

FIRST COAST ASSOCIATION MANAGEMENT

STATEMENT OF UNDERSTANDING

In order to maintain a status in good standing with First Coast Association Management, all Contractors must read the following list of policies and sign this Statement of Understanding, indicating their understanding and concurrence with the policies involved in serving Associations managed by First Coast Association Management.

Payment

The Contractor recognizes that all work assigned is performed for individual Homeowner Associations and not for First Coast Association Management. First Coast Association Management acts only in an administrative capacity of assigning the work, monitoring its progress, informing the Contractor of deficiencies, inspecting the work for completion and processing the payment. The Contractor recognizes that payment for any work performed is due from the individual Association and not from First Coast Association Management.

Insurance

The Contractor recognizes that they are required to maintain policies of insurance for General Liability and Automobile Liability with limits of not less than \$1,000,000 to be in effect at all times while performing work for Associations through First Coast Association Management, LLC.

In addition, the Contractor recognizes they must maintain, in force at all times, policies for Workers Compensation Insurance for all employees, including owners of the company who come onto the properties to perform work. The Contractor agrees to provide Certificates of Insurance on an annual basis to First Coast Association Management, as proof of coverage. First Coast Association Management shall be added as additional insured on the General Liability policy. Once work is awarded, the Association shall be added as an additional insured to the General Liability policy as well.

Invoices

The Contractor will not invoice for multiple Associations or multiple Work Orders on a single invoice. A separate invoice will be submitted for each Work Order or Association. Invoices are required for all payments, including those relating to a contract. **Invoices must show the name of the Association** and be submitted in care of First Coast Association Management, 11555 Central Parkway, Suite 801, Jacksonville, FL 32224. Invoices should not simply list First Coast Association Management as the customer.

Failure to provide invoices or failure to provide certifications and breakdowns of labor and material will result in delays in payment, since any such invoices will be returned to you. The Contractor recognizes that invoices are processed on a bi-monthly basis, typically the 10th and 25th or next business day should those dates fall on a weekend or holiday. Payment(s) will be mailed as soon as possible following check processing. In some cases signature of a check by a Board Member will be required. In this instance payment will be made following obtaining the required signatures.

The Contractor recognizes that all invoices must include a breakdown of labor and materials. A breakdown of materials must be itemized to indicate the type and quantities. The only exception to a breakdown of labor and materials involves situations where the Association has accepted a firm written bid. The Contractor understands that they may not charge for time spent in preparation of a bid. Such preparation is considered to be overhead of the contractor.

Additional Charges

The Contractor hereby agrees that there will be no late charges or interest under any circumstances involving payment of less than 60 days from the date a proper invoice is received. Any late charges applied after that date will be at no more than 1% per month. If the invoice is disputed, no late charges apply until at least 60 days after dispute has been resolved.

Work Orders

The Contractor understands that if work involves the interior of a Unit, the Work Order must be signed or a written statement received from the homeowner, indicating their satisfaction with the work. If the Unit is rented, the signature of the renter is satisfactory. The Contractor recognizes that it is their responsibility to obtain the written statement.

The Contractor hereby agrees that they will not accept any Work Orders if they are unable to perform the work in a timely manner. The Contractor understands that First Coast Association Management would prefer to know that the contractor was too busy at a given time, rather than have the Contractor accept work when they were not able to perform it.

The Contractor recognizes that all work assigned on a Work Order will be completed as soon as possible. The Contractor agrees to keep First Coast Association Management informed of any situation that will involve a delay in completing the work. The Contractor agrees not to accept any Work Order they cannot complete in a timely manner. If assigned a Work Order and the Contractor anticipates the work will exceed \$500 in total cost, the Contractor agrees to notify First Coast Association Management to inform them of that fact and receive authorization to proceed.

The Contractor assures that all materials and workmanship will be "First Class" and that any materials will be installed in accordance with the manufacturer's recommendations.

Bids

The Contractor recognizes that if requested to submit a bid, they will promptly prepare the bid and submit it to First Coast Association Management, LLC. If the Contractor is unable to bid on the work, they must immediately, upon receipt of the bid request, inform First Coast Association Management that they are unable or unwilling to bid because of extenuating circumstances.

The Contractor understands that in the event a bid is requested which cannot readily be bid with a firm price, the Contractor may quote a range of prices. The maximum price quoted will be the maximum paid for the completed work. The minimum price quoted may not vary from the maximum price by more than 25%.

The Contractor recognizes that all bids must be detailed to show labor and material. If more than one item is on the bid form, the contractor must give individual prices rather than a lump sum price, so the Board of Directors may evaluate their options. The Contractor agrees to bid on exactly what is requested. If they have recommendations or alternatives, the Contractor will submit them along with the bid.

Warranty

The Contractor agrees that they will provide a minimum warranty of one year on all workmanship and materials.

The minimum one-year warranty is required on any repairs or construction work. If the work involves any of the following, a warranty is not required. **Any act of vandalism after work is performed voids the one-year warranty.**

1. Light bulb replacement.
2. Cleaning or janitorial work.
3. Turning on or off water or electricity.
4. Contract payment for Grounds Care/Fertilization/Weed or Insect Control.
5. Contract payment for Pool maintenance
6. Unplugging sewer lines.
7. Hurricane/Storm Cleanup
8. Pickup or delivery **or any other service, which does not have a physical end product.**

Indemnification

The Contractor hereby indemnifies the Association and First Coast Association Management, LLC for any acts of negligence or losses caused by them or their subcontractors in performance of work.

Responsiveness

The Contractor recognizes the need for responsiveness and good communications. The Contractor will return non-emergency calls within 24 hours. All emergency calls must be returned as soon as reasonably possible.

Skills and Abilities

The Contractor agrees not to accept any work assignments if they do not have adequate skills, abilities and licenses to perform to work.

Supervision

The Contractor agrees to provide adequate supervision to all employees or subcontractors involved in any work.

Subcontractors

The Contractor agrees neither to use any subcontractors who cannot provide insurances as listed and who do not comply in all other respects to the Statement of Understanding nor to use any subcontractors without the express written approval of the Board of Directors of the individual Homeowners Association

I certify that I have reviewed the provisions contained in First Coast Association Management's Statement of Understanding, and will comply with these policies and outlined procedures.

The Contractor recognizes that this statement of acknowledgement does not constitute a contract between First Coast Association Management and the Contractor. It simply acknowledges policies and procedures to be followed by the Contractor.

Company Name

Address

Signature

Date

The Vendor Information form and a Signed Statement of Understanding, Insurance Certificates and a W-9 form should be mailed to: First Coast Association Management, 11555 Central Parkway, Suite 801, Jacksonville, FL 32224 Attn: Vendor Set Up