

## MANAGEMENT AGREEMENT

This Agreement made this 31<sup>st</sup> day of May, 2018, by and between **Woodbrook Camp and Tennis Club Owners' Association** (the "ASSOCIATION"), a duly organized and existing Condominium recorded in Cheshire County, New Hampshire Registry of Deeds, and **SALISBURY MANAGEMENT, INC.** (the "MANAGER"), a duly organized and existing Massachusetts Corporation.

### **WITNESSETH THAT:**

**WHEREAS**, the Association wishes to employ the Manager to manage **Woodbrook Camp and Tennis Club Owners' Association Assets and physical operations** (the "CONDOMINIUM") and perform the duties contained herein below; and **WHEREAS**, the Manager wishes to be employed by the Association to manage the Condominium and perform said duties; **NOW, THEREFORE**, in consideration of the terms, covenants and conditions set forth herein below, the parties hereto agree with one another as follows:

## ARTICLE 1

### SECTION 1 - Appointment

The Association hereby appoints the Manager and the Manager hereby accepts appointment, on the terms and conditions hereinafter provided, as the exclusive managing agent of the Condominium.

### SECTION 2 - Term

The term of this Agreement shall be for one (1) year commencing on July 1, 2018 and terminating on June 30, 2019. The term of this Agreement may be extended on a month-by-month basis through December 31, 2019 at the sole discretion of the Association. Thereafter, the term shall be automatically extended for one (1) year periods, unless termination notice is provided by the Association.

### SECTION 3 - Authority

The Manager shall serve under the direction of the Board of Directors of the Association ("Board") and fully understands that the function of the Association is the operation and management of the Common Elements, as defined in the Master Deed and By-laws of the Condominium; and the manager agrees to keep the Board apprised of the performance of its duties. Such specific reporting responsibilities of Manager are incorporated in Article III Section 14 hereof. It is further understood and agreed that the authority and duties conferred upon the Manager hereunder are confined to the Common Elements and such portions of the units as may be controlled, inspected or maintained by the Association.

## ARTICLE II

### SECTION 1 - Employees

The Manger shall hire in its own name, pay and supervise all personnel necessary for the efficient discharge of the duties of the Manager hereunder and shall comply with all Federal and State Laws, including social security, wage and hour laws, workers' compensation laws, and other labor laws or taxes, now in effect or hereinafter imposed

### **ARTICLE III**

The Manager shall conduct its duties with all-applicable laws, rules and regulations as they pertain to the operation of the Association. The Manager shall render and perform the following duties with due diligence and care in the most expeditious manner as follows:

#### **SECTION 1 - Service of Complaints**

Maintain business like relations with the unit owners whose complaints received shall be investigated and recorded in a systematic and permanent record and reported to Trustees as set forth in Article III, Section 14 hereof. The Manager shall assume no liability for the servicing of any complaints and will act solely upon the instructions of the Association, as its agent. The Manager shall provide a contact number to Association members, suppliers and contractors and serve as the primary point of contact for Association matters and shall be accessible by telephone twenty-four (24) hours a day in case of emergency.

#### **SECTION 2 - Collection**

Collect all common charges and other monies due the Association from unit owners. The Trustees hereby authorize the Manager to request, demand, collect and receive any and all charges or fees, which may at any time be or become due by the Association according to guidelines established by the Board of Trustees. The Manager is entitled to retain all late fees collected as compensation for its collection efforts. The Manager shall not compromise in any manner the amount due and payable to the Association for penalties, fines, common charges, or any other sums due unless the Trustees authorize such a compromise. The Manager shall implement collection procedures, including dunning letters, as requested by the Association. The Manager shall commence legal action against any unit owner who becomes in arrears in payment of common charges in excess of sixty (60) days.

#### **SECTION 3 - Maintenance**

Cause the Common Elements to be maintained according to the specifications contained in the annual budget as may be amended from time to time by the Trustees. The Manager shall obtain prior approval from the Trustees for any efforts or expenditures in excess of the annual budget or which are not included in the annual budget. Maintaining the Common Elements shall include, without limiting the generality of the foregoing: paying vendor invoices and employees with Association funds, providing periodic site inspections, overseeing site personnel and contractors, attending all appropriate governmental meetings and hearings on behalf of the Association, and acting as intermediary between the Association and governmental agencies or other parties.

It is understood that the Association employs part-time maintenance employees and contractors for the routine maintenance of the Condominium. Such employees and contractors would continue to be employed by the Association and the Manager would work cooperatively with the Association on directing such employees and contractors and would assist in hiring replacements when needed.

If the Board so request, the Manager agrees to provide additional labor Maintenance service to the Association at it's current rate of \$52.00 per hour Monday through Friday between 8:00 AM and 4:00 PM and \$78.00 per hour at all other times or holidays. After hours and holiday maintenance will only be performed in the event of an emergency or upon the direction of the Board. Maintenance rates may periodically increase without notice but will not exceed rates consistent with the industry. The Manager shall present a monthly report of the utilization of said hours to the Board of the Association at its monthly meetings. The manager shall use best

efforts to perform said maintenance services as efficiently and cost effective as possible, utilizing economies of scale.

The Manager shall work with Board to help develop a proactive plan for current and long-term maintenance of the Condominium. The Manager shall also maintain historical maintenance records by unit and budget category.

Unless the Board advise the Manager otherwise, in the event of an emergency (the determination of which shall be made by the Manager in its discretion) the Manager is hereby authorized by and on behalf of the Board, to take any and all actions which the Manager, in its sole discretion, deems appropriate (provided the anticipated cost of such action is not Two Thousand Dollars (\$2,000.00) or greater, in which event the Manager shall obtain the consent of one Board Officer), the taking of such action by the Manager to be conclusive evidence that an emergency existed and of the authorization of such action hereunder.

For the administration of insurance claims or losses and major repairs, replacement, rehabilitation or improvements that are not ordinary maintenance and where the administration services of the Manager are requested and approved by the Association, the Association shall pay the Manager as follows:

- Repair, replacement, rehabilitation, improvement projects – fee of 6% of the total amount paid by the Association to its contractors, unless a lesser amount is agreed to by the Parties prior to the Manager engaging in such administrative effort.
- Administration of insurance claims or losses – fee of 10% of any amount paid by the Association's insurer for the loss, unless a lesser amount is agreed to by the Parties prior to the Manager engaging in such administrative effort.

#### **SECTION 4 - Rules and Regulations**

Enforce all rules and regulations of the Association, pursuant to the direction of the Board.

#### **SECTION 5 - Compliance with Official Orders**

Except as specified within this section, take such reasonable action as may be necessary to comply with any and all orders or requests affecting the Common Elements by Federal, State, County or Municipal authority having jurisdiction therefore.

The Manager shall notify the Board, in writing, within two (2) business days of receipt of all orders and notices. The Manager shall not take any action on such orders without the approval of the Board if the action shall cause the Association to incur anticipated cost of Two Thousand Dollars (\$2,000.00) or greater or if the Board have informed the Manager of its intent to contest any such order or requirement.

#### **SECTION 6 - Insurance**

The Manager shall cause to be obtained and maintained in full force and effect during the term hereof all obtainable forms of insurance as required by the By-laws of the Association. The Manager shall promptly investigate and make full written report as to all accident claims for damage including any damage or destruction to the Common Element and shall cooperate with and prepare any and all reports required by any insurance company in connection therewith.

In addition to any bonds or licenses required of Manager under New Hampshire and Massachusetts law or required to be obtained under the Bylaws, Manager shall also maintain, at Manager's expense, bonding or professional liability insurance in the amount of not less than \$1,000,000 per occurrence and \$2,000,000 aggregate.

#### **SECTION 7 - Bank Account**

The Manager will open accounts in the name of the Association and will maintain signing authority on these accounts. All funds collected by the Manager on behalf of the Association will be deposited into these accounts. Such funds shall not be commingled with other funds collected by the Manager. All investments shall be made in accordance with the written investment policy of the Association.

#### **SECTION 8 - Records and Accounting**

Maintain a comprehensive system of books and accounts in accordance with generally accepted accounting principles. Any and all such records shall be the property of the Association and shall be subject to reasonable examination by any unit owner during reasonable hours and appropriate notice. All books, records, programs, documents and procedures prepared, developed and/or implemented pursuant to this Agreement shall be property of the Association.

Actual invoices and supporting documentation for disbursements and bank reconciliation will be subject to monthly review by the Association's Treasurer.

The Manager will maintain on the Association's behalf all of its permanent records including, but not limited to, By-laws, Master Deed, Rules and Regulations, Minutes, accounting records and tax filings and maintain an updated list of Association Owners

#### **SECTION 9 - Budget**

Prepare draft annual operating budget, by budget line item, with documented support for each line item regarding rate/volume and other appropriate factors, including contracts, to be delivered to the finance committee of the Board by July 15 of each year, for review and approval. Neither the Manager nor the Board shall warrant the accuracy of any budget. In addition to the annual budget, the Manager shall help the Board prepare a long-range plan for the Association to assist in the evaluation of the Association's reserve fund. This plan shall be based upon estimates available and assumptions made at the time of preparation and agreed upon by the Board. Neither the Manager nor the Board shall warrant the accuracy of the estimates, assumptions, or resulting plan. This plan shall consist of replacement cost estimates for major repairs and capital improvements, for example including, but not limited to painting, siding, roofs, roadways, swimming pool, water and sewer pumps, electric utilities, and tennis courts.

#### **SECTION 10 - Contracts**

In order to maintain the Common Elements, the Manager shall solicit bids for and then subject to the terms below to enter into contracts on behalf of the Association, for the amounts not to exceed those contained in the budget approved by the Board for applicable fiscal year. Specifications for such bids shall be approved before such bids are solicited. All such contracts and orders shall be made in the name of the Association. The Board prior to their execution shall approve all contracts by the Manager. Unless the Board otherwise provide, for each contract the Manager should obtain three (3) bids. When taking these bids, the Manager shall act in the best interest of the Association and shall be under a duty to use reasonable efforts to secure any and all discounts, commissions or rebates for the benefit of the Association. The Manager will obtain express prior approval from the Board when obtaining any bids from parties related to or

employed by the Manager. Any additional remuneration obtained by the Manager as a benefit of obtained contracts on behalf of the Association is expressly prohibited.

#### **SECTION 11 - Consultation and Advice**

Consult and advise the Board on any matter relating to the operation of the Association as the Board may request from time to time, and bring to the attention of the Board any items known by the Manager and warranting the Board's attention.

#### **SECTION 12 - Standards**

The Manager shall be aware of such laws, rules, regulations and notices as may be promulgated by government agencies, the Association or the Board from time to time, and (provided they do not conflict with this Agreement) its actions shall be governed by Articles of Organization, Master Deed, By-laws and rules of the Association. The Manager shall enforce the above according to standards as may be amended from time to time by the Board.

#### **SECTION 13 - Sale of Units**

The Association shall give the Manager authorization to sign 6-D Certificates on their behalf. Manager shall have the right to charge unit owners a sale or refinance fee for providing documentation necessary to facilitate the transaction.

#### **SECTION 14 - Meetings**

The Manager shall attend a maximum of six (6) meetings per year and present a Management report at such meetings. Such Management report shall be provided monthly by the 25<sup>th</sup> of the month, regardless of meeting schedule, and shall include the following types of information:

- A). *Unit Owners Request* -
  - 1). All-important requests received in the past month;
  - 2). All unresolved requests from past and prior month.
  - 3). Actions taken on requests in past month; and
  - 4). All unresolved requests due to date.
- B). *Board' Request* -
  - 1). All requests received in past month;
  - 2). All unresolved requests from past and prior month.
  - 3). Actions taken on requests in past month; and
  - 4). All unresolved requests to date.
- C). Issues and events relating to Condominium and Manager's recommendations relating thereto;
- D). Financial reports - customized to the specifications of the Association;
- E). Maintenance hours - summary of budgeted amount verses actual by category.
- F). 6-D request status;
- G). List of unit owners whose common charges are overdue for greater than 30 days and status of collection activities;
- H). List of fines imposed and status of payment;
- I). A report which shall detail monthly expenses vs. Budget expenses and a year to date financial report or actual expenses line by line vs. Budgeted expenses, together with a report on all investment income, cash flow analysis, monthly balance sheet and a receivable report.
- J). Copies of all invoices and records of all disbursements and a bank reconciliation report.
- K). Additional information requested by Association.

### **SECTION 15 - Letters**

Arrange for preparation and mailing of such letters and notices to unit owners and others as Board may authorize concerning the operation of the Condominium, including compliance with the rules and regulations for the Condominium; arrange for all other computation of data necessary for the monthly and/or other meetings. The Association shall pay for all postage and paper of such mailings.

### **SECTION 16 - Expenses**

The Manager shall pay all expenses incurred by the Association from the monies of the Association within the limits of approved budget. All expenses will be in the name of the Association and supported by the complete and original documentation of the vendor. Manager will charge the association a monthly processing fee of \$25 for bill payment. The Board will have remote access to view and/or approve invoices to be paid.

### **SECTION 17 -Records**

Manager shall maintain all records.

### **SECTION 18 - Minutes of Trustee Meetings**

Board shall keep minutes of the monthly meetings. Board may request Manager to keep meeting minutes for a fee to be determined at the time of the request.

## **ARTICLE IV**

### **SECTION 1 - Manager as Independent Contractor of the Association**

The Manager as an independent contractor shall do all services performed by the Manager hereunder for the Association. Personnel of the Manager may be employed full or part-time to perform the duties of the Manager in accordance with the Manager's standards and direction and at the Manager's expense. The Manager shall not be obligated to make any advance to or for the account of the Association or to pay any sum, except out of the Association funds, nor shall the Manager be obliged to incur any liability or obligation for the account of the Association.

The Association shall defend and hold the Manager harmless from and against all claims, suits, damages, judgments, expenses and attorneys fees incurred by Manager in performing its obligations under this Agreement, other than those relating to the gross negligence, malicious or illegal conduct of the Manager. The Association shall include Manager as a named insured on its insurance policy.

### **SECTION 2 - Liability**

The Manager shall assume no liability for the enforcement of rules and regulations and will act solely upon the request of the Association, as its agent. The Manager shall assume no liability for its actions pursuant to this agreement, except for its gross negligence.

## **ARTICLE V**

### **SECTION 1 - Compensation**

The compensation that the Manager shall receive for the services performed under this Agreement is one thousand and five hundred (\$1,500) per month, payable in advance. The Manager will typically make requests for a fee increase in the draft budget prepared each year. The acceptance of the new budget with a fee increase to the Manager constitutes an amendment

of the compensation structure within this agreement. The Board currently represent that there are 181 units within this development.

## **ARTICLE VI**

### **Termination**

#### **SECTION 1 - Termination With or Without Cause**

Either party may terminate this Agreement, without penalty, with or without cause, at any time, by giving the other party sixty (60) days prior written notice of its intention to do so.

#### **SECTION 2 – Default**

a. In the event Manager fails to perform any of its material obligations as herein provided and such failure is not cured within ten (10) days after written notice to Manager (or if such default is not curable within said ten (10) day period, such additional time as is required provided Manager commences to cure said default within said ten (10) day period and thereafter diligently proceeds to cure said default), then the Association may cancel this Agreement upon said ten (10) days written notice for cause.

b. In the event the Association fails to perform any of its material obligations as herein provided and such failure is not cured within ten (10) days after written notice to the Association (or if such default is not curable within said ten (10) day period, such additional time as is required provided the Association commences to cure said default within said ten (10) day period and thereafter diligently proceeds to cure said default), then Manager may cancel this Agreement upon said ten (10) days' written notice.

The foregoing shall not exclude any other remedies available to either party.

#### **SECTION 3 - Bankruptcy**

In the event a petition in bankruptcy is filed by or against the Manager or the Association or in the event that either shall make an assignment for the benefit of creditors or take advantage of any insolvency act, either party may terminate this Agreement by serving written notice by registered mail to the other party.

#### **SECTION 4 - Turnover of Records**

Upon request by the Association to the Manager, or if no request is made by the last day of the contract period before termination as provided herein, the Manager shall deliver to the Association all records relating to, and used in connection with the Association. The Manager shall not be entitled to any compensation or reimbursement of cost from activities relating to turnover of records. A date and time shall be set for a meeting to take place in the Manager's principal office on or before the last date of the term of this agreement for the turnover of records, funds and deposit accounts and for the execution of any agreements and releases relating to conclusion of the contractual obligations. Prior to the turnover of records, the Association, or its designated agent, shall have the right to inspect and copy any and all such records of the Association it deems necessary. Any extra costs incurred by the succeeding manager due to unreasonable turnover of records shall be assessed to the Manager for not complying with terms of this Agreement.

## **ARTICLE VII**

### **General**

#### **SECTION 1 - Obligation**

This Agreement shall insure to the benefit of and constitute a binding obligation upon the contracting parties, their respective successors and assigns. The Manager shall not assign this Agreement or any rights, benefits, duties or obligations under this Agreement to other party without prior written consent of the Board.

#### **SECTION 2 - Agreement with Unit Owners**

Manager may not contract, directly or indirectly with individual unit owners for any work to be performed, unless the individual unit owner is paying the Manager directly for the services performed.

#### **SECTION 3 - Entire Agreement**

This Agreement shall constitute the entire Agreement between the contracting parties. No variance or modification of this Agreement shall be valid and enforceable except as provided herein or except by the supplement agreement in writing, executed and approved in the same manner as this Agreement. The invalidity of any provisions of this contract under Massachusetts Laws shall not be deemed to impair or affect in any manner the validity, enforceability or effect of the remainder of this contract and, in such event, all of the other provisions of this contract shall continue in full force and effect as if such invalid provisions had never been included herein.

#### **SECTION 4 - Address**

The Manager maintains its principle office of business at 120 Shrewsbury Street, Boylston, Massachusetts, 01505.

#### **SECTION 5 - Notice**

All notices hereunder shall be in writing and mailed postage prepaid or hand delivered in care of the Association, to home address of both the President and the Treasurer of the Association as reflected in the records of the Association, and in case of the Manager to or at such address as either may designate in writing to the other. Notice shall be effective upon receipt.

#### **SECTION 6 - Governing Law**

This Agreement shall be governed by and construed in accordance with the laws of the State of New Hampshire.

#### **SECTION 7 - Arbitration**

In the event of any dispute between the parties which is not solved by good faith negotiations, the parties agree that all such disputes, except the act of termination as provided herein, shall be submitted to and decided by the American Arbitration Association and the parties shall be bound by decision of said American Arbitration Association.

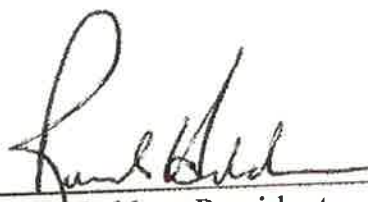


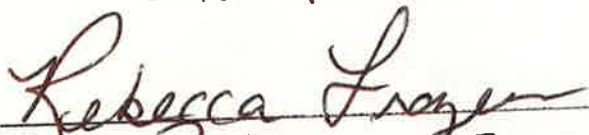
IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by the authorized officers as a sealed instrument as of the date hereinabove mentioned.

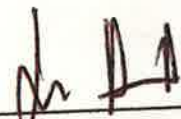
**WOODBROOK CAMP AND  
TENNIS CLUB OWNERS' ASSOCIATION**

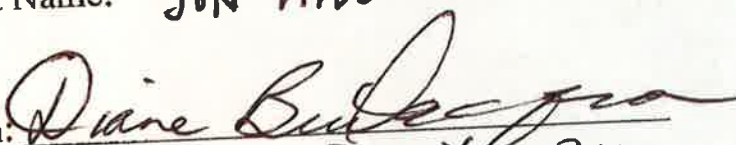
**SALISBURY MANAGEMENT, INC.**

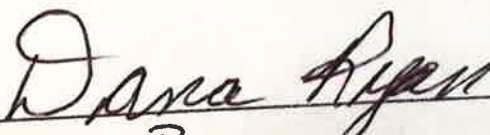
Sign:   
Print Name: Brad Trueax

  
Robert S. Haddon, President

Sign:   
Print Name: Rebecca Frazer

Sign:   
Print Name: Jon Hill

Sign:   
Print Name: Diane Bevilacqua

Sign:   
Dana Ryan