Provision:* 4
1.4. *Exhibits:* 4
1.5. *Scope of Responsibilities:* 4

2. AGENT'S OBLIGATIONS **4**

2.1. *Management Obligation:* 4
2.2. *Vendor Management:* 4
2.3. *Reporting:* 5
2.4. *Assessment Billing:* 5
2.5. *Accounting Services:* 5
2.6. *Association Bank Accounts:* 5
2.7. *Accounting Responsibilities:* 5
2.8. *Annual Budget:* 5
2.9. *Year-end Financial Statement / Review:* 6
2.10. *Tax Preparation:* 6
2.11. *Common Area Monitoring:* 6
2.12. *Interaction with Legal Counsel:* 6
2.13. *Meeting Attendance:* 6
2.14. *Budget Management:* 6
2.15. *Capital Projects:* 6
2.16. *Liability:* 6
2.17. *Indemnification:* 6

3. ASSOCIATION'S OBLIGATIONS **7**

3.1. *Association Documents:* 7
3.2. *Payment to Agent:* 7
3.3. *Indemnification:* 7
3.4. *Liability:* 7
3.5. *Insurance Requirements:* 7
3.6. *Payment of Expenses:* 7
3.7. *Association Funding:* 8
3.8. *Designated Representative:* 8
3.9. *Employee and Contractor Supervision:* 8
3.10. *Records Retention Policy:* 8
3.11. *Annual Budget Committee:* 8
3.12. *Trade Secrets:* 8
3.13. *Ownership Rights:* 8
3.14. *Authority to enter into Agreement:* 8

4. COMPENSATION TO AGENT **9**

4.1. *Compensation:* 9
4.2. *Fee Increases:* 9
4.3. *Payment for Additional Services:* 9
4.4. *New Home Administrative Processing Fee:* 9
4.5. *Refinancing Fee:* 9
4.6. *Re-sale Disclosure and Lien Estoppel Fee:* 9
4.7. *Rebill Fee:* 9
4.8. *Demand Fee:* 10
4.9. *Last Notice Fee:* 10
4.10. *Lien Fee:* 10
4.11. *Foreclosure Document Fee:* 10

5. NATURE OF THIS AGREEMENT **10**

EXHIBIT A **11**

EXHIBIT B 13
EXHIBIT C 15
EXHIBIT D 17
EXHIBIT E 19

AAM, LLC

HOMEOWNERS COMMUNITY MANAGEMENT AGREEMENT

Community Name: **Santa Rita Ranch III Homeowners Association**
Company: **c/o AAM, LLC**
Address: [redacted]
City/State/Zip:

This Agreement made as of the 1st day of January, 2024, by and between AAM, LLC, hereinafter the Agent, and Santa Rita Ranch III Homeowners Association, hereinafter the Association.

1. **Introduction**

In consideration of the covenants herein contained, the parties hereto agree as follows:

1.1. The Association is charged by the provisions of the Declaration of Santa Rita Ranch III Homeowners Association, a Homeowner Association, with the responsibility for the operation, maintenance, and management of the affairs of the Homeowner Association.

1.2. *Agreement to engage services:*
The Association desires to engage the services of Agent to assist the Association in discharging certain of said responsibilities and Agent hereby assumes those responsibilities herein described on the terms and conditions hereinafter set forth.

1.3. *Termination Provision:*
The Association hereby employs the Agent and the Agent hereby accepts such employment as the exclusive Agent to manage and provide services to Santa Rita Ranch III Homeowners Association that consist of the common areas upon community described above. Term of this Agreement is for one (1) year beginning on January 1, 2024 ending on December 31, 2024. This Agreement shall renew for successive one (1) year periods unless otherwise terminated. Notwithstanding the above, either party may terminate this Agreement any time by delivering to the other party not less than thirty (30) days' written notice of its intention to terminate said Agreement.

1.4. *Exhibits:*
Exhibits are incorporated into this Agreement by reference.

1.5. *Scope of Responsibilities:*
The authority and duties of Agent hereunder are confined to the General Common Areas, or as may be required to be monitored pursuant to the Declaration. Such authority and duties do not include supervision or management of the individual lots.

2. **Agent's Obligations**

The Agent accepts said employment and agrees:

2.1. *Management Obligation*:
To use its best skill and efforts to serve homeowners in the management of the Association under the direction of the Board of Directors subject to the provisions of the Declaration and any amendments thereto and the Bylaws of the Association.

2.2. *Vendor Management:*
To contract, in the name and at the expense of the Association, for gas, electricity, water, sewer, vermin extermination, landscaping and such other services as are required by the Association; to pay all utility charges, insurance premiums, taxes and other charges levied against or incurred by Association from Association's funds and to manage vendor and contractor relationships, including the potential termination or replacement of vendors or contractors, all as an Agent of the Association. Agent shall not enter into any

contract, terminate any contract or extend the term of any contract without prior approval of the Board of Directors. Service contracts will be written to include a thirty (30) day notice of cancellation whenever possible.

2.3. *Reporting:*
To report to the Association promptly any conditions at, on or about the Association which, in the opinion of the Agent, require the attention of the Association.

2.4. *Assessment Billing:*
To notify all unit owners of the Association of their respective assessments and common charges, as scheduled, imposed by the Association; to take all reasonable steps, other than legal, to collect and deliver to the Association all assessments and common charges including the delivery of delinquency notices provided, however, Agent shall not have the final responsibility for the collection of any delinquent assessment, common charge or other charges.

2.5. *Accounting Services:*
To keep full, detailed and adequate accounts and records of all funds received and disbursed with reference to the Agent's management of Association and said records shall be available for representatives of the Association to examine at any time during business hours upon reasonable notice.

2.6. *Association Bank Accounts:*
Not to commingle any of the revenues from the Association with Agent's own funds, but to promptly deposit same in the Association's bank account, interest or non-interest bearing, or in certificates of deposit in any bank authorized to do business in the State of Arizona. The Board of Directors acknowledges that its decision to transfer funds into a bank, financial institution, or depository other than principal Bank selected by Agent may result in monthly service charges from the Bank to the Association to cover the bank's lockbox and administrative costs on the Association account(s).

2.7. *Accounting Responsibilities:*
All revenues from the Association members shall be deposited in the Association's account, to be disbursed as hereafter set forth. Agent agrees to deliver to the Association at such place as the Association may hereafter designate, on or before the last day of each month during the term of this Agreement, a detailed written statement of the receipts, and disbursements for the Association during the preceding month. Monthly reports to include at a minimum:

- Balance Sheet
- Income/Expenses/Budget Comparison Report
- Delinquency Reports
- General Ledger
- Cash Receipts/Disbursements
- Reserve Statements
- Bank Statements
- Supporting Documents

In the event the disbursements shall be in excess of funds collected by the Agent, the Association hereby agrees to pay such excess amount promptly to Agent upon written demand by the Agent. Although the Agent is not expected to use his own funds in payment of any expenses pertaining to the Association, Agent may utilize its own funds or credit to pay Association expenses and then request prompt reimbursement from the Association. Within thirty (30) days of the termination of this Agreement, Agent shall provide Association with an accounting of receipts and disbursements for all periods not previously reported to the Association.

2.8. *Annual Budget:*
To prepare and submit to the Association, at least forty-five (45) days prior to the last day of the year, a recommended annual budget for the next year.

2.9. *Year-end Financial Statement / Review:*
To prepare and submit to the Association, within forty-five (45) days after the end of each year, a statement showing year-to-date cash receipts and disbursements for the operation of Association for the preceding year; provided, however, this service shall not require Agent to furnish an audit. Any audit, review or compilation as required by Arizona law shall be prepared, at Association's expense, by an accountant selected by the Association.

2.10. *Tax Preparation:*
To provide to accountants, as may be retained by the Association, any necessary copies of Association's reports prepared by Agent required for the preparation and filing of personal property or income tax returns, if any.

2.11. *Common Area Monitoring:*
To monitor and to arrange for any needed repairs or maintenance of the common areas, assuring compliance with the established maintenance standards set by the Association. To monitor and inspect the community for violations of the governing documents, and to report such violations to the Board of Directors and applicable homeowners. Monitoring of the community shall take place during regular business hours.

Ordinary repairs involving an expenditure in excess of $1,250.00 for any one item shall be made only with the prior approval of the Association except expenditures made under circumstances which, in the opinion of the Agent, require immediate repairs or alterations costing in excess of the above amount.

2.12. *Interaction with Legal Counsel:*
Agent is not authorized to practice law. Any legal action undertaken shall be in Association's name only. All legal fees, costs and expenses shall be the responsibility of Association and paid from Association's funds.

2.13. *Meeting Attendance:*
Agent will attend one (1) meeting with or on behalf of Association per month, including both regular and executive session (not to be scheduled on holidays or weekends), as well as an annual membership meeting.

2.14. *Budget Management:*
Each and all of the foregoing services and expenditures attendant thereon shall be made in accordance with the approved budget for Association and any rebate or discount obtained by the Agent in connection with any of the foregoing expenditures shall be credited to Association's account.

2.15. *Capital Projects:*
It is understood that the Agent shall not be required to undertake the making or supervision of extensive reconstruction of the Association or any part thereof except after agreement by the parties as to any additional fee to be paid for such services.

2.16. *Liability:*
Agent shall not hold Association liable for any error of judgment, or for any mistake of fact or law, or for anything which Association may do or refrain from doing hereinafter, except in cases of misconduct or gross negligence.

2.17. *Indemnification:*
The Agent shall indemnify, defend, and hold the Association harmless from any and all claims for damages, injuries, costs, expenses, attorney's fees, suits, or liabilities of any nature whatsoever, whether known or unknown and whether direct or indirect, as though expressly set forth and described herein, which Association may incur, suffer, become liable for, or which may be asserted or claimed against Agent arising out of: (1) any act or omission by Agent, its members, officers, directors, employees or agents, which violates any law, ordinance, statute, regulation or ruling of any governmental agency unless such action is taken at the express request of the Board of Directors; or (2) any act or omission by Agent taken in violation of the instructions of the Board or one of Agent's obligations expressly set forth in this

Agreement; provided, however, that Agent will not be obligated to indemnify and hold the Association harmless if such act/omission constitutes a breach of an express duty of Association's set forth in this Agreement. This indemnification provision shall not be limited to claims, expenses, or liabilities for which one of the parties is solely liable, but shall also apply to claims, expenses, and liabilities for which Agent and the Association are jointly and concurrently liable.

3. **Association's Obligations**

In consideration of the management services to be rendered by Agent under this Agreement, Association agrees:

3.1. *Association Documents:*

To promptly furnish Agent with all documents and records required for the management of the Association. Agent must receive accurate records when initially assuming management of Association. Association may incur additional fees if due diligence and discovery are required as result of receipt of inadequate records.

3.2. *Payment to Agent:*

To pay to Agent, fees for services rendered at the rate hereinafter set forth. Such compensation is due and payable on demand and may be deducted by the Agent from receipts.

3.3. *Indemnification:*

The Association shall indemnify, defend, and hold the Agent harmless from any and all claims for damages, injuries, costs, expenses, attorney's fees, suits, or liabilities of any nature whatsoever, whether known or unknown and whether direct or indirect, as though expressly set forth and described herein, which Agent may incur, suffer, become liable for, or which may be asserted or claimed against Agent arising out of Agent's performance of its duties under this Agreement, or hereafter granted to Agent, or otherwise arising out of the management of the Association by Agent, unless such act/omission constitutes a breach of an express duty of Agent's set forth in this Agreement. This indemnification provision shall not be limited to claims, expenses, or liabilities for which one of the parties is solely liable, but shall also apply to claims, expenses, and liabilities for which Agent and the Association are alleged to be jointly and concurrently liable.

3.4. *Liability:*

Except in the case of Agent's gross negligence, Association shall not hold Agent liable for any error of judgment, or for any mistake of fact or law, or for anything which Agent may do or refrain from doing hereinafter.

3.5. *Insurance Requirements:*

To carry bodily injury, property damage and personal injury public liability insurance in limits of not less than $1,000,000 combined single limits coverage. Certificates of said policies shall be furnished to Agent. Association agrees that at all times during the continuance of this Agreement that all bodily injury, property damage and personal injury insurance, property insurance, fire insurance, and any other coverage carried by Association on the Association shall, by the appropriate endorsement of all policies evidencing such insurance and without cost to Agent, be extended to insure and indemnify Agent, as well as Association, as follows: Agent will be named as an additional insured and the Association's insurance coverage will be primary coverage, meaning it will pay first, and any insurance that Agent maintains will be secondary coverage, meaning it will pay only after the Association's insurance coverage has been exhausted.

3.6. *Payment of Expenses:*

To assume full responsibility for the funding of any expenses and obligations incurred in connection with the exercise of Agent's duties set forth in this Agreement. Association shall provide Agent sufficient funds to pay any amounts due under existing contracts and to compensate Agent for management fees as outlined in 4.1 of the Agreement and the expenses of postage, stationery, photocopies and similar items as referenced in Exhibit A of the Agreement.

3.7. *Association Funding:*
To deposit with Agent $5,000.00, in an account in the name of the Association, as an initial operating reserve and shall cover any excess of expenses over income within ten (10) days of any requests by Agent. The Agent may terminate this Agreement immediately if the request for additional funds to maintain sufficient balance in the property trust account is not paid.

3.8. *Designated Representative:*
To designate one individual representative and an alternate who shall be authorized to conduct the business of Association with Agent on any matter relating to the management of Association and, in the absence of such designation by Association, the President of Association may be regarded by Agent as having such authority.

3.9. *Employee and Contractor Supervision:*
Not to direct or otherwise supervise Association's employees or contractors, except as otherwise negotiated.

3.10. *Records Retention Policy:*
Association hereby adopts the Records Retention Policy as outlined in Exhibit B of the Agreement.

3.11. *Annual Budget Committee:*
To appoint a committee; which will assist and cooperate with Agent in the preparation of the recommended budget.

3.12. *Trade Secrets:*
During the course of this Agreement, Association will be dealing with trade secrets of Agent, including information, custom software, and processes, all of a confidential nature, that are Agent's property and are used in the course of Agent's business. In particular, Association may have access to and be dealing with trade secrets such as confidential vendor lists, procedures and software for servicing Agent's Associations, and documentation relating to the servicing of Agent's Associations. Association promises to hold in the strictest confidence and not divulge to others, nor to use to the detriment of Agent, any time during this Agreement or thereafter, so long as it shall retain a degree of confidentiality giving value to its protection from competitors, any trade secrets or confidential information or software attained during the course of this Agreement. All software provided by Agent is the exclusive property of Agent and shall be removed upon termination of Agent's agreement.

3.13. *Ownership Rights*:
The Association shall retain ownership rights of all records that involve Association business whether directly or indirectly, regardless of whether the record was generated by the Agent's staff, board members, association members, vendors or a third party. Records include but are not limited to, paper documents, electronic documents, Association related emails, PDF files, JPEG files, multimedia or image files (graphics, audio and video), text files, or any other file, document or medium that contains information related to the business of the Association. In the event of the termination of this Agreement the Agent shall provide the Association its records in a format that is readable, printable and able to be imported into commonly used software tools. The specialized software systems used by the Agent to generate association related documents is the sole property of the Agent, and is not a part of the Association's records.

3.14. *Authority to enter into Agreement:*
Association represents that it is duly authorized to enter into and execute this Agreement for and on behalf of all the unit owners of Association. Its employment and designation of duties to Agent hereunder are authorized by and pursuant to the laws of appropriate governmental authorities and all specific legal documents governing Association.

4. **Compensation to Agent**

The association expressly agrees:

4.1. *Compensation:*

To pay to the Agent for management services performed hereunder the monthly management fee (as noted below) and any applicable Federal, State and/or Local taxes:

Number of Homes Closed	Monthly Management Fee
1 to 136	$800.00
137 to 186	$975.00
187 to 236	$1,150.00
237 to 286	$1,325.00
287 to 330	$1,500.00

4.2. *Fee Increases:*

Any management fee increases the Agent shall notify the Board of Directors in writing of any proposed fee increase, which shall be voted on by the Board at the time that the Board reviews and approves the Association's annual budget. Management fee increases shall have the same effective date as the approved annual budget.

4.3. *Payment for Additional Services:*

In the event Agent is required to perform services other than those set forth herein, either under emergency circumstances or at the express direction of the Association, the Agent shall be paid additional compensation in accordance with Exhibit A of this Agreement. Such fees will not be charged without prior approval of the Board of Directors.

4.4. *New Home Administrative Processing Fee:*

Association hereby acknowledges that Agent charges each buyer of a new home an administrative fee in accordance with pricing contained in Exhibit A of this Agreement upon transfer of title to compensate for administrative expenses. The fee is payable directly to Agent. This charge will be assessed to the buyer and billed through the escrow company. This is not an Association charge.

4.5. *Refinancing Fee:*

Association hereby acknowledges that Agent charges each owner of a home a fee in accordance with pricing contained in Exhibit A of this Agreement for refinancing of said home. This fee will be assessed to the owner of the home and billed through the escrow company. This is not an association charge.

4.6. *Re-sale Disclosure and Lien Estoppel Fee:*

Association hereby acknowledges that Agent charges each seller of a re-sale home a fee in accordance with pricing contained in Exhibit A of this Agreement. This fee includes a re-sale administrative processing fee for providing the buyer with a disclosure/lien estoppel statement and all information required per A.R.S. § 33-1806 and/or A.R.S. § 33-1260. The fee is payable directly to Agent. This fee will be assessed to the seller. This is not an Association charge.

4.7. *Rebill Fee:*

Association hereby acknowledges that Agent charges a rebill fee in accordance with pricing contained in Exhibit A of this Agreement to compensate for administrative expenses associated with the rebill letter (this is in addition to any collection policy fees of the Association). The rebill fee will be posted to owner's account and billed to the Association.

4.8. *Demand Fee:*
Association hereby acknowledges that Agent charges a fee in accordance with pricing contained in Exhibit C of this Agreement for demand letters to compensate for administrative expenses associated with the collection of delinquent homeowner assessments. Agent will collect the demand letter fee from the Association upon preparation of the letter. The demand letter fee will be posted to owner's account. Upon collection of the fee, Association will be reimbursed by owner for expense.

4.9. *Last Notice Fee:*
Association hereby acknowledges that Agent charges a Last Notice Fee per A.R.S. § 33-1807, Section K in accordance with pricing contained in Exhibit A of this Agreement to compensate for administrative and mailing expenses associated with the Last Notice Fee (this is in addition to any collection policy fees of the Association). The Last Notice Fee will be posted to owner's account and billed to the Association.

4.10. *Lien Fee:*
Association hereby acknowledges that Agent charges a lien fee in accordance with pricing contained in Exhibit D of this Agreement to compensate for administrative expenses associated with the lien. Agent will collect the lien fee from the Association upon creation of the lien. Agent will then pay the cost of recording the lien from Agent's funds. Lien fee will be posted to owner's account. Upon collection of lien fee, Association will be reimbursed by owner for expense.

4.11. *Foreclosure Document Fee:*
Association hereby acknowledges that the Agent charges a foreclosure collection fee in accordance with pricing contained in Exhibit A of this Agreement to compensate for administrative expenses associated with monitoring and obtaining foreclosure documents. The foreclosure document fee will be posted to owner's account but not billed to the Association until the foreclosure document fee is collected from the owner.

5. Nature of this Agreement

5.1. This Agreement shall be binding on the parties and their heirs, executors, administrators, successors, and assigns. This Agreement shall be governed by the State of Arizona. This Agreement shall not be construed strictly either for or against either party, regardless of the party that drafted the Agreement. There are no oral agreements or representations between the parties and any modifications to this Agreement must be set forth in writing and signed by the party against whom the modification is sought to be enforced. If any provision in this Agreement is found to be unenforceable for any reason, it shall be severable and the remainder of the Agreement shall be in full force and effect.

IN WITNESS HEREOF THE PARTIES HAVE EXECUTED THIS AGREEMENT AS OF THE DATE FIRST ABOVE WRITTEN.

Santa Rita Ranch III Homeowners Association
an Arizona Non-Profit Corporation

By [redacted]

Title Board President

Date 12/7/2023

AAM, LLC
an Arizona Limited Liability Company

By [redacted]

Title Chief Operating Officer

Date 12/10/2023



EXHIBIT A
SUPPLEMENTAL COSTS

- Assessment Invoices / eStatements (if applicable) - $1.25 (price does not include cost for envelopes and postage)
- E-Document Monthly Fee - $25.00 (Cost of electronic mailing + filing of association documents, financials, newsletters and other correspondence)
- Form 1099 - $16.00 per applicable vendor
- Additional Bank Accounts - $25.00 (one-time fee per account setup)
- Copies - $0.15
- Color Stock Paper - $0.25 / Color Ink Print (including stock) - $0.80
- Envelopes - $0.15, (additional charge if specialty size required for mailings)
- Postage - current rate
- Community Information Statement Annual Fee (Filing required by State Statute) - $125.00
- Statutory Agent Annual Fee - $125.00
- One-time set-up fee to off-set costs associated with set-up of owner and financial information - *included*
- Newsletters: Set-Up Fee (one-time charge) - $50.00 / Quarterly Preparation - $50.00 per hour
- Special Assessment Collections - $5.00 to $15.00 per owner (Fee dependent upon complexity and frequency of billing)
- File Storage - $2.50 per box per month
- Attendance at Meetings - *included*
- Special Meetings as approved by the Board of Directors - $125.00 per hour (Special meetings are defined as, including but not limited to, committee meetings, construction defect litigation meetings, meetings associated with board recalls, and other meetings outside the normal scope of standard board and membership meetings.)
- Special Projects - $125.00 per hour (Projects outside of the scope of the contract, approved by the Board of Directors)
- Video Conference Service - *included*
- Video Conference Recording & Retrieval Fee (upon request) - $100.00 per meeting
- Welcome Packets - $7.00 per Unit Resales / $10.00 per Unit New Build (price includes cost for envelopes and postage)
- Common Area Parcel Consolidations - fee dependent upon number of tracts for consolidation (ranges between $400.00 - $1,450.00)
- Premium Website - *included*
- Minute Taking - negotiated separately
- E-Voting - negotiated separately
- Monthly Cell Allowance (as applicable) - N/A
- Mileage Reimbursement (as applicable) - N/A

OWNER - MISCELLANEOUS COSTS
The following closing cost fees would be charged to the owner, they are not an Association fee:

- New Home Administrative Fee - $100.00
- Re-sale Disclosure and Lien Estoppel Fee - $400.00
- Disclosure/Lien Estoppel Update Fee - $50.00

- Document Rush Fee - $100.00
- Refinance Statement Fee - $100.00
- Lender PUD Statement Fee - Standard $150.00, Custom $200.00
- Foreclosure/Research Fee - $300.00
- Bulk Lot Sale Administrative Fee - $500.00 - $2,000.00
- Package Account for Third Party Litigation - New Accounts - $85.00 (one-time transaction)
- Package Account for Third Party Collection Agency - $60.00 (one-time transaction)

The following collection fees would be the responsibility of the owner (billed to the Association, and reimbursed by the owner upon collection of the fees):

- Rebill Fee - $10.00
- Demand Letters - $60.00 (See Exhibit C)
- Last Notice Fee - $8.00 (price does not include cost for standard and certified mailing) [per A.R.S. § 33-1807, Section K]
- Lien Fees - $175.00 (plus any applicable County filing fees per A.R.S. § 11-475) [See Exhibit D]



EXHIBIT B
RECORDS RETENTION POLICY

RECORD TYPE	RETENTION PERIOD	STATUTORY REFERENCE
Governing Documents ✓ CC&R's / Declaration ✓ Articles of Incorporation ✓ Bylaws ✓ Rules & Regulations ✓ Design Guidelines ✓ Amendments to Governing Documents ✓ Board Resolutions ✓ Membership Meeting Minutes ✓ Unanimous Written Consent Actions ✓ Architectural Approvals/Denials ✓ Membership Lists	Indefinitely	A.R.S. 10.116011
Unedited audiotapes or videotapes of meetings	Indefinitely	A.R.S. 33-1804 A.R.S. 33-1248
Accounting Records ✓ Full Financial Statements ✓ Account Ledgers ✓ Owner Bankruptcy Records ✓ Collection Activity Records ✓ Delinquency Records ✓ Late Notices/Liens / Demands ✓ Audits, Reviews, Compilations	7 Years	A.R.S. 10-116012 IRS Regulations
Budgets ✓ Approved Budgets ✓ Working Papers	3 Years	
Written Communication to Members ✓ Notices ✓ E-Mail Blasts ✓ General Correspondence ✓ Ballots ✓ Webpages ✓ Newsletters	3 Years	A.R.S. 10-116013

RECORD TYPE	RETENTION PERIOD	STATUTORY REFERENCE
Violation Notices ✓ Correspondence ✓ Appeals	6 Years	
Board Packets ✓ Management Reports ✓ Proposals	3 Years	
Executed Vendor Contracts	6 Years	
Insurance Policies	10 Years	
Legal Opinions	10 Years	
Association Tax Payment Records	10 Years	
ACC Filings	7 Years	
Annual Election Materials ✓ Sign in sheet ✓ Ballot Validation List ✓ Ballots ✓ Envelopes ✓ Election Certification ✓ Document Amendments ✓ ARC Committee Election Results (when applicable)	5 Years	
As Built Landscape Plans	Indefinitely	



EXHIBIT C
COLLECTION SERVICES AGREEMENT

The term "Agreement" as used in this exhibit refers to this Collection Services Agreement. Agent and Association agree that the accounts placed with the Agent for collection are subject to the following terms and conditions:

1. Account Placement. Agent is a collection agency licensed with the State of Arizona. All accounts placed from Association will be in compliance with applicable Federal, State, and local laws and regulations, and will be valid debts owed to Association.

2. Collection Services. Agent will conduct collection activities in compliance with applicable State and local laws and regulations. Agent will be courteous and business-like in performing collection activities, consistent with the Association's image and reputation. Agent will conduct all collection activities in compliance with Association's Assessment Collection Policy. Association is responsible for providing Agent with any updates or amendments to Association's Assessment Collection Policy.

3. Disclaimer. Agent and its employees are not lawyers, are not employed by lawyers, and are not authorized to practice law. Communications with Agent and its employees are not privileged under the attorney-client privilege. Agent and its employees cannot and will not provide specific advice to the Association about the Association's legal rights, remedies, defenses, options, or strategies related to accounts referred for collection. Agent and its employees cannot and will not represent the Association in any judicial, quasi-judicial, administrative, or other formal dispute resolution process.

4. Payments on Accounts. Agent will direct debtors to send any payments made on past due accounts directly to the Association. Agent will provide Association with a monthly statement summarizing all monies collected (including the debtor's name, amount collected, amount due Association, amount due Agent, balance of account).

5. Fees. Attached is a Fee Schedule of charges for services provided pursuant to this Agreement. These fees may change from time to time, provided the Association receives written notification of any such changes before the changes take effect.

6. Offers of Settlement on Accounts. Agent will forward to Association's board any offers of compromise on past due accounts and will only act upon such offers after receiving further instructions from Association's board.

7. Communications with Debtor. While Agent is working an account, Association will refer all communications from debtor regarding past due accounts to Agent's Customer Service Representatives.

8. Legal Action. It is understood by both parties that should Agent's attempts at collection on any account be exhausted, and litigation be the only recourse, the account will be returned to Association. Association is responsible for any legal action, including but not limited to actions filed in small claims court, justice court, or superior court. Agent will not initiate any form of legal action on any account.

9. Withdrawal of Accounts. Association may withdraw accounts placed in error by Association with Agent for collection by written or verbal request. Upon receipt of such request Agent will cancel and return said account along with all media pertaining to said account that Association may have provided.

10. Indemnity. As further consideration for the receipt and handling and collection of accounts by Agent, and for the services rendered to Association by Agent, the parties agree that each party will assume its own proper responsibility in connection with any claims made by a third party against Association and/or Agent related to services provided pursuant to this Agreement. Agent is an independent contractor and is solely responsible for the employment, acts and omissions, control and direction of its employees. If the acts of Agent's employees are the proximate cause of any action brought against Association, Agent will assume full responsibility for the defense of said action and payment of any resulting judgment. If the acts of Association or Association's employees or officers are the proximate cause of any action brought against Agent by third party, then Association will assume full responsibility for the defense of said action and payment of any judgment.

11. Term and Termination. The term (*i.e.* length) of this Agreement shall be the same as the term of the Homeowners Community Management Agreement between Agent and the Association. Notwithstanding the foregoing, either Agent or the Association may terminate this Agreement at any time upon thirty (30) days' written notice to the other.

12. Other Provisions. This Agreement sets forth the entire agreement between Agent and the Association relating to the subject matter hereof and it supersedes all prior agreements relating to the subject matter hereof. Arizona law governs this Agreement.

Collection Services Agreement

Fee Schedule

Demand Letters

$60.00 Initial Demand Letter



EXHIBIT D

LEGAL DOCUMENT PREPARATION SERVICES AGREEMENT

The term "Agreement" as used in this exhibit refers to this Legal Document Preparation Services Agreement. Agent and Association agree that Agent will provide legal document preparation services subject to the following terms and conditions:

AGREEMENT

1. Legal Document Preparation Services. Agent employs Certified Legal Document Preparers ("CLDPs") who are certified by the Arizona Supreme Court. Agent's CLDPs (and authorized trainees under appropriate supervision) will prepare and provide the following legal documents to the Association: (a) notices of lien to be filed with the applicable County Recorder; (b) complaints and other documents to be filed in small claims courts or justice courts ("Court Documents"); (c) other documents as agreed upon between Agent and the Association that Agent's CLDPs legally are permitted to prepare. CLDPs are required to include their name and certificate numbers on all documents prepared pursuant to this paragraph. All Court Documents, as well as any other documents CLDPs prepare to be used in a judicial, quasi-judicial, or administrative proceeding, or any other formal dispute resolution process, must be signed by an appropriate Association representative (*e.g.*, Association officer or authorized full-time employee).

2. Additional Services. In addition to the document preparation services described in Paragraph 1, Agent's CLDPs may (a) provide the Association with general legal information and general factual information pertaining to legal rights, procedures, or options available to the Association in legal matters; (b) make legal forms and documents available to the Association; and (c) file and (when appropriate) arrange for service of legal forms and documents for the Association, including notices of liens and Court Documents.

3. Disclaimer. Agent and its CLDPs are not lawyers, are not employed by lawyers, and are not authorized to practice law. Communications with Agent and its CLDPs are not privileged under the attorney-client privilege. Agent and its CLDPs cannot and will not provide specific advice to the Association about its legal rights, remedies, defenses, options, or strategies. Agent and its CLDPs cannot and will not represent the Association in any judicial, quasi-judicial, or administrative proceeding, or other formal dispute resolution process.

4. Fees. Attached is a Fee Schedule of charges for services provided pursuant to this Agreement. These fees may change from time to time, provided the Association receives written notification of any such changes before the changes take effect.

5. Term and Termination. The term (*i.e.* length) of this Agreement shall be the same as the term of the Homeowners Community Management Agreement between Agent and the Association. Notwithstanding the foregoing, either Agent or the Association may terminate this Agreement at any time upon thirty (30) days' written notice to the other.

6. Other Provisions. This Agreement sets forth the entire agreement between Agent and the Association relating to the subject matter hereof and it supersedes all prior agreements relating to the subject matter hereof. Arizona law governs this Agreement.

Fee Schedule

Notices of Lien

$175.00 Preparation and filing of Notice of Lien and Release of Lien (plus any applicable County filing fees per A.R.S. § 11-475)

Pima County Justice Court Document Preparation and Additional Services:

$75.00 Process Server Fee
$55.00 Court Filing Fee*
$28.00 Request for Judgement
$373.00 CLDP Court Document Preparation Fee
**Subject to change by County*

MISCELLANEOUS COSTS

- Skip Trace Fee - $45.00
- Reattempt Processing Fee - $25.00
- Administrative Fees - $1.50 - $10.00



EXHIBIT E
WEB SITE SERVICES

1. Fees

a. Setup Fee: Association shall pay Agent an initial Association Web Site design and setup fee of $0.00 (included) on the Effective Date of this Agreement.

b. Monthly Fees: Association shall pay Agent a Association Web Site hosting and maintenance fee in the amount of $0.00 (included) per month (the 'Hosting Fee'). The first periodic Hosting Fee shall be prorated from the Activation Date through the end of the month and due to Agent within ten (10) days of the Activation Date.

c. Domain Registration: At Association's request, Agent will use its best efforts to register a domain name on behalf of Association for use with the Association Web Site (the 'Domain Name'). Association agrees to notify Agent in advance of any known trademark or cyber squatting issues that would limit Association's right to register or use the Domain Name selected. It is recommended that Association conduct a trademark clearance search in order to ensure that the registration and use of the Domain Name by Association will not constitute trademark infringement or cyber squatting under the Anti-Cyber squatting Consumer Protection Act. Agent makes no representations or warranties concerning the availability of any Domain Name for use with the Association Web Site. In the event of a third-party dispute concerning the registration or use of the domain name with the Association Web Site, Agent may resolve such dispute in its sole and absolute discretion, including, but not limited to, resolution through the transfer of the Domain Name to the third party. Upon termination of this Agreement, Agent shall have no further responsibility or obligations with respect to the Domain Name and agrees to take reasonable steps to assist Association with the transfer of the Domain Name to Association's ownership and control, with all transfer or registration costs to be borne by Association.

2. Web Site Services

a. Web Site Design Services. Agent will design and program a fully operational Internet Web site with the following features:

i. Ongoing Association content, photographs, color schemes and artwork selected and coordinated by Agent based on information provided by Association, shall be approved by the Association Board of Directors or their designee.

ii. Access to Association's governing documents.

iii. Log-in accounts with different security levels for groups of individuals that may need access to various documents and information. Access levels will vary according to the individual's role in the community:

A. Board Member: Board Members will have access to the financial information of the community and all homeowner financial records relating to violations and assessments.

B. Homeowners: Homeowners will have access to their **individual** account and financial information, including financials relating to violations and assessments. Webmaster will respond via e-mail for any requests for passwords or access codes.

C. A page is available for board members and homeowners to email AAM with a request or an observation. An automated response will be generated back to this person acknowledging their communication.

The Web Site Design Services phase ends when the Web Site is activated.

b. Hosting. Agent will, directly or through a third-party Service Provider, host, monitor, and maintain the Association Web Site.

c. Third-Party Service Provider. Association acknowledges and agrees that the Association Web Site shall be physically located on a server that is owned and operated by a third-party Service Provider and not a server within Agent's physical custody or control. Although Agent shall use reasonable commercial efforts to ensure that the Association Web Site shall be accessible at 95% availability to third parties via the World Wide Web portion of the Internet twenty-four (24) hours a day, seven (7) days a week, Agent has no ability to control the third-party Service Provider and shall communicate to the Board or their designee any down-time due to interruption or failure of telecommunication or digital transmission links, Internet slow-downs or failures, scheduled maintenance, required repairs or modifications, routine backups, or any other loss or interruption of service due to causes beyond the control of Agent.

d. Domain Name Registration and Use: Association shall designate an Internet domain name (also known as a Uniform Resource Locator, or 'URL') to be used by Agent in connection with the Association Web Site. The URL shall be registered and owned by Agent on behalf of the Association, and Agent shall be solely responsible for ensuring that the URL is directed to the designated servers and properly maintained and renewed, so long as the Association remains contracted with Agent. Upon termination of contract, at the request of the Association, the Agent shall transfer the ownership of the URL into sole possession of the Association. If the Association does not claim the URL within 30 days of contract termination, the Agent reserves the right to cancel the domain, releasing it into the public domain.

e. Ownership of Association Web Site: Association acknowledges and agrees that, with the exception of Association Content, the Association Web Site design and programming, including all text, pictures, sound graphics, video, and other elements of the Association Web Site created by Agent, are and shall remain the property of Agent. Nothing in the Agreements should, or shall be, construed as transferring any aspects of the Association Web Site to Association.

3. Association Content

a. Delivery of Association Content. Association shall deliver all content that Association desires to have appear on the Association Web Site, including any advertisements or other third-party material, to Agent in electronic format on CD-ROM, disk, or by email, as the parties may agree.

b. Updates. Agent agrees to make periodic updates and changes to the Association Web Site to incorporate new Association Content or revisions as requested by Association and as approved by the Association Board of Directors or their designee.

c. Agent expects that Association Web Site updates will be completed within two business days, but may take as long as two weeks to complete, depending on the nature of the changes and Agent's workload. Agent reserves the right to refuse modification requests that Agent believes will require more than one hour of Agent time to complete. Agent agrees to notify Association if any requested modifications or updates will exceed one hour of Agent time and provide Association with an estimated cost for making the requested changes.

d. Ownership and License. To the extent Association supplies Agent with any text, pictures, sound, graphics, advertisements, video and other data for use on the Association Web Site, Agent acknowledges and agrees that the Association Content is, and shall remain, the property of Association and nothing in this Agreement should, or shall be, construed as transferring any aspects of such rights to Agent; except that Association grants Agent a personal, non-exclusive, non-transferable, royalty-free worldwide license, during the Term and solely in the course of Agent's performance of its obligations under the Agreement, to use, publicly display, reproduce, modify, distribute and publicly perform, as applicable, the Association Content in connection with performing the Agent obligations under this Agreement.

e. Representations and Warranties. Association represents and warrants that the Association Content and any domain name used in connection with the Association Web Site shall not: (a) infringe on the intellectual property rights, privacy right or publicity right of any third party; (b) violate any law, statute, ordinance or regulation (including, without limitation, laws and regulations governing unfair competition, antidiscrimination and false advertising); (c) be defamatory, trade libelous, unlawfully threatening or unlawfully harassing; (d) be obscene,

child pornography or indecent; or (e) contain any viruses, or other computer programming routines that are intended to damage or interfere with any system, data or personal information.

f. Indemnification. Association shall indemnify, defend and hold harmless Agent, the Service Provider, and their affiliates, their respective officers, directors, employees, agents, successors and permitted assigns thereof from and against any and all damages, liability, losses, costs (including taxes) and expenses (including reasonable attorneys' fees and disbursements and costs of investigation, litigation and settlement) arising out of, or in connection with claims by third parties related to the Association Content or the material breach of the representations and warranties made regarding the Association Content. The Agent shall indemnify, defend and hold harmless the Association, its Directors and Officers, from and against any and all damages, liability, losses, costs (including taxes) and expenses (including reasonable attorneys' fees and disbursements and costs of investigation, litigation and settlement) arising out of, or in connection with claims by third parties related to any Association Content that is posted without prior approval of the Board of Directors.

4. General Terms and Conditions

In addition to any applicable terms and conditions noted in the management contract itself, the following General Terms and Conditions shall govern and control the Web Site Services Agreement.

a. Mutual Representations and Warranties. Each party represents and warrants to the other party that: (a) such party has the full corporate right, power and authority to enter into this Agreement and to perform the acts required of it hereunder; (b) the execution of this Agreement by such party, and the performance by such party of its obligations and duties hereunder, do not and will not violate any agreement to which such party is a party or by which it is otherwise bound; (c) when executed and delivered by such party, this Agreement will constitute the legal, valid and binding obligation of such party, enforceable against such party in accordance with its terms; (d) such party has the right to grant any licenses granted hereunder; and (e) such party acknowledges that the other party makes no representations, warranties or agreements related to the subject matter hereof that are not expressly provided for in this Agreement.

b. Disclaimer. EXCEPT AS EXPRESSLY SET FORTH IN THIS AGREEMENT, AGENT DOES NOT MAKE ANY, AND HEREBY SPECIFICALLY DISCLAIMS ANY, REPRESENTATIONS OR WARRANTIES, EXPRESS OR IMPLIED, INCLUDING ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE AND IMPLIED WARRANTIES ARISING FROM COURSE OF DEALING OR COURSE OF PERFORMANCE.

c. Survival. All provisions of this agreement relating to warranties, non-disclosure, proprietary rights, limitation of liability, indemnification obligations and payment obligations shall survive termination or expiration of this Agreement for any reason.

d. Confidential Information. The parties acknowledge that they will be providing each other with confidential information concerning Association's business, including financial records and other personal identifiable information concerning Association's members and/or its homeowners (the 'Confidential Information'). Accordingly, Agent shall make reasonable commercial efforts to maintain the confidentiality of the Confidential Information and to prevent access to the Confidential Information by those that should not have access to that information. However, Association acknowledges and agrees that, given the nature of the Internet and the possibility of hacking or other attempts to circumvent Internet and Web site security measures, it is impossible for Agent to guarantee that the Confidential Information will not be accessed improperly. Association agrees to notify Agent immediately if it becomes aware that any Confidential Information has been accessed improperly through the Association Web Site, and Agent agrees to take reasonable steps to stop and prevent further access. Association agrees to hold Agent harmless from and against any claims concerning unauthorized access to Confidential Information through the Association Web Site, unless such unauthorized access was the result of Agent's misconduct or gross negligence.

'Confidential Information' is not meant to include any information which, at the time of disclosure: is or becomes known publicly through no fault of Agent; is disclosed without restriction by Association; is learned by Agent from a third party entitled to disclose it or under no obligation of confidence or nondisclosure to Association known to Agent; is already known to Agent as of the Effective Date; is developed by or for Agent, independent of its activities under this Agreement; or is required to be disclosed for any government agency or by court order.

e. Governing Law, Jurisdiction and Venue. This Agreement is exclusively governed by, and shall be construed under, the laws of Arizona and the parties consent to the exclusive jurisdiction of the Arizona Superior Court for Maricopa County or the U.S. District Court for the District of Arizona in Phoenix, Arizona for any action or proceeding by either of them in connection with this Agreement. The prevailing party in any final judgment rendered in any legal proceeding brought by one party against the other in connection with this Agreement shall be entitled to recover its legal expenses, including court costs and reasonable attorneys' fees.

f. Miscellaneous. This Agreement is binding upon and shall inure to the benefit of the parties, their respective successors and assigns; except that neither party may assign its rights and obligations under this Agreement without the other party's prior written consent unless it is to a successor to all or any substantial part of the assigning party's business.

g. Waiver. No waiver by either party of any breach or default of any provisions of this Agreement by the other party shall be construed as a waiver of any subsequent breach of the same or similar provisions; and no delay or omission by a party to exercise any right it has shall operate as a waiver of any breach or default by the other party.

h. Force Majeure. Except for the payment of fees by Association, if the performance of any part of this Agreement by either party is prevented, hindered, delayed or otherwise made impracticable by reason of any flood, riot, fire, judicial or governmental action, labor disputes, terrorist attack, act of God, or any other causes beyond the control of either party, that party shall be excused from such to the extent that it is prevented, hindered or delayed by such causes.