

Additional Fees: Addendum A

(incurred on a per occurrence basis)

A1.1 Advise and Consult (as needed) – Hourly Rate \$90-\$150 per hour if applicable (based on service)

- a) Act as advisor and consultant to the Board of Directors (BOD) on all operating and business issues not included in the scope of this contract.

Examples Include:

- Aid attorney/board in drafting of association documents, policy & or enforcement issues related to the rules & regulations
- Soliciting bids for services of vendors that do not include the routine maintenance of the building
- Hire, train or supervise onsite staff or other personnel
- Serve as a liaison or representative on behalf of the association as a professional witness or other court mandated appointee
- Other situations that are deemed to be outside of the scope of the contract will be communicated to the Board at the time of the arrangement prior to providing services which would result in the fees outlined above

Additional Variable Fees:

A1.2 Meeting scheduled with this contract include (1 Annual Meeting). Additional Meetings are billed at an hourly rate of \$150.00/hour per occurrence. Teleconferences including Face to Face WebEx or other web service based meetings will be available to the board and will be billed at a rate of \$35.00/hour per occurrence. Routine account issues, questions on homeowner account statuses or statements and other such routine items will not be billed. *If you are uncertain of the charges for a phone call it is the responsibility of the client to ask prior to the conversation, otherwise the conference call initiated by client shall be considered consent to the above outlined fees.*

A1.3 Reasonable out of pocket expenses including postage, printing, office supplies etc:

A1.3.1 Printing/photocopying - \$0.20 per page

A1.3.2 Postage – at cost

A1.3.3 Facimiles \$0.25 per page

A1.3.4 Bank Charges, lockbox fees – at cost

A1.3.5 Returned Check Fees -\$35.00 per occurrence

A1.3.6 Special Assessments \$2.00 per unit for each special assessment

A1.3.7 Lien Filing(and Release) - \$100.00

A1.3.8 Delinquent Account Notices-\$20.00/notice, Billed to and paid for by the delinquent member

A1.3.9 Newsletter Formatting at \$45.00/hr for desktop design (Board created newsletter and electronic distribution is free)

A1.3.10 Bulk Mailing Preparation 50 pieces or more - \$35.00 per hour

A1.3.11 Document Scanning: At no charge, except that any scanning of historic documentation (any information not created or received after the commencement date) shall be charged at a rate of \$0.25 per page

A1.3.12 Non-Routine Trip Charges- \$150.00 per occurrence

The costs of these services are subject to change with 30 days written notice by the Managing Agent. Charges in Section A1.2 and A1.3 will be collected via ACH (Automated Clearing House) draft on a monthly routine schedule.

A1.4 Additional Administrative Charges to Unit Owners. From time to time, additional charges may be made to Unit Owners or Shareholders, as the case may be, for the provision of certain services or documents. These services shall be provided at the expense of Zeato and charged to the Unit Owner/Shareholder **requesting** such services. Fees for those services are currently as follows and are subject to change without notice.

A1.4.1 Unit transfer fees -- \$375.00 to be paid by a third party at the time of the sale of a home for coordination and issuance of unit transfer documents; preparing property information forms/inspections, answering questions for loan officers, appraisers, brokers, and home inspectors, one set of documents, prior year financial statements, resident handbooks and new homeowner packages.

A1.4.2 Condominium, Association, or Corporate Documents: Varies

A1.5 Non-Routine Services. Zeato shall maintain availability for services related to certain Non-Routine activities for which the need may or may not arise, Charges for Non-Routine Services will be as indicated or as mutually agreed upon by the Client and Zeato. Non-Routine Services may include, without limitation, the following:

A1.5.1 Legal Actions. Participation in legal actions initiated by or against the Client (excluding collection actions); legal actions relating to document enforcement, and other legal actions that may arise, provided, however, that a reasonable amount of communication with attorneys representing the Client shall be covered under Recurring

Routine Services. Fees shall be charged pursuant to the hourly fee schedules as defined in **Addendum A Section A1.2**

A1.5.2 Administration of Insurance Claims. Claims for damage relating to the ownership, operation, and maintenance of the property, including the supervision and submission of claims, when required, and follow-up on payment of Insurance Claim Management services may include: Emergence response, investigations, reporting, hiring of public adjuster or other third-party professional as approved by Client, preparation of claims, negotiations with insurance carriers and distribution of insurance proceeds. (Services do not include reconstructive Major Project management Services as outlined in Section 1.5.3) Fees for services rendered pursuant to this paragraph shall be negotiated in good faith between the Client and Managing Agent dependent on the level of management expertise needed beyond the capabilities of the Manager and Maintenance Personnel. Any appearances of Managing Agent personnel off site such as court shall be charged pursuant to the hourly fee schedules as defined in Addendum A Section 1.2.

A1.5.3 Large Capital Project Administration. The management, planning, accounting, financing, communication, administration, specification, bidding, implementation and/or supervision of capital improvements, repairs or replacements (including repairs or reconstruction required as part of an insured loss) are Non-Routine Services provided. For such contracts requiring expertise and supervision beyond the capabilities of the assigned personnel, Zeato may provide such additional services at the request of the Board. Zeato and the Association shall negotiate in good faith a commercially reasonable fee for services rendered pursuant to this paragraph based as a percentage of the total project cost. Client and Zeato agree to establish a project plan prior to the commencement of any work under this paragraph, such plan to outline the project scope, timeline, milestones, resources, deliverables and the responsibilities and accountability of the parties.

A1.5.4 Other. Zeato may provide additional services, as authorized by the client, in the research, coordination, or negotiation with individuals, corporations, vendors, suppliers or other entities (including but not limited to cable or wireless companies). The undertaking of negotiations for such Non-Routine Services shall be as mutually agreed upon by Client and Zeato.

A1.6 Maintenance Services Zeato may provide emergency maintenance services outside of normally scheduled business hours on an on-call or as needed basis as approved by the Client. Such services shall be pursuant to rate schedules then in effect.

A1.7 Record Storage. Zeato will endeavor to store all of Client's documents which are generated or received by Zeato from the commencement date above in electronic format which is printable and/or readable by generally available software tools. Once a record is stored in such electronic format, Zeato may, unless specifically directed in writing by Client, remove or destroy any paper versions of the document.

Storage of any non-electronic documents, records or materials not required by Zeato, in its sole discretion, for its day-to-day management services, will be at the sole liability, responsibility and cost of Client. At Client's request, Zeato will assist in locating a suitable storage facility for said records.

A1.8 All Client Records are the property of the Client, including those Client Records furnished to Zeato or prepared by Zeato in the course of its duties under this Agreement or any prior agreement between Zeato and Client and shall be made available at all times to the Client and returned to the Client in accordance with provisions of this Agreement.

A1.9 Upon the expiration of earlier termination of the term of this Agreement, Zeato shall deliver to the Client, or to such other person as the Client may direct, all of the records and materials relating to the Client in the possession of Zeato including but not limited to the following:

- a) All funds of the Client in the possession of Zeato and the control of any Client funds under the control of Zeato;
- b) All Client Records and electronically stored Client data in the possession or control of Zeato; and
- c) Any other material relating to the Common Interest Community of the Client that would not have come into Zeato's possession but for the services provided by Zeato under this agreement.

If any of the client Records are maintained by Zeato in computer or magnetic form, Zeato shall cause them to be printed out at length and delivered to Client in printed form. The printing costs for this matter are the responsibility of the Association in accordance with **Addendum**

A1.3.2. In addition, at the request of the Client, Zeato shall also furnish a copy of these records in diskette or other magnetic media. However, nothing in this Agreement shall require Zeato to furnish the copies of any programs or work papers created or belonging to Zeato used to create or maintain these records.

If Zeato receives any funds or materials relating to the Client after the termination of this Agreement, it shall forward them immediately to Client or such other party as the Client may direct in writing.

No claim, but Zeato, or dispute between the parties, including, but not limited to a claim that Zeato has not been fully compensated under this Agreement shall permit Zeato to withhold or delay the transfer of any of the records, funds and materials required under this **Section A1.9.**

A1.10 Financial Records. Zeato shall maintain a comprehensive system of financial records, books and accounts, in compliance with the Documents, applicable law and the requirements of the American Institute of Certified Public Accountants. These records shall be maintained at the office of Zeato and shall be subject to examination by the members of the Client, and the members of the Board at reasonable times determined by negotiation of Client and Zeato. As a standard practice, Zeato shall furnish the Officers and the members of the Board a statement of receipts and disbursements as of the end of the preceding month. This statement shall be accompanied by the following:

- a) Monthly activities report
- b) Check Register
- c) Original bank statements for each account and reconciliations thereof
- d) End of month delinquency reports
- e) Balance Sheet
- f) Income Statement
- g) Collection report on any outstanding collections and foreclosures, if any

A1.11 Zeato shall maintain all other Client Records in compliance with the Documents applicable by law. These records shall be maintained at the office of Zeato, in either electronic or paper form, except to the extent that they are maintained elsewhere at the direction of the Board and at the cost of the client.

A1.12 Zeato will maintain a log of all written and oral communications, of or from unit owners and occupants of units, exclusive of arbitrary communications not affecting any matter of Association operations, will follow up on these communication as appropriate, and will notify the Board at its next meeting. To facilitate communications form the unit owners, Zeato will maintain a telephone number, answered by an agent of Zeato, during business hours, as well as an emergency number, which shall be staffed during all non-business hours by an agent of Zeato or by an answering service with the ability to contact an agent of Zeato in case of emergency.

A1.13 Independent Contractor. Zeato is not an employee of Client, but only an independent contractor.