

# CITADL

## CITADL TECHNOLOGIES LLC PROJECT MANAGEMENT SERVICES AGREEMENT

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This Independent Project Manager Agreement (referred to as "Agreement") is entered into on, **May 7, 2024** (the "Effective Date") between **Citadl Technologies LLC** (referred to as "**Project Manager**") and **Northwood Estates** (referred to as "**Association**"), with each of them individually referred to as a "Party" and collectively as the "Parties."

**Association** wants to bring **Project Manager** on board to provide specific consulting services related to **access management and helping improve vehicle registration compliance**. **Project Manager** is willing to accept this engagement under the conditions described in this agreement.

In light of the information above and the commitments outlined in this document, and in exchange for valuable considerations, both parties acknowledge and confirm the legal validity and receipt of these considerations. Consequently, the parties involved now establish the following agreement:

### 1. DEFINED TERMS

- 1.1 "Services" means those services described on **Schedule A** hereto.
- 1.2 "Service Fee" means the fees payable to **Project Manager** pursuant to Section on **Compensation For Services**, below.

### 2. APPOINTMENT OF PROJECT MANAGER

- 2.1 Appointment. Under the terms and conditions established in this Agreement, the Association officially designates the Project Manager to provide the services outlined in Schedule A attached hereto, as requested by the Association, collectively referred to as the "Services."
- 2.2 Authority of Project Manager. Throughout the duration of this Agreement and in accordance with its terms, the Project Manager will perform the Services as an independent project manager, without any authority to represent or bind the Association in any matters beyond the tasks specifically outlined within the Services.

### 3. TERM AND TERMINATION

- 3.1 This Agreement shall commence on the Effective Date and continue until terminated pursuant to Section on **Termination**.

## 4. Compensation For Services

4.1 Service Fee. **Association** shall pay **Project Manager** as compensation (see **fee schedule**) for Services as invoiced by **Project Manager**. **Project Manager** shall submit an invoice for Services on a monthly basis.

4.2 Reimbursement. **Association** shall reimburse all actual and direct out-of-pocket expenses incurred by **Project Manager** in rendering Services as invoiced by **Project Manager**; provided, that such expenses are agreed upon in advance and evidenced by receipts.

4.3 Payments. The Service Fee and any reimbursement pursuant to Section on **Compensation For Services** above shall be paid by **Association** to **Project Manager** within thirty (30) days after **Association** is in receipt of each of **Project Manager's** invoices for Services and reimbursement.

4.4 Failure to Make Payments. In the event of any delinquent payment, defined as a payment received past 30 days after monthly service or invoice submission, interest shall commence accruing from the due date at a monthly rate of two percent (2%), with the interest being compounded on the last day of each calendar month. However, it is explicitly stated that under no circumstances will this annual interest rate exceed the maximum legal interest rate allowable for corporations. It is important to note that the imposition, receipt, or acceptance of such interest shall not in any way diminish or waive **Project Manager's** right to pursue any other remedy, whether legal or equitable, to which it may be entitled due to the payment's delinquency.

## 5. INDEPENDENT CONTRACTOR

5.1 **Project Manager** is an independent contractor of **Association** and shall not perform any services under this agreement as an employee of **Association**.

## 6. WARRANTY

6.1 **Project Manager** shall comply with all relevant federal, state, and local laws, including those pertaining to environmental, fire, safety, and health matters, in relation to the Services. **Project Manager** represents and warrants its familiarity with and commitment to observing industry-standard work procedures and processes for the performance of the Services. **Project Manager** is responsible for providing, at its own cost, all equipment, tools, materials, and supplies required to complete the Services. **Project Manager** shall consistently deliver the Services with professional skill and diligence, meeting industry standards and complying with all applicable laws and regulations.

6.2 **Project Manager** assures the **Association** that it has adhered to all federal, state, and local regulations concerning the necessary business permits and licenses for the proper execution of the Services as specified in this Agreement. **Project Manager** also commits to completing all work related to the Services in accordance with the jointly agreed-upon schedule, which is hereby incorporated into this Agreement by reference. This includes meeting any performance milestones on or before the dates set in this schedule. **Project Manager** acknowledges and accepts that timeliness is crucial in providing the Services.

6.3 **Association** acknowledges that, except as otherwise stated above, the services and any associated materials or deliverables provided by **Project Manager** are offered "as-is" without any

warranties from **Project Manager**. **Project Manager** explicitly does not guarantee that the services and related materials or deliverables will be free from errors. **Association** recognizes that the services and any associated materials or deliverables may have imperfections, and **Association's** utilization of or reliance on the services and any related materials or deliverables is entirely at **Association's** own risk.

## 7. **INDEMNIFICATION**

**7.1 Mutual Indemnification:** Each party (the "Indemnifying Party") agrees to indemnify, defend, and hold harmless the other party (the "Indemnified Party"), its officers, directors, employees, affiliated entities, Project Managers, and representatives from and against any and all damages, claims, liabilities, losses, and related expenses, including reasonable attorney's fees and costs, arising out of or related to:

1. Any grossly negligent, fraudulent, or intentionally wrongful actions or omissions by the Indemnifying Party or its employees or Project Managers in connection with the performance of this Agreement.
2. Any significant, unresolved breaches of the obligations specified in this Agreement, except to the extent such breaches are attributable to the actions or omissions of the Indemnified Party.
3. Any illegal activities conducted by the Indemnifying Party in connection with the duties under this Agreement.

**7.2 Exclusions from Indemnification:** The obligation to indemnify will not apply to:

1. Claims or liabilities arising from the Indemnified Party's own negligence, willful misconduct, or breach of this Agreement.
2. Situations where either party engages in illegal activities not authorized or condoned under the terms of this Agreement.

**7.3 Notice and Cooperation:** The Indemnified Party shall promptly notify the Indemnifying Party of any claim or legal proceeding that gives rise to a claim for indemnification under this section. The Indemnifying Party will have the right to assume the defense of any such claim with counsel of its choosing. The Indemnified Party shall provide reasonable cooperation in the defense of any such claim at the Indemnifying Party's expense.

## 8. **LIMITATION OF LIABILITY**

**8.1 Mutual Limitations:** Except for liabilities arising from breaches of the "Confidentiality and Ownership of Work Product" sections, gross negligence, or willful misconduct, neither party shall be liable to the other for any indirect, special, incidental, consequential, or exemplary damages arising out of or related to this Agreement. This includes, but is not limited to, damages arising from breach of the agreement, the services provided, transaction outcomes, loss of goodwill, profits, business interruptions, or similar losses.

**8.2 Cap on Liability:** The total liability of each party to the other, whether in contract, tort (including negligence), or otherwise, shall not exceed the total payments made by the Association to the Project Manager under this Agreement during the twelve (12) months prior to the incident

giving rise to the claim. This cap does not apply to obligations under the "Indemnification" section or liabilities resulting from gross negligence or intentional misconduct.

8.3 **Independent Provisions:** Each provision of this limitation of liability is intended to be independently enforceable. These provisions represent a mutual and balanced allocation of risk between the parties, reflective of the payments involved and the nature of the services provided.

8.4 **Scope of Services:** The Project Manager, not being a security company, does not provide security services or act as the Association's legal or financial advisor. Any legal and regulatory matters should be screened and addressed by Association legal counsel.

## 9. CONFIDENTIALITY AND OWNERSHIP OF WORK PRODUCT

9.1 Both Project Manager and Association shall maintain the confidentiality of information related to the Services. This information, whether communicated in written or oral form, whether provided by Association or obtained from third-party sources, is deemed as "Confidential Information."

However, "Confidential Information" does not include:

1. Information that becomes publicly accessible, excluding disclosures by Project Manager, its employees, or contractors.
2. Information that Project Manager, its employees, or contractors possessed without a confidentiality obligation before Association's disclosure.
3. Information independently developed by Project Manager, its employees, or contractors without relying on materials provided by Association.
4. Information made available to Project Manager, its employees, or contractors from a source not bound by a confidentiality agreement with Association or otherwise prohibited from transmitting such information by a contractual, legal, or fiduciary obligation.

9.2 **Association** will have full and exclusive ownership of all documents and reports created by **Project Manager** while performing the Services, whether initiated by **Project Manager** or directed by **Association**.

9.3 **Association** assures and guarantees the following:

1. **Association** is not contractually or otherwise bound or restricted from entering into and fulfilling the terms and commitments in this Agreement.
2. Executing and fulfilling this Agreement by **Association** does not infringe upon or violate any other Agreement in which Association is involved.
3. **Association** will adhere to all relevant laws and regulations when developing any Property.

## 10. TERMINATION

10.1 Termination. Either Party shall be entitled to terminate this Agreement upon a thirty (30) day written notice to the other Party for any reason.

10.2 Cumulative Rights and Remedies. All rights and remedies herein conferred upon or reserved to the Parties in this Agreement shall be cumulative and shall be in addition to all other

rights and remedies available to such Parties at law or in equity or otherwise. Such rights and remedies are not intended to be exclusive of any other rights or remedies and the exercise by any Party of any right or remedy herein shall be without prejudice to the exercise of any other right or remedy by such Party provided herein or available at law or in equity. In addition, in the event of termination, both Parties shall be liable for all obligations that accrued prior to termination and for all obligations that survive the termination or expiration of this Agreement.

## 11. GENERAL PROVISIONS

11.1 Governing Law and Venue. This Agreement is governed by California law, with disputes resolved in Orange County, California.

11.2 Assignment. Neither party can transfer this Agreement without the other party's written consent, unless such consent is unreasonably withheld.

11.3 Counterparts. This Agreement can be signed in multiple copies, all of which form a single agreement.

11.4 Waiver. Failing to enforce rights doesn't mean giving up those rights in the future.

11.5 Severability. If one part of this Agreement is found unenforceable, the rest still stands.

11.6 Attorneys' Fees. The prevailing party in a dispute can recover reasonable attorney's fees and expenses.

11.7 Notice. All communication must be in writing and sent to designated representatives. Delivery is considered made on the date of facsimile or the day after using an overnight air courier service with written confirmation, or five days after sending by first-class, registered, or certified mail with a return receipt requested.

<b>Project Manager:</b> Citadl Technologies LLC PO Box 52333 Irvine, CA 92619	<b>Association:</b> Northwood Estates 40 Early Light Irvine, CA 92620
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Each Party is required to notify the other Party in the above manner of any change of address.

11.8 Further Assurances. Both Parties agree to execute such additional documents and perform such acts as are reasonably necessary to effectuate the intent of this Agreement.

11.9 Entire Agreement. This Agreement constitutes the entire agreement between the Parties regarding the subject matter hereof, and supersedes all prior or contemporaneous understandings or agreements, whether oral or written. This Agreement shall be modified or amended only by a writing signed by both **Association** and **Project Manager**.


11.10 Authority. The individuals signing on behalf of a company confirm that they have the authority from their company's governing bodies to enter into and legally commit to this Agreement, including all its terms and conditions.

11.11 Survival. The rules in Sections will continue even after this Agreement ends. This includes Compensation For Services - Payments and Failure to Make Payments, Warranty, Indemnification, Limitation of Liability, and Confidentiality and Ownership of Work Product.

11.12 Captions. The captions of the Articles and Sections in this Agreement are for convenience only and shall not be used to interpret the provisions of this Agreement.

In witness whereof, the parties have signed this agreement, effective as of the date first mentioned above.

**Northwood Estates**

  
\_\_\_\_\_  
Signature

Tina Smith  
\_\_\_\_\_  
Authorized Signatory's Name

Treasurer  
\_\_\_\_\_  
Title

May 10, 2024  
\_\_\_\_\_  
Date

**Citadl Technologies LLC**

  
\_\_\_\_\_  
Signature

Daniel Choe  
\_\_\_\_\_  
Authorized Signatory's Name

Principal  
\_\_\_\_\_  
Title

May 15, 2024  
\_\_\_\_\_  
Date

# SCHEDULE A

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**Schedule A will include** attachments or addendums that provide specific details or additional information related to the main agreement. These schedules are used to include supplementary information, terms, or conditions that are relevant to the agreement but might be more extensive or complex to include within the main body of the contract.

## ASSOCIATION REQUIREMENTS

The Association is responsible for providing access to control systems and for generating and distributing membership records, including names, addresses, and monthly escrow reports for homeowner verification. These records will also include up-to-date information on property owners.

The Association will order access devices such as transponders, key fobs, and key cards from the designated vendor. The Project Manager is authorized by the Association to handle requests for these devices, including their storage and distribution. The Project Manager will also manage chargeback details for members, billing their fees directly to the Association, although chargeback oversight will remain under the Association's management.

The Association has the discretion to set the pricing for access devices, which should cover the costs of materials and shipping, agency fees, and an added margin for potential defects. Additionally, the Association is tasked with direct allocation of chargebacks to property owners' accounts and will supply blank access devices, necessary printing equipment, and access to the control system.

## PROJECT MANAGER REQUIREMENTS

The Project Manager is prohibited from updating any property access device profile in the Association's management system for owners or tenant residents without the necessary documentation. This includes not issuing vehicle transponders and key fobs unless a written request from the owner, a tenant's lease (if applicable), a completed application, and valid DMV registration in accordance with Association rules are provided.

The Project Manager is required to uphold the community's Standards and Guidelines and maintain accurate records for the Association. All data and records are the exclusive property of the Association.



## SCOPE OF WORK

### 1. Access Control Management

This agreement specifies the provision of services including the management of inbound requests, verification due diligence, on-location installation, troubleshooting, card printing tasks, and the maintenance and updating of residential and vehicle data within the Association's access management system. All services, including handling defects or fob anomalies and access corrections, will be responded to within one business day, with transponder installation completed within two business days upon validation.

A flat fee per device will cover all the aforementioned services. Corrections or redistributions necessitated by Project Manager errors will incur no additional fee.

### 2. Services

This agreement outlines services in two primary areas: Project Management, Infrastructure Maintenance.

#### **Project Management:**

At the request of management and the board, the Project Manager will manage community projects, collaborating with management, board, Association vendors and municipal authorities.

**Infrastructure Maintenance:** Upon management and board request, Project Manager will provide emergency response services for repairs to access systems, kiosks, barrier arms, and gates. This ensures continuity and security of infrastructure critical to daily operations.

# FEE SCHEDULE & RATE AGREEMENT

## 1. Access Device Fix Costs

Access Device	Charge Per Device
Vehicle Transponder	\$25
Pool Access Card	\$35
Pedestrian Gate Fob	\$25
Replacement	\$10

## 2. Hourly Rate

Services	Hourly Rate
Project Management	\$50
Infrastructure Maintenance	\$50

## 3. Misc

- **Mileage Reimbursement:** This will be eliminated for Northwood Estates.  
Commuting Distance and Reimbursement: The reimbursement for mileage shall be granted to the Project Manager at a rate of **\$0.66 per mile** or at the higher of the prevailing IRS rate, at the time of invoicing. Additionally, Project Manager is eligible for reimbursement of portal-to-portal charges from the Association's local location and other travel-related expenses for all on-site meetings and transponder on site installations. Please note that the commuting distance is based on the Project Manager's Irvine location.
- **Provision of Office Supplies:** The Association shall be responsible for supplying or reimbursing the Project Manager for the cost of paper and other office supplies as required.
- **Insurance and Bonding Costs:** Any insurance or bonding obligations mandated by the Association shall be invoiced as a separate expense directly to the Association.
- **3rd Party Access Management Costs:** While the Project Manager would be administering and maintaining 3rd Party Access Management systems, the Association shall be responsible for any 3rd party services for access control.



**EXHIBIT B - FEE SCHEDULE**

SERVICE/ITEM DESCRIPTION	FEE AMOUNT
<b><u>ALL-INCLUSIVE SERVICES</u></b>	
Electronic Assessment Statements	No Charge
Electronic Billing Inserts (per page)	No Charge
Electronic Newsletter (PMP Standard Newsletter)	No Charge
Hard Copy Compliance Letters & Envelopes	No Charge
Electronic Copy Board Packages	No Charge
Hard Copy Board Packages Including Paper, Copies & Binding (up to 150 pages)	No Charge
Incidental Office Supplies	No Charge
Photocopies, Printing & Paper (excludes mailers greater than 20% of association)	No Charge
Custom Association Website Design	No Charge
Website Hosting & Maintenance (monthly)	No Charge
PMP Gateway Board Member & Member Portal	No Charge
PMP Smart Phone Application	No Charge
Processing Maintenance Work Orders	No Charge
On-Site Non-Compliance Community Inspections (per contract scope)	No Charge
Accounts Payable Invoice Processing via Strongroom	No Charge
Electronic Check Signing (each)	No Charge
Check printing (each)	No Charge
Homeowner Checks Manually Processed (per occurrence)	No Charge
Zoom Videoconference Platform	No Charge
Electronic Document Storage (unlimited)	No Charge
Faxes (incoming and outgoing, per page)	No Charge
Scanning (per page)	No Charge
Telephone Charges (including call recording and 3CX remote capabilities)	No Charge
Mail Handling	No Charge
Document Shredding (up to 4 boxes annually)	No Charge
Afterhours Emergency Service Calls	No Charge
Board Meeting and Community Inspection Travel	No Charge
Meeting Minute Preparation	No Charge
Electronic Voting List/Member List	No Charge
Electronic Welcome Packet	No Charge
Use of PMP Division Conference Rooms	No Charge
DR. HOA Board Member Training & Education (includes PMP Gateway/Strongroom Training)	No Charge
Annual Draft Budget Preparation	No Charge
Mid-Year Budget Update (limited to one-time per fiscal year)	No Charge
Mid-Year Assessment Update (limited to one-time per fiscal year)	No Charge
Last Minute Budget Changes - less than 10 days prior to mailing deadline (per occurrence)	No Charge
Administering/Managing/Reconciling Bank Accounts per month (in excess of 3)	No Charge
Cost Center Set-up (each)	No Charge
Escrow - Canceled Escrow after Demand	No Charge
<b><u>NON-INCLUSIVE SERVICES</u></b>	
<b>GENERAL</b>	
Hard Copy Assessment Statements (per statement, including envelope & return envelope)	\$0.55
Assessment Coupon Books (per book)	Prevailing Rate + 10% Handling Fee
Hard Copy Billing Inserts (per page)	\$0.35
Association Custom Stationary	Billed at Actual Cost
Copies - Black and White (copies that fall outside of contract scope)	\$.15 per Copy/Side
Copies - Color	\$0.50
Envelopes - Small (#10)/Large (envelopes that fall outside of contract scope)	\$.60/\$1.00
Postage	Prevailing Rate

# PMP Exhibit B 2022 Fee Schedule

Messenger Service	Prevailing Rate + \$10 Handling Fee
Architectural Application Fee (per application)	\$45.00
Document Storage Boxes (each)	\$2.00 Per Box, Per Month
Document Storage Retrieval (per occurrence)	Prevailing Rate + 10% Handling Fee
Common Area Rental Management (per occurrence)	\$50.00
Key/Fob/Transponder Handling & Distribution (Gates, etc.)	\$25.00 Per Key/Fob/Transponder
Recoding Access Gates (per hour)	\$35.00
Payroll Processing (per employee/month)	\$30.00
Secretary of State Agent of Service Filing (annually)	\$100.00
Outgoing Association Transition	\$500.00
Special Request Travel Time (outside of contract scope)	IRS Rate/Mile + Special Service Hourly Rate
Move In/Out Scheduling and Coordination (per move)	\$75.00
<b>COLLECTION FEES (Delinquent Owner Expense)</b>	
Delinquency Processing Fee (per delinquent account per month)	Equal to the Association Late Fee
Pre-Lien Processing	\$125.00
Lien Fee	\$350.00
Lien Release Fee	<b>No Charge</b> (\$75.00 if Lien Processed by Others)
Foreclosure Package	\$300.00
Handling Fee for Doc Copies to Multiple Owners (per additional owner)	\$20.00
Payment Plan Administration (per plan per month)	\$25.00
Preparation of Bankruptcy Claims	\$100.00
Notary (per notarized document)	Prevailing Rate + 10%
Recordation Fees & Applicable County Fees	Prevailing Rate
Title Reports	\$50.00
<b>FINANCIAL FEES</b>	
1099 Form Preparation (per form annually)	\$25.00
1096 Form Preparation Annual Fee (per year)	\$50.00
Cost Center (per cost center per month)	\$350.00
Reconstruction Financial Management	\$350.00
Emergency Check Processing (per occurrence)	\$75.00
Returned Check Fee	\$35.00
Special Assessment Management (per month)	\$300.00
PMP Credit Card Convenience Fee	15% of Expense or \$15, Whichever is Greater
Administering/Managing/Reconciling Bank Accounts per month (in excess of 3)	\$25.00 Per Account
<b>SPECIAL SERVICES</b>	
Special Services Outside of Management Contract (per hour)	\$125.00
Computer Technician (per hour)	Prevailing Rate + 10%
V.P./Executive (per hour)	\$175.00
Attendance at Court/Mediation (per hour including drive time)	\$175.00
Handling of Insurance Claims (per hour- to be billed back to insurance carrier)	\$125.00
License Plate Verification (per verification)	\$25.00 (\$35.00 Out of State)
<b>ESCROW FEES (Buyer/Seller Expense)</b>	
Demand/Closing Statement/Required Statement	\$200.00
Documents Package (each)	\$165.00
Financial Package	\$40.00
Minutes	\$40.00 for the Respective Year
Condominium Certification	\$200.00
Rush Fee	48 Hours \$115.00/24 Hours \$140.00
Resale Transfer Fee	\$295.00
Initial Developer Transfer Fee	\$175.00
<b>ANNUAL MAILERS/SPECIAL MAILERS/ MASS MAILERS</b>	
Copies	\$0.12 B/W \$0.50 color
Envelopes	\$0.15 small \$0.50 large
Postage	Prevailing rate
Preparation & Handling	Prevailing rate + 10%

**Exhibit B charges are in addition to the Agreement's Base Monthly Management Fee. The Exhibit B Fee Schedule is subject to change with 30-days written notice to Association.**