



FirstService
RESIDENTIAL

**MANAGEMENT
AGREEMENT**

By and Between:

FirstService Residential Houston, Inc.,
a Texas Corporation
dba FirstService Residential
(hereinafter referred to as “Agent”)

1330 Enclave Parkway Suite 425
Houston, Texas 77077

and

Copperbrook Homeowners Association, Inc.
a Texas non-profit corporation
(hereinafter referred to as the “Association”)

Commencement Date:
January 1, 2023

MANAGEMENT AGREEMENT

The Association hereby appoints Agent and Agent hereby accepts such appointment on the terms and conditions herein contained in this Agreement and to achieve the objectives as hereinafter set out. Each **Party**, and together, the "Parties" to this Agreement are FirstService Residential Houston, Inc., dba FirstService Residential and Copperbrook Homeowners Association, Inc.

ARTICLE I. DEFINED TERMS

As used herein, the following terms have the following meanings:

"Agent" means FirstService Residential Houston, Inc., a Texas Corporation dba FirstService Residential which is an Independent Contractor, authorized to act within the scope of this Agreement as expressly set forth herein, unless and until the Board of the Association duly acts to expand or modify the authority of Agent, which must be set forth in writing and approved by both Parties before it will be effective. All subsequent references to FirstService Residential or to Agent shall include its officers, directors, employees, and agents.

"Agreement" means this Agreement, all applicable Addenda referenced herein, as same may be amended from time to time in accordance with the provisions of this Agreement.

"Assessments" means those monthly, special and individual assessments and other fees and charges, as may be applicable and further described in the Governing Documents, for which Owners are obligated to pay.

"Association" means Copperbrook Homeowners Association, Inc., a Texas nonprofit corporation.

"Board" means the Board of Directors of the Association as same may be elected and constituted from time to time in accordance with the Bylaws of the Association.

"Budget" means the annual budget established by the Board to pay Common Area expenses, and other costs and expenses of the Association, as further described in the Governing Documents.

"Commencement Date" means the date this Agreement becomes effective between the Parties, as set forth in the cover page.

The "Common Areas" means the elements, property, and improvements specified in the Governing Documents as belonging to or to be maintained by the Association. This may include, but is not limited to elevators, buildings and building systems, mechanical equipment, walks, clubhouses, swimming pools, amenity centers, recreational facilities, playgrounds or parks.

"Emergency" is a situation which, in the reasonable and professional opinion of the Agent, involves manifest danger to persons or property, or in which an action is immediately necessary to preserve and ensure safety of property and persons or to avoid interruption or suspension of any necessary services provided to Owners or the Association.

The “Governing Documents” means the Declaration, Articles of Incorporation or Certificate of Formation, Bylaws, Rules and Regulations, Design Guidelines, Policies, Plats, and any other dedicatory instruments including amendments thereto, pertaining to the **Association**, which have been recorded in the Official Public Records of the County in which the real property subject to the **Governing Documents** is located.

“Initial Term” means the first year of the **Agreement** starting on the Commencement date.

“Operating Account” means the bank account(s) which contains funds used for general operations, the payment of operating expenses and other costs and expenses as permitted by and further described in the Governing Documents, and the use of which funds shall be subject to the Governing Documents.

“Owner” shall have the meaning as set forth in the Governing Documents.

“Renewal Term” means any successive term of the **Agreement** beginning on the anniversary of the **Commencement Date**.

The “Reserve Account” means any restricted or unrestricted bank account(s) which the **Association** may maintain separate from the **Operating Account** for repair and replacement of facilities and improvements in the **Common Areas** in accordance with the **Governing Documents**, if applicable.

ARTICLE II. AGENT SCOPE OF WORK

2.1. General Duties and Responsibilities. The duties and responsibilities of Agent are to assist the Board in the operation and administration of the Association as set forth in this Agreement. By virtue of entering into this Agreement, Agent will furnish its best skill and judgment and will cooperate in furthering the interests of the Association in regard to the management, operation and maintenance of the Common Areas as they are defined in the Governing Documents. Agent shall perform all duties set forth herein, or duties as the Board may otherwise reasonably direct, to the best of its ability and as promptly as circumstances allow. The Agent shall also be responsible for implementing any decisions and policies duly established by the Board. The Board, on behalf of the Association, exclusively possesses the right, power, duty and authority for all financial decisions made for the Association, and the Board shall be responsible for enforcing the provisions of the Governing Documents and any other contracts or agreements it entered into on behalf of the Association. The Association will cooperate with Agent to the extent reasonably necessary to allow Agent to perform its duties and discharge its responsibilities under this Agreement expeditiously, efficiently and economically.

The Agent shall hire in its own name all managerial personnel for the discharge of the duties of the Agent under this Agreement. The Agent shall appoint a property manager (the “Property Manager”) who shall have the primary responsibility for the oversight of the operations at the Property. Compensation for the services of the Property Manager shall be the responsibility of the Agent. The Agent will consult with the Association regarding the appointment of the initial or a replacement Property Manager.

2.2. Custom and Practice. Agent shall undertake reasonable and customary efforts to implement the decisions of the Association, by and through the Board or its authorized Owners, if applicable. However, Agent shall not be obligated to implement any decision which (i) does not comply with, or violates, applicable law or the Governing Documents, (ii) involves transactions or services about which Agent has no expertise, knowledge, or licenses and which inexperience has been disclosed to Board, or (iii) involves transactions or services which are not included in this Agreement, and which the Board has not otherwise authorized per Section 2.1 of this Agreement. Agent shall not be compelled to do any act or follow any directive made by the Board that it believes, in good faith, is in violation of this Agreement, the Governing Documents or any applicable law, and such failure to act shall not be deemed a breach of this Agreement. If the Association believes otherwise, then at the expense of the Association, the Parties agree to seek an independent opinion of the requested act prior to Agent implementing such directive.

2.3. Addenda; Incorporation. Agent's general duties and responsibilities owed to the Association and Agent's standard scope of services are those specified under Section 2.1 of this Agreement. Certain Addenda may be attached to this Agreement which Addenda contain separate and distinct service offerings by Agent, and which Addenda shall be incorporated herein by reference for all intent and purposes and shall be considered a part of this Agreement. Specific duties to be performed by Agent for the Association that may be defined in each selected Addendum shall become a part of Section 2.1 of this Agreement as if set forth herein verbatim. Any compensation amounts set forth in any Addendum will be billed to the Association in addition to the compensation specified under Article IV below. When appropriate, a duly authorized representative of Agent possessing the requisite power and authority may execute Addenda on behalf of Agent.

2.4. Financial Management.

2.4.1 Association Funds. Agent shall take receipt of payments resulting from Assessments and other payments to the Association. All payments received on behalf of the Association, from whatever source, shall be deposited in a financial institution or institutions whose deposits are insured by the Federal Deposit Insurance Corporation (FDIC). Deposits shall be made to the appropriate account, as described in this Section 2.4, which accounts shall be in the name of the Association. Association funds shall not be commingled with funds of any other party. For any account established by Agent, the account shall identify the Agent as agent or custodian of said account with signatory authority, as may be designated by Board resolution, and Agent shall have no liability or responsibility for the rate of interest earned, if any, on such funds. For any account, Agent shall be under no liability or responsibility for any loss resulting from the insolvency of such depository.

2.4.2 Operating Account. The Association's Operating Account will be established at a bank selected by Agent, which complies with the requirements set forth herein, and all Assessments, and other sums collected for the payment of Common Area expenses, regular maintenance and repair, day-to-day operational matters and administration of the Association are to be deposited in the Operating Account. Payments by the Association for Common Area expenses, regular maintenance and repair, day-to-day operational matters and administration of the Association, including Agent's compensation, shall be paid from the Operating Account. The Association will maintain sufficient funds in the Operating Account to enable Agent to meet the Association's payment obligations in a timely manner and will provide

such assurances as may be reasonably requested by Agent regarding the availability of funds to pay particular obligations of the Association.

2.4.3 Reserve Account. Upon direction from the Board, the Agent will establish and maintain the Reserve Account(s) for the sums not expended from the Operating Account that may accumulate from time to time and may be deposited into any such Reserve Account as determined by Agent.

2.4.4 Collection of Assessments. The Association through its Board authorizes Agent to take such action or to engage third-parties as may be necessary to collect unpaid periodic assessment payments which are due from Owners pursuant to the Governing Documents. The Association expressly authorizes Agent to pursue delinquent accounts in accordance with applicable law and the procedures set forth in the Governing Documents for the Association, with all such costs of collection, to be paid by the Association and charged back to the individual Owner as and to, the extent permitted by applicable law and the Governing Documents and, upon Board approval, institute legal proceedings through the Association's legal counsel on behalf of the Association for the foreclosure of those liens or other encumbrances and for the collection of unpaid assessments or other charges, including costs of collection. In the event it becomes necessary to institute legal proceedings, those proceedings shall be brought in the name of the Association, upon the direction of the Board. Agent is authorized to waive late fees.

2.4.5 Financial Records. Agent shall maintain current account records for the Association including files, ledgers, journals and other records. The accounting books and records shall be open and subject to examination by Board at any time through an online portal operated by Agent on behalf of the Association. After the Commencement Date, Agent agrees to provide by the twentieth (20th) of each month or on a quarterly basis, in the discretion of the Board, a financial statement reflecting financial information for the prior month(s). In the event the twentieth (20th) of a month falls on a Saturday, Sunday, or national holiday, the financial statement shall be delivered by close of business on the next business day. Agent shall assist auditors appointed by the Association in the performance of audits and reviews of the Association, as directed by the Board. Agent has the authority to charge the Association an hourly fee, as defined in Exhibit A to this Agreement, for any financial services, special reporting, and projects requested by the Board which are considered over and above the services to be provided by Agent under the terms of this Agreement.

2.4.6 Transfer of Ownership. An administrative fee for ownership transfers and/or resale certificate disclosure fees will be payable to Agent by any new Owner at the close of escrow for each lot or unit sold during the term of this Agreement, as may be provided in Exhibit A to this Agreement. Such fees pay the costs for Agent to generate the necessary forms customarily used in real estate transactions in compliance with state law.

2.4.7 Budget. Agent, with the assistance of the Treasurer of the Association, shall prepare an annual Budget for the Association. This Budget shall contain the information set forth in the Governing Documents which includes, without limitation, projected costs and expenses for operating and administering the Association. Agent shall submit the projected annual Budget to the Board for its consideration and adoption no later than sixty (60) days

prior to Association's fiscal year end. Agent shall perform its obligations and duties under the Agreement in accordance with the approved Budget. The Association will approve the annual Budget in accordance with the Governing Documents, but in no event shall the approval be given less than forty-five (45) days prior to the end of the preceding fiscal year. Association acknowledges that actual approved expenses as reflected in the monthly financial statements may vary from the approved Budget.

2.4.8 Disbursements. From the funds collected and deposited in the Association account(s) described in this Section 2.4, payments and other necessary disbursements will be made regularly and punctually according to the procedures mutually agreed upon by the Association and Agent and which payments will be made from the proper accounts pursuant to the Governing Documents and any other applicable federal and state law.

2.4.9 Taxes. In the event that the Agent shall be required under any law or by any governmental agency to collect sales tax on any fees payable hereunder, including fees paid to the Agent, the amount of any such sales tax shall be charged to and shall be payable by the Association.

2.5. Management and Administration.

2.5.1 Common Area Maintenance and Inspection. Agent shall inspect the Common Areas under the Association's control to ensure such areas meet the standards set forth in the Governing Documents or any other state and local laws and to determine if such property is receiving adequate care and maintenance. Agent shall cause the Common Areas to be maintained according to the Governing Documents or other reasonable standards established by the Board. Reasonable standards include, but are not limited to, ongoing regular maintenance of all systems and property located in the Common Areas, including landscaping and all other customary maintenance repairs as may be reasonable and necessary. This agreement does not contemplate Agent's oversight of capital improvement projects, renovations of Common Areas, or improvement projects which, at Agent's sole discretion, are determined to be outside the scope of ongoing regular maintenance. Any individual expense exceeding one thousand dollars (\$1,000.00) shall require Board authorization unless required in the event of an Emergency.

2.5.2 Emergencies. In the event of an Emergency, Agent is expressly hereby authorized to take any action as it deems necessary and reasonable utilizing its professional judgment. Agent agrees that in the event of an Emergency, it will contact and confer with a Board member as soon as is reasonably possible (and in any event within forty-eight (48) hours) to advise the Board of the specific details of the Emergency situation.

2.5.3 Contract Services. Agent may, subject to the prior approval of the Board, contract with any person, company, agency or entity for the delivery and supply of utilities, communications, pest extermination, plumbing repairs, landscaping or such other services as the Board directs, in the performance of regular ongoing maintenance. All of such contracts shall be in the name of the Association, and shall be reviewed, approved and executed by an authorized Director. Agent may also contract for tools, equipment, appliances, materials and supplies as may be necessary to fulfill its obligations imposed by this Agreement or otherwise

carry out instructions made by the Board. Agent shall maintain on file: certificates of insurance, copies of bonds, manufacturer's warranties and releases of liens. Generally, Agent will seek to secure customary and reasonable prices and results for any contract contemplated hereunder. If competitive bidding procedures and written specifications are used, Agent will submit recommendations to the Board containing evaluations of the bids and their adherence to the specifications, information on past experience working with contractors and such other information as may be necessary and desirable to the Board in making a final selection. Neither Agent nor any of its stockholders, officers, employees or agents shall be personally liable in any fashion for or under any contract made pursuant to this Agreement which has been duly approved by the Board. In no event will Agent be obligated to solicit bids from more than three (3) vendors and contractors for each kind of service to be supplied to the Association. Agent shall use reasonable commercial efforts in researching vendors and contractors but cannot and does not make any warranties or representations of the capability or quality of the work or services of any particular vendor or contractor. Agent shall submit recommendations to the Board containing evaluations of the bids and their adherence to the specifications, information on past experience working with contractors and such other information as may be necessary and requested to the Board in making a final selection. Agent will endeavor to cause vendors and contractors to deliver a quality work product to the Association. Association agrees, however, that Agent cannot control the quality, effectiveness, timing, or attentiveness of vendors and contractors, or their acts, omissions, or negligence. Agent is not responsible for any delays in maintenance, lack of response or effort by vendors and contractors, lack of quality of any parts or work performed by contractors, or their negligent or wrongful acts or inaction, including those actions which may result in the destruction of any property, injury or death of any person. Vendors and contractors shall be responsible for their actions, as well as the work they perform or fail to perform. Association agrees that any consequences of any such failure by a vendor or contractor, or the ramifications thereof, may be dutifully pursued against vendor or contractor.

2.5.4 Meetings. Agent will prepare and deliver notices and information for meetings of the Board and annual and special meetings of the Owners at the direction of the Board and in accordance with the Governing Documents of the Association and state law. The Board shall be responsible for taking minutes of any meeting unless the Board requests that Agent perform such duty on behalf of the Board in advance of the meeting. Agent will conduct one annual meeting of the Owners and will attend Board meetings for up to two (2) hours per meeting, at no additional charge. Attendance at annual Owner meetings and Board meetings shall be limited to normal business hours or Monday through Thursday evenings. Attendance required at such meetings which exceeds the parameters of this Section 2.5.4 may be accommodated by Agent for an additional charge as may be stipulated in Exhibit A to this Agreement. Agent shall be responsible for preparing and presenting reports regarding operations of the Association as the Board may reasonably request in advance of meetings.

2.5.5 Governing Documents Enforcement. Agent shall identify violations of the Governing Documents and assist the Board in implementing enforcement programs. Agent shall inspect the community subject to the Governing Documents on a monthly basis and issue corrective notices, as appropriate. Agent shall assist the Board or the Architectural Control Committee in processing requests for approvals from Owners for modifications or construction, including plans and specifications, and requests for variances from the

Governing Documents. This Agreement shall not require and does not contemplate Agent maintaining leases in place on homeowner owned properties, enforcing leasing requirements, conducting background checks for tenants, or monitoring leasing caps for or on behalf of the Association. Should these services be required, Agent may enter into agreement with the Association to provide such services in the form of an Addendum to this Agreement.

2.5.6 Notices and Publications. Agent shall assist the Association in notifying Owners of all policies, rules, and regulations adopted by the Board during the term of this Agreement and enforceable against Owners in accordance with the Governing Documents. Such notices shall contain and shall be delivered in accordance with the Governing Documents. With respect to facilitating communications between and among Owners and the Board, the Agent will at an additional cost as described in Exhibit A.

2.5.7 Investigation. Agent agrees to investigate and timely notify the appropriate insurer of any claim, loss or accident and shall take the necessary steps available to it to affect a prompt disposition of said claim or loss.

2.5.8 Governmental Regulations. Agent shall at all times perform the services contemplated by this Agreement in compliance with the Governing Documents and any applicable rule, regulation, notice, order, directive, ordinance, or statute of any federal, state, municipal or other governmental agency having authority over the Association. Agent agrees to promptly notify the Board of its receipt of any official notification of a violation of any matter described in this Section 2.5.8.

2.5.9 Management of Access Systems and Reservations of Amenities. Management of key cards, fobs, and other access devices on behalf of the Association requires upkeep and maintenance of access systems both on site and at the corporate offices, in cases where there is no on-site office location. The Association shall cover their pro-rata share of maintenance and upkeep to those systems, and subscriptions for third party vendors. Costs for upgrades to access systems and issuance of access devices shall be charged to the Association pursuant to Exhibit A.

ARTICLE III. COMMENCEMENT

As of the Commencement Date, the Association will promptly provide the Agent with accounting and other records of the Association in its possession, including ownership lists, Governing Documents, minutes of meetings, account balances and history, and other corporate records, for Agent's use in performing duties herein. The Association will pay any expenses, including legal or accounting fees, incurred by the Agent as a result of Agent incurring costs in identifying and rectifying any inaccurate or incomplete records of the Association. Within sixty (60) days from receipt of requested financial records, Agent shall supply a financial statement to the Association. Agent will be responsible for making historical records available in an online system, in accordance with the Governing Documents, and the Association will be responsible for costs incurred by Agent in relation thereto which are outlined in Exhibit A which includes costs for scanning and clerical time. Should the Association choose to maintain/store hard copies of records, rather than maintaining them online, Association shall cover the cost of storage as listed in Exhibit A. From the

Commencement Date, all documents produced or received on behalf of the Association shall be maintained in an online system and shall remain the property of the Association at all times.

ARTICLE IV. COMPENSATION

This Agreement is based on the following basic assumptions:

INITIAL AGREEMENT PERIOD:	January 1, 2023 – December 30, 2023
MONTHLY MANAGEMENT FEE:	\$1,650.00 / month
BOARD MEETINGS:	1 / month
COMMON AREA AND DEED RESTRICTION INSPECTIONS:	1 / month
INITIAL SETUP FEE (one-time):	\$500.00

Agent shall be compensated according to the following schedule:

4.1. Management Fee. The monthly management fee shall be paid in advance on the first day of each month. The monthly management fee shall be for Agent's performance of routine services contemplated by this Agreement and overhead expenses of Agent, which includes salaries of Agent's employees, general and administrative expenses, financial management, general administration and operations management. Beginning on January 1, 2024, the monthly management fee shall increase by four percent (4%) or CPI, whichever is greater, annually on the first day of each calendar year.

4.2. Staffing. If on-site administrative, maintenance and housekeeping staff are required by the Association, they shall be employees of Agent. The Association shall be responsible for payment of certain costs associated therewith, and Agent shall be responsible to provide certain services associated therewith, all of which costs, services and other applicable terms and conditions are more particularly described in that certain Staffing Services Addendum entered into by Agent and Association, a copy of which shall be attached to this Agreement and incorporated herein by reference when applicable.

4.3. Administrative. The attached Exhibit A further describes the costs of certain periodic administrative services related to mailings, photocopying, and other similar type items, which costs shall be billable to the Association. The costs set forth on Exhibit A will be billed to the Association separately and will be due and payable on the dates set forth in such bills.

4.4. Insurance Claims.

4.4.1 Insurance Claim Administration. In the event the Association elects to restore Common Areas or other portions of the Association following insurable claims for damage caused by tornadoes, hurricanes, fires, or floods, the Association agrees to reimburse Agent of the restoration project for the additional administrative burden that the Agent will incur in claim administration and coordinating the repair and restoration process. This fee does not include responsibilities and fees included in Section 4.4.2.

4.4.2 Restoration of Common Elements. Should restoration of an insured Common Area, or any capital or reserve expenditure be outside the regular scope of Agent's maintenance duties specified herein, and in addition to costs referenced in Section 4.4.1,

Agent may also charge costs to the Association for services performed related to project management up to and including: creating specifications and scope of work, competitive bidding, and construction management, a proposed cost of which will be provided to the Association in advance in the form of an Addendum. Acceptance of such proposal will be at the discretion of the Board. Should the Board determine that an alternate solution for project management is preferable, the Board shall be fully responsible for the oversight of all aspects of the restoration project, including supervision of all contractors and project manager(s) or general contractor(s).

4.5. Capital Improvement Projects. Should the Association elect to implement a capital improvement project, renovations of Common Areas, or improvement projects which are outside the regular scope of Agent maintenance duties as specified herein, Agent may charge costs to the Association for responsibilities related to managing such capital improvement project, up to and including creating specifications and scope of work, competitive bidding, and project management, a proposed cost for which will be provided to the Association in advance in the form of an Addendum. Acceptance of such proposal will be at the discretion of the Board. Should the Board determine that an alternate solution for project management is preferable, the Board shall be fully responsible for the oversight of all aspects of the capital improvement project, including supervision of all contractors and project manager(s).

4.6. Staff Participation. Agent has the authority to charge the Association an hourly fee as defined in Exhibit A to this Agreement in exchange for services rendered and which are not specifically contemplated under this Agreement. Such services include, but are not limited to, coordination of professional legal services, court preparation and appearance time on all cases for Small Claims, Justice or any Court, or special projects. Agent shall assist the Association's legal counsel in preparing for trials, legal matters, mediations or hearings involving the Association, in exchange for the hourly fee as described in the applicable Addendum. In the event professional legal services coordination is deemed appropriate by legal counsel for the Association for any legal proceedings brought against an Owner, fees paid by the Association shall be the responsibility of and charged back to the individual Owner to the extent allowable by applicable law.

ARTICLE V. INDEMNIFICATION; LIMITATION OF LIABILITY

5.1. INDEMNIFICATION. The Agent shall indemnify, defend and hold harmless the Association, and its affiliates, partners, shareholders, members, managers, directors, officers, employees and agents from and against all suits, proceedings, claims, damages, liabilities, costs and expenses of any kind suffered or incurred by the Association, including reasonable attorneys' fees and other defense costs, arising out of or in any way attributable to a breach of this Agreement by the Agent or the gross negligence, willful misconduct or fraud of the Agent.

The Association shall indemnify, defend and hold harmless the Agent and its affiliates, partners, shareholders, members, managers, officers, directors, employees and agents (individually and collectively the "Agent Indemnitees") from and against all claims, including reasonable attorney's fees and other defense costs, arising out of or in any way attributable to: (1) a breach of this Agreement by the Association; (2) the gross negligence, willful misconduct or fraud of the Association; (3) liability based on the Agent's status under applicable law as a "managing agent" (or

similar characterization); (4) acts of the Association, its employees, or third parties hired by the Association; and (5) events that either occurred prior to the Agent's appointment or after the termination of this Agreement.

5.2. **LIMITATION OF LIABILITY.** Only the actual entities who are parties to this Agreement (FirstService Residential Houston, Inc. and Copperbrook Homeowners Association, Inc.) are liable hereunder for any obligations of the "Agent" or the "Association".

The Agent is not liable to the Association (or to its directors, members, tenants, shareholders or their guests and invitees) for any Association Damages (defined below) unless the Association Damages are caused solely by the Agent's willful misconduct or gross negligence.

In no event will Agent be liable for special damages, exemplary damages, or punitive damages.

The provisions of this Article V shall survive the expiration or termination of this Agreement.

ARTICLE VI. INSURANCE

6.1. **General.** The Association and the Agent agree to obtain and maintain the respective insurance policies as set forth in **EXHIBIT B** to this Agreement (the "Required Policies"). The insurance requirements set out in the following subparagraphs are independent from all other obligations of the parties to this Agreement and apply whether or not required by any other provision of the Agreement, and regardless of the enforceability of any other provisions of this Agreement. If, at any time, either party hereto allows any of its Required Policies to lapse, the other party may immediately terminate this Agreement upon delivery of written notice to the other party.

6.2. **Subrogation.** The Association expressly waives all rights of subrogation against the Agent and its affiliates and their respective shareholders, members, directors, officers, managers, partners, employees, representatives, and assigns (collectively "Agent") for damages or losses, regardless of whether or not covered by any insurance wherein the Agent is not named insured under the insurance policy obtained by the Association or required to be obtained by the Association pursuant to this Agreement. The Association's Required Policies shall, where possible, include an express waiver of subrogation either by endorsement or policy language. The waiver of subrogation shall be effective as to a person or entity even though that person or entity would otherwise have a duty of indemnification, contractual or otherwise, did not pay the insurance premium directly or indirectly and whether or not the person or entity has an insurable interest in the property damaged.

ARTICLE VII. DEFAULT

In the event the Association is in default of payment of any amount set forth in this Agreement, and such default continues for a period of thirty (30) days after Agent has delivered written notice thereof to the Board, such default shall be cause for termination of this Agreement by Agent upon thirty (30) days written notice to the Board. If the Association fails to cure the default within thirty (30) days after receipt of the termination notice, Agent shall have the right to terminate the Agreement.

ARTICLE VIII. TERM OF AGREEMENT

This Agreement shall remain in effect for a term of one (1) year from the Commencement Date. This Agreement shall automatically renew for an additional Renewal Term for a successive period of one (1) year under the same terms and conditions, unless either party gives written notice not less than sixty (60) days prior to the expiration of the then current term of the Agreement of its intention not to renew the Agreement.

ARTICLE IX. TERMINATION

9.1. Notice of Termination. This Agreement may be terminated by either party under any of the following conditions:

9.1.1 Non-Renewal of the Agreement at the Anniversary Date. Written notice of an intent not to renew not less than sixty (60) days prior to the expiration of the then current term of the Agreement; or

9.1.2 Termination for Default. Written notice to the other party (the “Defaulting Party”) in the event that the Defaulting Party has breached this Agreement, and the Defaulting Party’s failure to cure or make diligent efforts to cure, within thirty (30) days after delivery to the Defaulting Party of such notice; or

9.1.3 Termination for Insufficient Funds. Written notice from Agent to the Association in the event that there are insufficient operating funds to continue the operation of the Association, and continuation of such deficiency for a period of ten (10) days after such notice; or

9.1.4 Mutual Termination by both Parties. Written, mutual consent of both Agent and the Association to terminate the Agreement.

Any termination of this Agreement for any reason shall be effective on the last day of the month (“Termination Date”). Except for termination pursuant to Section 9.1.2 where Agent is the Defaulting Party or termination pursuant to Section 9.1.4, the Association shall be responsible for all management fees incurred through the end of the Initial Term or Renewal Term and for any compensation earned by Agent through the Termination Date. Except for termination pursuant to Section 9.1.2 where Agent is the Defaulting Party, the Association shall be responsible for a transition fee equal to one (1) month’s management fee for the management, collection, packaging, and transfer of the Association’s records to party named by Association upon contract termination. All such fees shall be paid no later than five (5) business days prior to the Termination Date. Agent, in its sole discretion, shall have the right to suspend services under the terms of this Agreement after thirty (30) days of non-payment by the Association until such time as payment is received in full by Agent.

9.2. Duties after Termination. Within sixty (60) days of the Termination Date, Agent will submit to the Board a final income statement and balance sheet which reflects all sums held by Agent on behalf of the Association for purposes of payment of all outstanding bills, costs and expenses of the Association. Further, within sixty (60) days of Termination Date, each Party shall return to the

other Party any and all accounting books and records, keys, tools, computers, telephones, electronic or mechanical equipment, or any other property belonging to the other Party. Agent shall take all reasonable steps to transfer the duties and responsibilities set forth herein to such successor agent of the Association, as the Board shall designate in writing.

9.3. Employees. The Association recognizes that the Agent (i) is engaged in the competitive community association management business, (ii) invests time and money in the hiring, training, and development of its employees at all levels, which promotes productivity, efficiency, and the employment of a competent and specialized workforce, and (iii) has a legitimate business interest in protecting its employee resources and the investment it makes to develop and enhance those resources. At any time during the term of this Agreement or within the period of two (2) years immediately following later of the Termination Date of the last day that services are provided by Agent, the Association or its subsequent Managing Agent shall not employ or hire, directly or indirectly, in any capacity, whether as an employee, consultant, or independent contractor, any Employee of Agent. “Employee of Agent” means any existing or former employee of Agent who was employed by Agent within twelve (12) months immediately prior to the Termination Date.

9.4. In the event the Association or its subsequent Managing Agent directly or indirectly hires an employee to serve the community during the term of this Agreement within the period of two (2) years immediately following the termination of this Agreement, the Association, by its execution of this Agreement, agrees to pay Agent, as liquidated damages and not as a penalty, an amount equivalent to one (1) year’s annual wages for each such Employee at time of termination or resignation, for each Employee directly or indirectly hired or retained by the Association. Further, the Association acknowledges and agrees that upon receipt of a notice of termination by either party, it will provide Agent with the names of any Employee the Association desires to hire or retain and authorizes Agent to obtain the funds representing an amount equivalent to one (1) year’s annual wages of such Employee at time of termination or resignation of each employee hired or retained by the Association or its subsequent Managing Agent from the Association’s bank account. The obligation to pay liquidated damages as provided herein shall be in addition to any compensation set forth in this Agreement. Nothing contained herein shall be construed as prohibiting the Agent from pursuing any other remedies, equitable or otherwise, available to it for such breach or threatened breach.

The provisions set forth in Article IX shall survive the termination or expiration of this Agreement.

ARTICLE X. STATUTORY AGENT

Agent is appointed statutory agent for the Association for the purpose of accepting all process on behalf of the Association. However, this appointment is not applicable in the event process may issue by or from Agent against the Association or the Board; service of such process may be made upon the President of the Board.

ARTICLE XI. MANDATORY AGENT DISCLOSURE

11.1. FirstService Corporation. Agent or its affiliated companies may be engaged in enterprises other than association full service or financial management. For purposes of this Section,

a company is deemed to be an Affiliate of Agent where there is a common ownership of the company through Agent's ultimate parent company, FirstService Corporation [NASDAQ: FSRV] or Agent directly. These activities may include, but are not limited to: budget and planning consultation with developers, brokerage services, rental management for Owners, escrow services, Website and technology services, insurance and other financial products. The Association acknowledges that Agent's Affiliates shown below may receive compensation from the Association for services rendered directly by such Affiliate to the Association provided that the Association approves such services. Such fees may be shared with Affiliates.

11.2. FirstService Financial. FirstService Financial, Inc. and its subsidiary FS Insurance Brokers, Inc. (collectively "FirstService Financial") are affiliates of the Agent that were formed for the purpose of aggregating the buying power of properties managed by the Agent and its affiliates. FirstService Financial develop banking and insurance programs that are offered exclusively to clients of the Agent and its affiliates. FirstService Financial may receive fees or commissions from their banking and insurance partners for their assistance with the development, placement, servicing and maintenance of these programs.

11.3. Service Providers. The Association is the ultimate decision maker for the purchase of goods and services and the selection of the vendors for the Property. In connection with its duties under this Agreement, the Agent will recommend to the Association the purchase of goods and services from various vendors, some of whom may be affiliates of the Agent or businesses with which the Agent has a contractual or other relationship under preferred vendor programs. If the Agent recommends to the Association a provider who is an affiliate or a member of a preferred vendor program, the Agent shall disclose such relationship. The Association is not obligated to engage the Agent or preferred vendors. The Agent endeavors to develop affiliated and preferred vendor programs which address the needs of its clients and which focus on bringing value to its clients. The Association acknowledges and agrees that the Agent or its affiliates may in some cases be compensated for services provided.

11.4. Affiliated Companies. This Disclosure is intended to provide Association and its Board with notice that the following companies are Affiliates of Agent. Through these Affiliates, Agent can offer quality services tailored to its clients' needs at very competitive prices that are generally unavailable to associations not under management by Agent.

FirstService Association Consulting, LLC	California Closets
FirstService Financial Inc. ("FFI")	American Pool Enterprises
Interstate Restoration, LLC	Paul Davis Restoration
Floor Coverings International, Ltd.	FS Insurance Brokers, Inc.
FirstService Residential, Inc.	Certa ProPainters
Southwest Maintenance Services, LLC	Century Fire Protection, LLC
Field Asset Services	Poolman 2000, Inc.

Any affiliate relationship will be disclosed to the Association at the time of presentation or proposal of services as well within the final agreed services contract. Association is not required to use the services of these companies, as a result of its contractual relationship with Agent. There are

other service providers offering similar services and Agent encourages its Associations to solicit proposals to determine the best services and rates available.

11.5. Excluded Services. FirstService is not an architect, landscape architect, engineer or construction manager, and does not provide these types of professional services under this Agreement. Notwithstanding anything to the contrary in this Agreement, it is not FirstService's responsibility to determine whether any structure on the property, including its architectural design or whether the height and location of the hedges, foliage, and/or other landscaping is in compliance with federal, state and local laws, ordinances, rules, regulations, and orders of any public authority having jurisdiction over the property. FirstService disclaims any and all liability related to, arising out of or associated with the professional services referenced in this paragraph and FirstService has no liability for any claims or lawsuits related to, arising out of, or associated with the professional services referenced in this paragraph. This paragraph survives the expiration or termination of this Agreement.

11.6. Security Disclaimer. FirstService will not in any way be considered an insurer or guarantor of security within the property. Neither will FirstService be held liable for any loss or damage by reason of failure to provide adequate security nor for ineffectiveness of security measures undertaken. Board of Directors on behalf of Association, Owners and occupants, tenants, guests and invitees, as applicable, acknowledge that FirstService does not represent or warrant that any fire protection, burglar alarm systems, access control systems, perimeter walls or fencing, patrol services, surveillance equipment, monitoring devices, security systems (if any are present) will prevent loss by fire, smoke, burglary, theft, hold-up or otherwise, nor that fire protection, burglar alarm systems, access control systems, perimeter walls or fencing, patrol services, surveillance equipment, monitoring devices or other security systems or services will provide the detection or protection for which the system is designed or intended. Board of Directors on behalf of Association, each Owner and occupant of any dwelling and each tenant, guest and invitee of an Owner, as applicable, acknowledges and understands that FirstService is not an insurer and that each Owner and occupant of any Unit/Lot and each tenant, guest and invitee of any Owner assumes all risks for loss or damage to persons, to Units/Lots and to the contents of Units/Lots and further acknowledges that FirstService has made no representations or warranties nor has Association, any Owner, occupant, tenant, guest or invitee relied upon any representations or warranties, expressed or implied, including any warranty of merchantability or fitness for any particular purpose, relative to any fire protection, burglar alarm systems, access control systems, perimeter walls or fencing, patrol services, surveillance equipment, monitoring devices or other security systems or services recommended or installed or any security measures undertaken within the property.

ARTICLE XII. DISPUTES; NOTICE

12.1. Dispute Resolution. In an effort to mitigate costs of litigation, and to the extent in compliance with the Governing Documents, the Association and Agent agree to seek amicable resolution of any disputes between such Parties involving this Agreement during the term of this Agreement. The Parties will make reasonable efforts to timely meet in person to discuss any current conflicts and disagreements regarding this Agreement and to make good faith efforts to find prompt resolution regarding such conflicts and disagreements. Nothing in this Section 12.1 is intended to deny any Party any right to which any Party may be entitled under federal or state law or the

Governing Documents with regard to any legal claims that may arise or be brought by either Party in connection with this Agreement.

12.2. **Notice.** All notices required under this Agreement shall be deemed to be properly served if reduced to writing and sent by (i) certified or registered mail; (ii) Federal Express or similar overnight carrier; or (iii) personal delivery by courier and the date of such notice will be deemed to have been the date on which such notice is delivered or attempted to be delivered as shown by the certified mail return receipt, overnight carrier receipt or courier delivery receipt. Each Party to this Agreement shall have the right to change its notice addresses provided hereunder, or to provide the address of any assignee permitted hereunder, to any other location within the continental United States by giving notice thereof in the manner set forth herein to the other Party at least five (5) days' prior to the occurrence of such address change.

Notices shall be sent to the following addresses:

To the Association:	At the address of the President of the Association on the date of the notice or communication.
To Agent:	FirstService Residential Rocco Valentino, President 1330 Enclave Parkway Suite 425 Houston, TX 77077

ARTICLE XIII. GOVERNING LAW

The Parties agree that the laws of the State of Texas shall govern all questions of law or disputes arising from or connected with this Agreement.

ARTICLE XIV. EXECUTION OF AGREEMENT

For the convenience of the Parties, this Agreement will be executed in the exact duplicate. The Parties agree that each fully executed original copy of this Agreement may be introduced into evidence in any Court of competent jurisdiction for any purpose.

ARTICLE XV. AMENDMENTS; ENTIRE AGREEMENT

This Agreement constitutes the full understanding and Agreement of the Parties and no prior or contemporaneous oral or written representations made by either Party shall be binding. This Agreement may be modified only in writing signed by the President of Agent and by the duly authorized representative of the Association.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the November
day of 23, 2022 to be effective as of the Commencement Date.

ASSOCIATION:

For and on behalf of the Board of Directors of
Copperbrook Homeowners Association, Inc., a
Texas nonprofit corporation

By: [Signature]

Name: Francesca Garcia

Title: President

AGENT:

For FirstService Residential Houston, Inc. dba
FirstService Residential

By: [Signature]

Name: Rocco Valentino

Title: President - Houston

EXHIBIT A

Bundled Administrative Costs and Services:		\$324.00 flat fee per month*
Includes: <ul style="list-style-type: none"> • ACH or eCheck (through check processing system) • Assessment Payment Statements • Bank Account Reconciliation • Checks/Drafts • Connect Mass Communication • Copy/Print/Fax/Scan (black and white, and color) • Debit Card Processing • Envelopes • Forms 1096/1099 • Mailed Notices (e.g. meeting notices, violations notices, community announcements) • Management Certificate and Form 802 Filings • Postage (except where otherwise noted) • Registered Agent Filings • Wire Transfers 		
*The monthly flat fee is intended to include costs associated with predictable and routine administration of the association.		
Operational / As Needed Services:		
• Administration of Access Control Devices (cards, tags, fobs, etc.)*		\$15.00 each
• Amenity Reservations		\$25.00 per item
• Certified Mailing		\$15.00 each
• Community Manager, Director or Client Accountant (For services that are not included in base management fee.)		\$100.00 per hour
• Coupon Books		\$10.00 + postage
• Physical Storage of Documents (bankers box)		\$27.00, per box
• ARC/ACC Application Management Platform (SmartWebs)		\$25.00 per month
• Travel for services outside scope of work		Per current IRS rate
<small>*At the Board's direction access control fees and devices may be paid for by the Association rather than as an owner billed expense.</small>		
Tax / Audit / Compliance		
• Audit/Review Assistance to CPA		\$300.00
• Form 1120 H Tax Return Preparation and Filing (size & complexity)		\$100.00 - \$300.00
• Form 1120 Tax Return Preparation and Filing		\$500.00
• Franchise Tax Filings (size and complexity)		\$50.00 - \$100.00
Additional Services Available as Quoted:		
<ul style="list-style-type: none"> • Compliance Inspections • Custom Financial Reports • Graphic Design and Communications • Lifestyle Events & Planning • Project Management of Catastrophic Events or Significant Capital Improvements • Utility Sub Metering • Website Creation and Support 		

NOTE: All Exhibit A fees are subject to change with 30-day disclosure to Board

Architectural Services Billable to Homeowner:

• Architectural Review and Control - ARC (for residential projects)	
- Admin, Recordkeeping and Deposit Processing (where reviewed/approved by Assn)	\$25.00 per application
- Pre-approved Items: painting, roofing, fencing, etc. (within 30 days; 1-7 days)	\$50.00 + \$25.00
- Landscaping, Portable Buildings and Play Equipment (within 30 days; 1-7 days)	\$50.00 + \$50.00
- Patio Covers and Extensions, Home Additions and Pools (within 30 days; 1-10 days)	\$100.00 + \$150.00
- ARC Review for Builder/Developer Plans & Commercial Properties	Ask for quote

Collection Services Billable to Homeowner:

• Collection Reminder Notice	\$20.00 + postage
• Collection Second Notice (includes one certified & one standard letter)	\$40.00 + postage
• Transfer Account to Attorney (research, document production & monitoring)	\$100.00 per account
• Administer Payment Plan / Notice of Default	\$50.00 per plan
• Legal Compliance/Deed violation TROPA (includes one certified & one standard letter)	\$30.00 + postage
• Non-routine Collection Letters (account review and letter included)	\$25.00 + postage
• Release of Assessment Lien (AOS)	\$50.00
• Return Check Fee	\$35.00 + bank charges

Postage will be added as noted.

NOTE: All Exhibit A fees are subject to change with 30-day disclosure to Board

EXHIBIT "B"

1. By the Association. The Association hereby agrees to maintain at all times and to provide evidence of the insurance described in this Section 1 of this Exhibit B. Coverage for Agent as an insured shall apply as primary and non-contributing insurance before any other insurance or self-insurance, including any deductible or retention maintained by, or provided to, Agent:

A. Commercial General Liability Insurance covering all premises and operations, including and with limits not less than: (1) \$1,000,000 each occurrence for bodily injury and property damage and personal and advertising injury; (2) \$2,000,000 general aggregate; (3) \$1,000,000 products and completed operations; (4) \$1,000,000 non-owned and hired auto liability; (5) including contractual liability; (6) assault and battery covered as a regular occurrence; (7) "your real estate manager" within the "Who Is An Insured" section of the policy; and (8) the Agent Indemnitees shall be specifically designated as "insureds" and as "additional insureds" using ISO Additional Insured Endorsement CG 20 26 11 85 or endorsements providing equivalent or broader coverage to the additional insureds.

B. Directors' and Officers'/Employment Practices Liability Insurance, including and with limits not less than: (1) \$1,000,000 per claim and aggregate applicable to the D&O coverage section, (2) \$1,000,000 per claim and aggregate applicable to the third-party EPL coverage section, (3) retroactive date back to the inception date of the Association or coverage for full prior acts, and (4) Agent as "property manager" must be included within the policy's definition of "insured" to the extent acting on behalf of the Association pursuant to the terms of this Agreement.

C. Workers' Compensation Insurance according to state statutory limits covering all employees, subcontractors, or volunteers of the Association, with employers' liability with limits not less than: (1) \$500,000 each accident for bodily injury; (2) \$500,000 each employee for bodily injury caused by disease; and (3) \$500,000 bodily injury caused by disease.

D. Umbrella or Excess Liability Insurance, including and with limits not less than: (1) \$5,000,000 each occurrence and aggregate; and (2) providing follow-form coverage sitting over the Association's Commercial General Liability, Directors' and Officers'/Employment Practices Liability and Employers' Liability policies; and (3) coverage for Agent and Agent Indemnitees shall be primary before any other insurance or self-insurance, including any deductible maintained by or provided to Agent and the Agent Indemnitees other than the Commercial General Liability, Directors' and Officers'/Employment Practices Liability and Employer's Liability coverages maintained by the Association.

E. Fidelity Insurance written on a "discovery form" basis (and not on a "loss sustained" form) with a policy limit of not less than the higher of the amount stated in the Association's governing documents or the minimum amount as may be required by applicable law or any regulatory requirements. Management shall be included in the definition of an employee in the fidelity insurance policy. Must include Agent Rider covering Property Manager for Employee Dishonesty.

F. Cyber liability insurance coverage (CLIC), with a policy limit of not less than \$500,000 to cover liability for a data breach in which personal information of the unit owners or residents of the Association or any personal information of employees, customers or vendors of the Association or of Agent, is exposed or stolen by a hacker or other unauthorized person who has gained access to the electronic network and data of the Association (if any) or of Agent, with respect to records and data relating to the

Community. Agent as “property manager” must be included within the CLIC policy’s definition of “insured” to the extent acting on behalf of the Association pursuant to the terms of this Agreement. The policy will be in form and substance satisfactory to Agent and will cover expenses associated with data breaches, including: notification costs, credit monitoring, costs to defend claims by governmental regulators, fines and penalties, and loss resulting from identity theft, as well as: (i) network and information security liability, (ii) communications and media liability, (iii) regulatory defense expenses, (iv) crisis management event expenses, (v) security breach remediation and notification expenses, (vi) computer program and electronic data restoration expenses, (vii) computer fraud, (viii) funds transfer fraud, (ix) e-commerce extortion and, (x) business interruption and extra expenses.

G. Property or hazard insurance written on an all-risk or special-perils form covering 100% of the Association’s real and personal property values, or as otherwise mandated by state law.

H. All insurance carriers must be rated “A IX” or better by A.M. Best Company or “Substantial” or better by Demotech, and must be licensed or authorized to do business in the state in which the Community is located.

I. Prior to the commencement of work under this Agreement, the Association shall provide a current and original certificate of insurance providing evidence of the aforementioned required insurance. The Association and Agent agree that no work shall commence under the terms of this Agreement until the original Certificate of Insurance is received and approved by Agent. The Association will supply Agent with an original Certificate of Insurance showing evidence of renewal coverage in compliance with the terms of this Agreement.

2. By Agent. Agent hereby agrees to maintain at all times and to provide evidence of the following insurance coverages:

A. Commercial General Liability Insurance, including and with limits not less than: (1) \$1,000,000 each occurrence for bodily injury and property damage and personal and advertising injury; (2) \$2,000,000 general aggregate; (3) \$1,000,000 products and completed operations; (4) contractual liability coverage; and (5) assault and battery covered as a regular occurrence.

B. Commercial Auto Liability Insurance, including and with limits not less than: (1) \$1,000,000 combined single limit and (2) \$1,000,000 non-owned and hired automobile liability.

C. Workers’ Compensation Insurance according to state statutory limits covering all employees or subcontractors of Agent, with employers’ liability including and with limits not less than: (1) \$500,000 each accident for bodily injury, (2) \$500,000 each employee for bodily injury caused by disease, and (3) \$500,000 bodily injury caused by disease.

D. Umbrella or Excess Liability Insurance, including and with limits not less than: (1) \$5,000,000 each occurrence and aggregate and (2) providing follow-form coverage over Agent’s Commercial General Liability and Employers’ Liability policies.

E. Prior to the commencement of work under this Agreement, Agent shall provide a current and original certificate of insurance providing evidence of the aforementioned required insurance. The Association and Agent agree that no work shall commence under the terms of this Agreement until the original Certificate of Insurance is received and approved by the Association. Agent will supply the Association with an original Certificate of Insurance showing evidence of renewal coverage in compliance with the terms of this Agreement.