

ROME & ASSOCIATES, P.C.
ATTORNEYS AT LAW
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Legal Services Contract For [Association]

COME NOW the firm of Rome & Associates, P.C. ("Firm") & [Association] ("Association"), and agree to the following terms, conditions and mutual promises ("Agreement"):

Collection Services, Deferred Payment of Attorney Fees, and Upfront Fees. Attorney fees for the following collection services are earned by Firm and incurred by Association at the time of service; and except for the below listed upfront fees, are not due and payable to Firm until funds are recovered from the delinquent homeowner or under other certain conditions as described herein.

| <u>SERVICE</u> | <u>FEE AMOUNT</u> | <u>UPFRONT COST TO ASSOCIATION*</u> |
|--|-------------------|---|
| Set-up File | \$45 | \$45 |
| Lien Letter & Title Search | \$75 | NONE |
| Draft & File Lien (or ACC Notice) | \$241 | NONE |
| Reminder to Pay Letters | \$50 | NONE |
| Title Update & Suit Warning Letter | \$100 | NONE |
| Complaint & Summons | \$650 | \$250 & Court Costs (<i>approximately \$240 & \$75</i> |
| Default or Summary Judgment Motion | \$500 | NONE <i>electronic filing fee if applicable.</i>) |
| Court/Mediation/Deposition (incl travel) | \$175 an hour | NONE |
| Garnishment (Bank or Wages) | \$175 | \$175 & Court Costs |
| Motion to Compel | \$250 | \$100 & Court Costs |
| Motion for Contempt | \$350 | \$125 & Court Costs |
| Foreclosure Fee (to close file) | \$50 | \$50 |

**All Attorney Fees and Court Costs Paid Upfront are reimbursed to Association once they are collected, except for post-judgment fees & costs, which is considered a new collection if reimbursement is allowed under the covenants.*

Deferred payment of attorney fees does not include: (i) defense of non-collection related counterclaims; (ii) foreclosure of liens (iii) appeals; or (iv) adversarial proceedings in Bankruptcy Court. In the event the parties agree to representation in these matters, services will be billed at the rate of one hundred seventy-five dollars (\$175) an hour. Said fees are due and payable within 30 days from receipt of invoice.

Partial Payment by Homeowner, Payment Plans, and Closing Fees. Any partial payments made by homeowners are applied in the following order: attorney fees, collection costs, interest, late charges, and then the oldest principal amount. Homeowners will incur a \$50 fee for setting up payment plans, and \$50 more for administering each six months of installments. If the homeowner makes any partial payments outside of an agreed to payment plan, they will incur a \$25 fee for each partial payment. Firm shall provide the closing letters for all accounts placed in collection, and any fees related to providing closing letters shall be retained by Firm. Partial payments from closings are first applied to attorney fees.

Other Conditions Triggering Immediate Payment of Outstanding Deferred Fees. All outstanding deferred fees will become immediately due and payable at the agreed to rates in this Agreement if the Association: (i) places an account in error; (ii) does not promptly inform Firm of payments made on the account; (iii) closes or settles an account; (iv) transfers a file to another firm; (v) has another law firm or collector work the same account or address; (vi) retains another law firm for collections; (vii) does not pay for court costs needed to move forward with collections, (viii) does not file suit within the four year statute of limitations; or (ix) if either party terminates the Agreement. Association will also be responsible for immediate payment for any amount of deferred fees more than four years old from date of service and any deferred fees not awarded by the court in an Order or Judgment.

Online Access to Files, Transferred Accounts, and Scanning Fee. Firm will provide the Association with 24/7 online access to their collection files, and Firm does not send collection reports since they are available through the online system. Any of the Association's files transferred from another law firm, which are already in the process of a lawsuit or bankruptcy, will be billed at the rate of \$125.00 an hour and \$50.00 an hour for paralegal or legal assistant work; due and payable when incurred and invoiced. Association will incur a scanning fee (25 cents per page) for uploading any hard file to the system.

Other Legal Services. For legal services outside of collections, Association shall pay to Firm a non-refundable annual fee of six hundred fifty dollars (\$650). This fee shall include any legal services for the Association up to a cap of 6.5 hours per year, except for: (i) the drafting and filing of governing document amendments that will be quoted at a set fee; (ii) \$50.00 an hour for correction or recalculation of any collection ledgers; and (iii) attendance at Association member or board meetings, billed at \$250 an hour incl. travel. For homeowner meetings a law enforcement official must attend to keep order and safety.

Initial: _____

If the full 6.5 hours are not used within the twelve month period, there is no reimbursement or carryover credit. Any legal services provided beyond the 6.5 hours will be billed at the hourly rate of \$50 for paralegal or legal assistant services; \$125 for attorney services [\$175 an hour for litigation], and fees are due and payable within 30 days from date of invoice. (Non-retainer clients pay \$210 per hour vs the retainer client rate of \$125 per hour.) If it is determined in Firm's opinion that any specific legal services for Association require specialized representation, Association shall seek outside counsel and will be directly responsible for all fees and costs related to outside representation.

Arbitration of Fee and Malpractice Disputes. Any dispute arising out of this agreement or Firm's representation of Association will be resolved exclusively by submission to arbitration under the rules of the American Arbitration Association. This includes but is not limited to any claim for malpractice, negligence, breach of fiduciary duty, deceptive trade practices, breach of contract, or the like that Association may later wish to assert against Firm. There are advantages to arbitration, but also disadvantages. Arbitrating disputes may be more efficient, and it will be done in private. However, any claim for malpractice will not be decided in court or in a trial by jury. Also, unlike courts which are an arm of government, private arbitrators have no ability to require third parties to participate in arbitration or to provide documents or witnesses. There may be other disadvantages to arbitration, such as no right of appeal. Consequently, you should carefully consider whether arbitration is acceptable to you & should consult with independent counsel if you believe it appropriate to do so. **EACH PARTY HEREBY AGREES TO BINDING ARBITRATION AND THE PARTIES UNDERSTAND THAT THEY ARE WAIVING THEIR RIGHT TO FILING AN ACTION IN COURT AND THAT THE DECISION OF THE ARBITRATOR(S) ARE FINAL. THE PARTIES HAVE INITIALED BELOW TO CONFIRM THEY UNDERSTAND AND AGREE TO THE ABOVE.**

(Initials for Agent of Association) _____ *(Initials of Agent for Firm)* _____

Duration of Agreement. This agreement is for a period of 12 months and shall begin on _____ 20___. This agreement is automatically renewing for successive 12 month periods, but either party may terminate this Agreement without cause, with 30 days written notice. All incurred attorney fees, including those for which payment would otherwise be deferred, will be immediately due and payable to Firm. Upon termination all files will be transferred to Association.

Miscellaneous.

Costs: Association is not responsible for upfront costs or expenses except for copying (25 cents a page) and delivery costs for any files transferred to another firm or directly back to the Association. Any certified mail charges will be considered a deferred cost initially charged to the delinquent homeowner.

Operating Procedures for Collections: Association acknowledges receipt of the Operating Procedures for Collections (as may be amended from time to time) and also agrees to comply with all provisions contained therein.

Power of Attorney: Association gives Firm permission to deposit any payment received which is made payable to the Association, into the Firm's Trust Account solely for purposes of properly disbursing the proceeds.

Invoicing: Invoices from Firm are payable within 30 days from their date and if Association does not raise any questions or objections in writing within that time period, the Association agrees to the validity of the charges and its right to dispute them is waived.

Late Fee & Interest: A late charge of \$25 will be imposed upon any amount not paid within 30 days from the date of the invoice and a finance charge of 1.5% per month may also be imposed on the delinquent amount.

Expenses of Claim: If either party pursues a claim for breach of this Agreement, the prevailing party shall be entitled to reimbursement of all reasonable and necessary attorney fees, costs, and expenses incurred for arbitration and/or litigation.

Equitable Attorney Lien: Association authorizes Firm to deposit and apply funds collected on the Association's behalf to any invoices that are more than 90 days delinquent. Association acknowledges said lien shall be considered equitable in nature and Association's authorization shall survive the termination of this Agreement.

Association Board: Firm represents Association through the Board of Directors, who are the legal representatives of the Association, and not the individual homeowners. Association will provide Firm any change in contact information, and if Firm is unsuccessful in contacting Association, the Association's files will be closed.

Entire Agreement: This agreement constitutes the entire understanding of the parties and any modification must be contained in a dated writing signed by Association and Firm. This agreement shall be controlled and interpreted pursuant to the laws of the State of Georgia.

SIGNED THIS ___ DAY OF _____, 20__.

Signature: _____

Michael Rome, Esq.,
Rome & Associates, P.C.

(Print Name), as agent for
[Association]

ROME & ASSOCIATES, P.C.

ATTORNEYS AT LAW
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PLEASE FILL-OUT & RETURN WITH SIGNED CONTRACT (If renewing, only fill-out changed information.)

SUBDIVISION INFO

Subdivision Name:

Subdivision's County/City/Zip:

Approximate Age of Subdivision:

Number of Homes:

Number of Vacant Lots:

Are the Homes Freestanding Structures or Townhomes?:

List Amenities & Common Areas (Pool, Tennis, Clubhouse, Detention Ponds, Green Areas, etc...):

Is it a Gated Community?

ASSOCIATION INFO

Amount of Assessment and Due Date(s):

Amount of Late Fee & Annual Interest on Delinquent Assessments:

Amount of Initiation Fee (if any): Present Delinquency Rate:

[ATTACH EXAMPLE OF YOUR LEDGER/STATEMENT]

Approximate Date Turned Over by Developer:

Services Provided by Association Besides Common Areas (Water, Cable, Owners' Lawns, etc..):

Leasing Restrictions (if any):

Is Association Current for Annual Corporation Renewal with Georgia?

Is Association Current with Annual Federal & State Tax Filings?

Association's Federal Tax ID# (for closing & tax purposes):

Are There any Pending Lawsuits Against the Association/Board?

Who is Current Law Firm for Association? (if any)

Is a Liability & Property Insurance Policy In Force For The Common Areas/Elements? (Pool/Tennis, etc.)

Is There a D & O (Directors And Officers) Insurance Policy In Force?

CONTACT INFO***

Management Company Name or Write "Self-Managed":

Management Company (or Association) Mailing Address:

Contact Information:

Manager (or Board Member if Self-Managed):

Email:

Phone Number:

Fax:

Contact to Obtain Current Ledger for Closings:

Name/Position:

Email:

Phone:

*** Any personal information provided will NOT be given out to homeowners.