

SCOPE OF SERVICES



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FINANCIAL SERVICES

The prudent management of the Association's financial resources is one of the critical elements for community success. In addition to peer-reviewed internal accounting controls, Aegis has made a considerable investment in the latest hardware and software platforms to make the accounting and reporting process efficient, accurate, and timely.

Budgeting and Forecasting

Aegis will work closely with the Board and its vendors to analyze historical trends and known costs in order to present for review and approval, a fiscally sound annual operating and reserve budget. Throughout the year, the Aegis accounting platform offers forecasts and cost models which the Board can use to strategically plan for short and long term objectives.

Accounts Payable

The timely and, most importantly, accurate payment of vendors and utility providers is important. The Aegis agreement includes the tracking of all vendor insurance coverage and IRS 1099 reporting. Disbursements are made on approved vouchers weekly and within 12 hours in the event of an emergency. Aegis will also manage Florida Construction Lien Law compliance as required by law.

Accounts Receivable

In order to operate properly, the Association relies on the assessments from the members. Aegis will post all assessments, late fees, interest, and other charges in accordance with the annual budget, operating policies, and the governing documents and provide appropriate payment instruments to all homeowners. All owners will enjoy individual accounts reflecting all account activity. In addition, Aegis offers numerous payment options including electronic ACH, daily lockbox deposits, e-checks, and online credit card payments.

Banking and Investment Management

All bank accounts and investment vehicles (accounts are never commingled) are tracked and reported continuously. Our partner banking institutions offer FDIC insured, interest bearing, no-fee accounts, free check stock, free lockbox services, and a host of other services tailored to fit your Association's special needs.

Financial Reporting

Aegis will produce comprehensive monthly financial statements including balance sheets, profit and loss statements, check registers, general ledger details, reconciled bank statements, copies of paid invoices, accounts receivable and collection reports, and other relevant documents. Our financial management software is an enterprise based platform and can support countless reporting variations to meet your individual needs. In addition, Aegis will coordinate all tax returns and audits and reviews with an independent Certified Public Accountant of the Board's election.

ASSESSMENT COLLECTION

In order to ensure equity among all owners as well as the timely collection and posting of community assessments, Aegis will utilize the best industry practices, in accordance with the provisions of State Statute and the governing documents, to develop and implement a flexible yet effective administrative policy addressing the collection of maintenance assessments.

This policy is routinely published to all lot owners and monthly collection activity reports will be generated for Board review.

Subject to the specific provisions of the governing documents, the typical hierarchy for collection activity is as follows:

- 1. Assessment(s) posted to account and payment instruments delivered.**
- 2. Late fees and/or interest posted to account and owner notified.**
- 3. Statutory *Intent-to-Record-Lien* notice sent to owner.**
- 4. Lien recorded among Public Records and owner notified.**
- 5. Matter referred to Association law firm and owner notified.**

In addition, Aegis remains diligent in seeking out creative collection options for our client communities including tenant payment attachments, blanket receiverships, third party collection agencies, factoring entities, and the withdrawal of use and voting rights. All costs associated with the above collection activities are posted to the delinquent owners account and must be satisfied before the application of any payments to outstanding principal amounts.

At Aegis, we handle every phase of the collection process as an action arm of, and neutral third party for, the governing Board of Directors, freeing you from the hassle and wasted time usually spent on assessment collection.

CORPORATE SERVICES

Every management agreement allows the Board to appoint Aegis as the Registered Agent for the corporation. This appointment ensures the timely receipt and action for any legal matters directed to the community.

In addition, Aegis will annually update and renew with the Florida Secretary of State, the Associations corporate status and members of the Board. This is accomplished by the timely filing of the Uniform Business Report as required by the State of Florida.

CLOSINGS AND RESALE FULFILLMENT

Requests from realtors, title companies, mortgage companies, and lot owners can absorb valuable time. Some covenants require Board approval for any lease or sale. Another of the important roles that Aegis will assume is the management and fulfillment of requests for notarized estoppel certificates, insurance certificates, sales or rental approvals, association questionnaires, statutory association disclosures, copies of governing documents, FHA/FMNA underwriting approvals, and other transactional requirements. All costs associated with the production and distribution of closing documents are paid at closing so that no costs are borne by the community.

Aegis also utilizes advanced software and industry leading partners to fulfill these requests electronically, ensuring seamless and timely production of the requested information.

We believe that an owners who feel personally welcome and incorporated into the community, will also be a happy owner. To that end, Aegis will also forward a welcome package to every new owner, including any materials the Board wishes to enclose.

RECORDS AND DATA MANAGEMENT

Most covenants as well as Florida law requires the maintenance of specific records for every Association. Examples include meeting minutes, contracts, financial records, and insurance policies. These records must also be readily available for inspection by owners in accordance with the law. The Aegis agreement includes all statutory records maintenance in a format easily accessible to any authorized party. Rather than ream after ream of aging paper records, the Aegis software platform maintains these records in a permanent and routinely backed up and indexed database. Records requests can often be handled by the instant production of a CD or DVD, rather than by unending searches of hard copy records.

In addition, Aegis utilizes an advanced software package to maintain all relevant contact information for every lot owner, vendor, insurance agent and underwriter, governmental contact, and Board member. Most of this information can be made available electronically on a community website at the Board's election.

COMMUNICATION

Successful and harmonious communities cannot exist without effective means of communication. Aegis seeks to implement the very best industry practices in all phases of distributing information to and from the owners, Board members, and from other parties.

Websites

Aegis maintains a web portal at www.aegiscms.com which features an ever growing assortment of services which can be rendered anytime day or night including event calendars, copies of Association documents and other materials, customizable surveys, web forms, email blasts, etc. Each owner also enjoys a password protected web page, updated continuously with account information, contact information, and other owner-specific information. A demo of the website portal can be viewed at www.aegiscms.com. The website portal is provided at no charge to every client community.

Constant Contact®

Aegis has partnered with Constant Contact®, the premier clearinghouse for bulk email blasts to registered unit owners. This service is provided at no charge to every client community.

Community Mailings

Whether elaborate newsletters or one page reports, proactive communication is critical to managing the expectations that owners have for the community. Aegis will assist the Board in developing and distributing information which helps owners understand the various obligations, rights, and responsibilities of community living.

Telephone

Obviously, Aegis is also available by phone and all phone messages are courteously returned **within 24 business hours**, most much faster. Every Aegis Manager is equipped with mobile email devices, making contact efficient and immediate. Lastly, Aegis has an **after-hours emergency** line which directs a text message to both the primary and backup managers.

MEETING PREPARATION AND EXECUTION

Meetings, in all their forms, are the fundamental cornerstone for all community governance. Proactive planning is paramount to successful and productive meetings. Aegis will review your governing documents and applicable statutes to develop a yearly calendar outlining all meetings including budget approval, Board and committee meetings, and annual meetings and elections. The meeting calendar will be complete with notice dates, agendas, and process flow charts to ensure efficiency. Finally, Aegis will prepare and mail all required notices, affidavits, proxies, and other necessary materials, record minutes, and attend meetings in accordance with the management agreement.

CONTRACT SPECIFICATION AND BIDDING

The expectation of dependability we foster in our communities relies partly on the prudent use of Association resources. The cost of operating a community can fluctuate with time and external forces and from time to time, wise Boards will seek competitive proposals for service contracts, insurance policies, and even professional services. Although we, like any other management firm, utilize a core group of industry partners who we have found to be competent and dependable, we do not profit or receive gain of any type from any Association contract. These partners therefore understand that their ability to compete will dictate their ability to secure Association business. Further, with the exception of routine maintenance staff, we do not provide ancillary profit centers such as roofing, insurance, or painting. We are therefore a uniquely independent resource for fair contract specification and bidding.

Upon approval of a uniform specification, Aegis will solicit proposals from a range of local vendors and suppliers. The bidders are provided a timeframe to submit and specific format for their proposals in order to ensure ease of review. Bids are sealed until the Board or Committee opens them and a contract is then awarded by Board resolution. Our integrity is more important than all else and it is our promise that neither Aegis nor its employees or principals will receive gain or compensation of any type as a result of Association business or operation.

INSURANCE

Proper Association insurance coverage is one of the fundamentally prudent measures that every Board should undertake before all else. Insurance helps to prevent losses which could expose the Board and homeowners to judgments and added costs arising from Special Assessments. Insurance helps protect the Board members personally and the Association collectively. Insurance reflects reasonable business judgment and diligence.

Aegis will secure comprehensive quotes for the necessary policies and deliver to the Board for review in sufficient time for an educated decision to be rendered. Further, Aegis tracks these policies electronically and has a stringent process of review and follow-up for all expiring insurance policies. Aegis also remains in constant contact with industry professionals to ensure that the insurance secured is compliant with both the governing documents and Florida Statutes. As necessary, Aegis will also file and track insurance claims arising from covered losses.

COVENANT ENFORCEMENT

The effective enforcement of the restrictive covenants can be the most unpleasant, and certainly most legally hazardous, tasks any Board must undertake. It can also be one of your greatest opportunities. The Aegis model for covenant enforcement is not a stand-alone application of rules and regulations. Rather, successful rules enforcement can be a natural extension of our global endeavor for community harmony.

Again, Aegis will develop and propose an administrative policy relating to the enforcement of the covenants, including architectural review matters. This policy will focus on notice, involvement, and opportunity for dialogue. It will also allow the flexibility necessary to reasonably avoid conflict whenever possible.

Our software platform includes mobile notice initiation and updating (via smart-phone) of all enforcement matters, drastically improving the speed and transparency of the enforcement process.

ARCHITECTURAL REVIEW

Most community governing documents require that any change, alteration, or improvement to any home or unit be approved in writing before commencement. The Aegis Community Manager will receive these requests and determine whether or not their content is sufficient for the Association to render an informed decision. Once a complete submission is made, the Manager will forward the same to the Committee or Board based on a pre-determined schedule. Aegis is capable of creating electronic versions of most submittals to speed delivery and review. Finally, the applicants are advised of the decisions rendered and electronic records of the requests are indexed to the homeowners account.

PROPERTY INSPECTION AND MAINTENANCE

The aesthetic appeal of your community is one of your most valuable assets. Proper maintenance and strategic planning are vital to safeguarding this appeal. As a part of our agreement, Aegis will periodically inspect your common areas, including landscapes, hardscapes, community buildings, and other amenities to ensure due care and maintenance.

Budgets include reserve analyses which estimate the remaining lifespan and replacement cost of the subject element and propose funding for scheduled replacement and/or restoration. These reserves reflect fiscal prudence by taking advantage of time to accrue these savings and by ensuring that all owners who have benefited from the element have taken part in the cost of its replacement.

While Aegis does not operate ancillary services such as landscape maintenance or painting, we do offer casual maintenance services for routine or minor work for which bidding would be impractical or when using outside vendors would be more costly. These services can be arranged on a scheduled basis or on an as-needed basis at the Board's discretion. The Maintenance Staff is fully uniformed, arrive in marked vans, have remote access to our electronic work order system, and are highly experienced and qualified.

REPORTING

Because they possess the authority within the Association, it is important that the Board also possess the latest information relating to the community. Usually coinciding with Board meetings, Aegis Management Reports include comprehensive reports including:

- Compiled financial statements.
- Financial forecasts and status reports.
- Comprehensive management reports.
- Assessment collection reports.
- Covenant enforcement reports.
- Property condition reports.
- Special articles of interest or pertinence.
- Ongoing educational opportunities or notices.



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