



To Whom it May Concern:

Thank you for your help in securing proper permits to complete this job. Please find attached our executed agreement with Fannie Mae. We are specifically responsible for acting on Fannie Mae's behalf to comply with local, state and federal laws for the work we have been approved to complete. You can read this in section 9e, iii:

Performance by Vendor.

In rendering its obligations under this Agreement, without limiting other applicable performance warranties, Vendor represents and warrants to Fannie Mae as follows: (i) all work will be performed in a professional and workmanlike manner in accordance with the standards set forth in this Agreement or, in the absence thereof, at a minimum in accordance with industry standards and practices; (ii) Vendor is qualified to do business in each of the states in which it is providing Services hereunder, **(iii) Vendor shall secure all federal, state and/or local permits, licenses, regulatory approvals and registrations required to render Services set forth herein, including without limitation, registration with the appropriate taxing authorities for remittance of taxes;**

I have attached the original agreement as well as the Work Order Authorization for this property should you require it.

Thanks for your help! We sincerely appreciate it. If you need additional information, please don't hesitate to reach out to me directly at 904-683-8054 x30.

Thank you,

Jerry Macnamara
CEO
NFFS General Contractors - CGC #1520737
FNMA TR141861X

856-677-8326 (M)
904-683-8054 x 30 (O)
904-683-7378 (F)

FANNIE MAE REPAIR VENDOR AGREEMENT #LEG-MSA-000245

This Fannie Mae Repair Vendor Agreement #LEG-MSA-000245 (hereinafter "Agreement"), made and entered into this 11th day of September, 2009 (the "Effective Date"), by and between North Florida Field Services Inc ("Vendor"), a Florida corporation, having its principal place of business at 11648 Mandarin Terrace Road, Jacksonville, FL 32223, and Fannie Mae, a Congressionally chartered corporation ("Fannie Mae"), having a place of business located at 14221 Dallas Parkway, Suite 1000, Dallas, Texas 75254.

RECITALS

WHEREAS, Fannie Mae is the owner of residential real property acquired through foreclosure and deed in lieu of foreclosure, located throughout the United States (the "Properties");

WHEREAS, Vendor is in the business of providing residential property repair services and other related professional services; and

WHEREAS, Fannie Mae is in need of such services in relation to Fannie Mae's ownership of the Properties.

NOW, THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

AGREEMENT

1. **SERVICES PROVIDED BY VENDOR.** From time to time, as requested by Fannie Mae, Vendor shall provide Fannie Mae with property repair services and service levels as set forth in Exhibit A, which is attached hereto and incorporated by reference herein (collectively, the "Services") and which may be amended from time to time

2. **PRICING.** Fannie Mae agrees to compensate Vendor for services rendered in accordance with pricing that is customary in the industry. Vendor acknowledges receipt of the Fannie Mae Repair Cost Guidelines which are incorporated hereto by reference and understands that all pricing for services will be reviewed by Fannie Mae from the perspective of the Guidelines.

3. **TERM.** This Agreement shall commence upon the Effective Date and shall continue in effect until terminated pursuant to paragraph 4.

4. **TERMINATION.**

(a) Fannie Mae may, in its sole discretion, terminate this Agreement with or without cause by providing written notice of termination to Vendor, which termination shall be effective as of the date specified in such notice of termination.

(b) Vendor shall have the right to terminate this Agreement or a Work Order upon written notice to Fannie Mae if Fannie Mae fails to pay Vendor according to the terms of this Agreement or otherwise materially defaults in fulfilling its obligations under this Agreement and does not cure such default within thirty (30) days following receipt of written notice of default.

(c) The termination of any particular Work Order shall not affect the parties' respective duties and obligations under any other Work Orders then in effect. Unless otherwise specified in a termination notice, the termination of this Agreement shall terminate all Work Orders in effect on the date of such termination. If a termination notice provides that specified Work Orders are not terminated or affected by the termination of this Agreement, then such Work Orders shall be performed until completed as provided in such Work Orders or until the Work Orders are terminated in accordance with this Section, in each case subject to the terms of this Agreement, which will remain in effect for such Work Orders until completion or termination.

(d) If this Agreement or a Work Order is terminated prior to completion of the Services, Fannie Mae will pay Vendor only for those authorized Services rendered to Fannie Mae's reasonable satisfaction prior to termination. Within five (5) days of termination of this Agreement or a Work Order, Vendor shall deliver to Fannie Mae, to the extent relevant to the Work Orders affected by such termination, all: (i) work in progress; (ii) Fannie Mae property; and (iii) materials containing or embodying Fannie Mae Confidential Information or Work Products. Vendor shall not make or retain any partial or entire copies of any of the foregoing and will destroy all computer files containing such data or information. The parties will continue to be bound by those sections of this Agreement that survive termination.

(e) The parties will continue to be bound by those sections of this Agreement that survive termination. Any provisions of this Agreement that contemplate their continuing effectiveness, including, without limitation, Sections 7-9, 11-18, 20 and 21 (a), and (e), shall survive termination of this Agreement.

5. ORDERING AND CANCELLATION OF SERVICES.

(a) **Services Ordered.** Services shall be ordered through written or electronic requests ("Work Orders") by Fannie Mae in accordance with the criteria established in Exhibit A. Fannie Mae shall have the right to purchase from Vendor on a non-exclusive basis the Services described in Exhibit A, pursuant to a valid Work Order, and in accordance with the terms and conditions of this Agreement. Nothing in this Agreement shall be construed so as to establish a commitment by Fannie Mae to initiate any Work Orders or satisfy a volume commitment of any kind under this Agreement. Work Orders issued in connection with this Agreement shall be submitted by Fannie Mae or its authorized purchasing representative to Vendor in writing by either electronic or non-electronic means. The Work Order will be deemed accepted when an acknowledgement signed by Vendor is received by Fannie Mae or its authorized purchasing representative, or when Vendor delivers the Services, whichever occurs first. If Vendor is unable or unwilling to perform any or all of the Services described on a Work Order proposed by Fannie Mae, Vendor shall immediately notify Fannie Mae, in which event Fannie Mae, in its sole discretion, shall have the right to either cancel or withdraw the Work Order or revise it to contain terms that are acceptable to both parties.

If Vendor reasonably believes that a request by Fannie Mae for a change in the Services would cause an increase in the fees payable under this Agreement or a change in the schedule for performance, Vendor shall immediately notify Fannie Mae and shall obtain Fannie Mae's written consent with respect to any such increase in fees or change in schedule. If Fannie Mae does not consent to such increase in fees or change in schedule, Fannie Mae may, at its option, withdraw the request for the change in Services or modify the request under terms acceptable to both parties.

(b) **Delivery of Services.** Time is of the essence. Vendor shall perform the Services in a professional and timely manner using personnel whose skills and experience are appropriate for the tasks to be performed. Performance of Services shall be rendered promptly, according to the schedule and at the location set forth on Exhibit A or the applicable Work Order. Vendor shall: (i) schedule all work under this Agreement to avoid interruption of normal Fannie Mae operations; (ii) ensure that its employees, subcontractors and agents that perform Services under this Agreement will abide by all reasonable directives issued by Fannie Mae, all on-site rules of behavior, work schedules, security procedures and other standards and procedures for Vendors as established or revised by Fannie Mae from time to time, which are incorporated herein by reference; and (iii) provide, in a timely manner, such reports regarding the Services as required by Fannie Mae according to the schedule required by Fannie Mae. The Services shall be performed and completed to Fannie Mae's reasonable satisfaction. Fannie Mae shall have the right to reject deficient Services and shall not be obligated to pay for rejected Services.

(c) **Cancellation/Rejection of Services.** Fannie Mae, in its sole discretion, may cancel a Work Order without cause, and without prior notice, by sending written notice to the Vendor of cancellation of a Work Order. When Vendor receives notice that Fannie Mae has cancelled a Work Order, Vendor shall immediately cease all service activities with respect to such Property and shall promptly return to Fannie Mae all documentation and records relating to such Property. Vendor shall not be entitled to receive any compensation from Fannie Mae for services performed under this Agreement for cancelled Work Orders.

The cancellation of any particular Work Order shall not affect the parties' respective duties and obligations under this Agreement or any other Work Order then in effect. The cancellation rights described in this Section are in addition to the Termination rights described in Section 4 above.

6. PRICES/PAYMENT.

(a) **Fees/Expenses:** Fannie Mae agrees to compensate Vendor for Services rendered in accordance with pricing that is customary in the industry. Fannie Mae shall not be obligated to pay Vendor for any Services that are not accepted by Fannie Mae. If compensation is to be paid in installments prior to completion and acceptance of Services, Fannie Mae shall be entitled to a refund of amounts paid with respect to Services that are not accepted by Fannie Mae. All amounts due under this Agreement shall be payable in U.S. Dollars, regardless of where Services are provided.

All fees with respect to Services provided under this Agreement shall include: all equipment, software, computer time, supplies and office space required or used by Vendor personnel in performing the Services; the travel, lodging and meal expenses of Vendor personnel; and related overhead costs, taxes and administrative expenses. Fannie Mae-specific work does not include travel, sick leave, vacation, training or administrative functions. If a Work Order specifies that certain expenses (or categories of expenses) are to be separately reimbursed, Fannie Mae will reimburse Vendor for such expenses to the extent they are reasonable and documented, have been authorized in advance by Fannie Mae.

Unless otherwise specified in a Work Order, Vendor shall provide invoices and the appropriate 1093 Form to Fannie Mae for fees for Services and any authorized reimbursable expenses at the time of completion of the Services. Each invoice shall identify the Work Order applicable to the Services and a detailed description of the Services and expenses for which payments are due. The invoice shall also include contact information and such other information as requested by Fannie Mae to facilitate invoicing and payment. At Fannie Mae's option, fees and reimbursable expenses shall be made by check or by electronic funds transfer (such as an ACH credit) to Vendor's bank account. If payments are made electronically, Vendor agrees that Vendor shall receive remittance notices by electronic mail, only, and will not receive a written remittance notice in the U.S. mail or otherwise.

Unless otherwise specified in the applicable Work Order, invoices shall be payable by Fannie Mae forty-five (45) days after receipt of Vendor's invoice that details amounts due under the applicable Work Order. All amounts due under this Agreement must be billed in a timely fashion in accordance with the preceding paragraph. Fannie Mae shall not be required to pay for charges that are not billed within ninety (90) days after the completion of repairs.

If Fannie Mae enters into an agreement with a mortgage insurer, prior servicer or third party with rights in the Property that may result in the transfer of ownership of or responsibility for the Property, Fannie Mae shall provide a minimum of fourteen (14) calendar days notice to Vendor prior to the last date Fannie Mae will accept invoices for those Services. Fannie Mae may request earlier invoicing of Services, but in all cases Vendor will have a minimum of fourteen (14) days to submit invoices to Fannie Mae for Services performed pursuant to this Agreement.

(b) **Dispute.** Fannie Mae shall not be obligated to pay disputed fees or reimbursement amounts, unless and until such dispute is resolved in Vendor's favor. If Vendor is in breach of this Agreement, Fannie Mae may withhold any disputed payment that would otherwise be due Vendor hereunder until such breach has been cured. If Vendor owes any amounts to Fannie Mae under this or any other agreement, Fannie Mae shall have the right to apply payments due to Vendor under this Agreement toward repayment of any undisputed debts owed by Vendor to Fannie Mae.

(c) **Completion of Work.** Fannie Mae's payments, if any, for Services prior to the completion of such Services shall not diminish Vendor's obligations hereunder and shall not constitute a waiver of Fannie Mae's rights or remedies hereunder.

(d) **Refunds.** In the event of an overpayment, payment to Vendor by Fannie Mae to which Vendor is not entitled, including any installments made to Vendor in connection with Services that are not acceptable to Fannie Mae, Vendor agrees to immediately issue a refund to Fannie Mae by means acceptable to both parties. If the overpayment was made by electronic funds transfer, Vendor authorizes Fannie Mae to initiate an electronic debit transfer from the Vendor's account to correct the overpayment.

7. CONFIDENTIALITY AND PROTECTION OF RECORDS.

(a) **Confidential Information.** If a party (the "Receiving Party") obtains access to Confidential Information (as defined below) of the other party (the "Disclosing Party") in connection with the negotiation of or performance under this Agreement, the Receiving Party agrees: (i) not to directly or indirectly disclose the Confidential Information to any third party without the Disclosing Party's prior written consent; and (ii) to use the Confidential Information only as reasonably necessary to perform its obligations under this Agreement.

"Confidential Information" shall mean: (i) all information about or belonging to the Disclosing Party or a third party that is disclosed or otherwise becomes known to the Receiving Party in connection with this Agreement and that is not a matter of public knowledge; (ii) all trade secrets, customer information and intellectual property owned or licensed by the Disclosing Party; (iii) all personal information about individuals contained in the Disclosing Party's records (including, without limitation, names, addresses, social security numbers, and credit card and other financial information); and (iv) the Work Products, which are the Confidential Information of Fannie Mae. The terms of this Agreement, along with the fact of this Agreement's existence, are the Confidential Information of both parties.

The Receiving Party shall use at least the same degree of care to protect the Confidential Information of the Disclosing Party from unauthorized disclosure or access that the Receiving Party uses to protect its own Confidential Information, but not less than reasonable care. The Receiving Party shall immediately notify the Disclosing Party of any actual or suspected loss or unauthorized use, disclosure of or access to the Disclosing Party's Confidential Information of which it becomes aware and take all steps reasonably requested by the Disclosing Party to limit, stop or otherwise prevent such loss or unauthorized use, disclosure or access. To the extent that Vendor has access to Fannie Mae's records, Vendor agrees to maintain, and to ensure that all of its subcontractors and agents maintain, appropriate measures to ensure the security, confidentiality and integrity of such records, including measures to protect against the unauthorized use, access, destruction, loss or alteration of such records. Fannie Mae retains the right to review audits, test results or other equivalent evaluations related to these measures.

Information of the Disclosing Party shall not be considered Confidential Information to the extent that the Receiving Party can demonstrate that such information: (i) was previously rightfully known by the Receiving Party free of any obligation to keep it confidential; (ii) is or becomes publicly known through no wrongful act of the Receiving Party; (iii) is independently developed by the Receiving Party without reference to the Confidential Information of the Disclosing Party; or (iv) is subject to disclosure pursuant to a subpoena, judicial or governmental requirement, or order, provided that the Receiving Party has given the Disclosing Party sufficient prior notice of such subpoena, requirement, or order, to permit the Disclosing Party a reasonable opportunity to object to the subpoena, requirement, or order and to allow the Disclosing Party the opportunity to seek a protective order or other appropriate remedy.

(b) **Information Security.** Vendor will transfer to Fannie Mae and any third party performing or receiving services that are incidental to this Agreement only that NPI which it is necessary to transfer in order to fully perform the Services.

8. OWNERSHIP OF WORK PRODUCTS.

All Work Products, and all Intellectual Property Rights in and to the Work Products, shall belong solely and exclusively to Fannie Mae; provided, however, that the Pre-Existing Works shall not be considered Work Products subject to ownership by Fannie Mae under this Section. Unless specified in a separate agreement governing the Pre-Existing Works or applicable Work Order, Fannie Mae shall have a non-exclusive, irrevocable, perpetual, royalty-free, fully paid-up, transferable, unrestricted, worldwide license: (a) for internal purposes, to use, modify, copy, display, support and operate the Pre-Existing Works (whether or not incorporated into the Work Products), and (b) for internal or external purposes, to use, modify, copy, display, support, operate, distribute and sublicense Pre-Existing Works that are incorporated into the Work Products furnished by Vendor to Fannie Mae under this Agreement.

Vendor agrees that all Work Products are works made for hire under the U.S. copyright laws and that all Intellectual Property Rights in and to each Work Product vest in Fannie Mae on the date such Work Product is created, conceived, reduced to practice, actually or constructively, or reduced to a tangible medium of expression, whichever occurs first. If, under applicable law, all Intellectual Property Rights do not vest in Fannie Mae, Vendor hereby irrevocably transfers, conveys and assigns in perpetuity to Fannie Mae any and all present and future Intellectual Property Rights that Vendor may have in or to any Work Products, and irrevocably waives all moral rights in, and all other Intellectual Property Rights to, all Work Products. Vendor shall have no license or other rights to use the Work Products, except as reasonably necessary to perform its obligations under this Agreement.

Vendor agrees: (a) to assist Fannie Mae in every reasonable way requested by Fannie Mae, at Fannie Mae's expense, to protect and defend all Intellectual Property Rights and statutory rights in and to the Work Products that Fannie Mae deems appropriate; and (b) to otherwise treat all Work Products as Confidential Information. Vendor irrevocably agrees not to directly or indirectly contest the ownership rights of Fannie Mae regarding the Work Products or related Intellectual Property Rights.

Without Fannie Mae's prior written approval, no Work Products will incorporate, link to or call upon any components (including, without limitation, Pre-Existing Works) subject to Copyleft or Open Source licenses (including the GNU General Public License) or any other agreements that may give rise to any third party's right to use any Work Products or that may limit Fannie Mae's right to use such Work Products in any respect.

Vendor agrees to include and enforce appropriate provisions in all agreements with employees, independent contractors, and subcontractors to ensure the exclusivity of Fannie Mae's ownership of Work Products as described in this Section and the protection of Confidential Information, as described in the Section above entitled "Confidentiality."

9. REPRESENTATIONS AND WARRANTIES. The warranties described in this Section shall survive any acceptance or payments by Fannie Mae for the Services

(a) **Services.** Vendor warrants and agrees that all Services shall: (i) be completed in a professional, workmanlike manner, with a degree of skill and care that conform with industry standards, (ii) be completed in accordance with applicable specifications and (iii) be correct and appropriate for the purposes contemplated in this Agreement. Vendor further warrants and agrees that Vendor, its subcontractors and their respective personnel are duly licensed and authorized to perform the Services in the jurisdiction(s) where the Services are to be rendered and that the performance of Services under this Agreement will not conflict with, or be prohibited in any way by, any other agreement or statutory restriction by which Vendor is bound.

(b) **Warranty of Non-Infringement:** Vendor warrants and agrees: (i) that none of the Services shall violate or in any way infringe upon the rights of other parties, including proprietary and non-disclosure rights, or Intellectual Property Rights; (ii) that there are no existing, pending, or, to Vendor's best knowledge, threatened claims regarding violation or infringement of any such rights related to the Services; and (iii) that neither Vendor, nor any of its subcontractors, agents or employees is subject to any non-competition, non-solicitation, non-disclosure or other similar agreements with any party that would be breached upon the execution or performance of any of the terms of this Agreement.

(c) **Performance by Each Party.** Each party represents and warrants the following: (i) in performance of its obligations under this Agreement, each party shall act fairly and in good faith; (ii) its execution, delivery and performance of this Agreement (a) have been authorized by all necessary corporate action, (b) does not violate the terms of any law, regulation, or court order to which such party is subject, or the terms of any material agreement to which the party or any of its assets may be subject, and (c) are not subject to the consent or approval of any third party; (iii) this Agreement is the valid and binding obligation of the representing party, enforceable against such party in accordance with its terms; and (iv) such party is not, to the best of its knowledge, subject to any pending or threatened litigation or governmental action which could interfere with such party's performance of its obligations hereunder.

(d) **Authorized Agent.** The person who executes this Agreement, or any related documents, on behalf of each party represents that he or she is a duly authorized agent of such party with requisite authority to bind such party to the terms of this Agreement.

(e) **Performance by Vendor.** In rendering its obligations under this Agreement, without limiting other applicable performance warranties, Vendor represents and warrants to Fannie Mae as follows: (i) all work will be performed in a professional and workmanlike manner in accordance with the standards set forth in this Agreement or, in the absence thereof, at a minimum in accordance with industry standards and practices; (ii) Vendor is qualified to do business in each of the states in which it is providing Services hereunder, (iii) Vendor shall secure all federal, state and/or local permits, licenses, regulatory approvals and registrations required to render Services set forth herein, including without limitation, registration with the appropriate taxing authorities for remittance of taxes; (iv) in the event there is legal action taken or regulatory agency investigation of the Vendor relating to any Services subject hereto, Fannie Mae shall receive immediate written notification; (v) no mechanic's or materialman's or laborer's lien or any such lien or lien affidavit or claim, as allowed under applicable state law, has been filed or will be filed against the Property in connection with Services and Vendor waives any such right to a lien or claim against the Property; (vi) all parties with whom Vendor has contracted in connection with the Services have been paid in full and will have accepted payment in full of all claims and there are no outstanding claims of any kind which would entitle the holder of that claim to any claim against the Property; and (vii) Vendor has not and will not assign claims for payment and the right to perfect a lien on the Property. Vendor shall use suitable precautions to prevent damage to the Property or the property of third parties. Vendor shall, at no cost to Fannie Mae, promptly and equitably reimburse any losses incurred by Fannie Mae or any of its contractors or agents should property be damaged by an act or omission of Vendor or its employees, agents or subcontractors. If the Vendor fails to do so, Fannie Mae may do so and charge to, or otherwise recover from, the Vendor the cost thereof.

(f) **Compliance.** In its performance of this Agreement, Vendor shall fully comply with all applicable federal, state and local laws, including, without limitation, anti-discrimination laws and wage-payment laws. Vendor shall promptly notify Fannie Mae if Vendor becomes aware of any actual or suspected violation (or charge or investigation) of any such laws and will fully cooperate with Fannie Mae and all governmental authorities in connection with any such actual or suspected violations.

Vendor agrees that during the performance of this Agreement it shall not discriminate against any employee or applicant for employment because of race, color, religion, sex, national origin, or veteran status and that it shall take affirmative action to ensure such non-discrimination.

10. INSURANCE. During the term of this Agreement (and, to the extent that any insurance is carried on a claims made basis, for such period thereafter that claims may be legally made with respect to occurrences during the term) and in any event prior to commencement of work under this Agreement, Vendor shall have and maintain in force, at Vendor's expense, no less than the types and amounts of insurance coverage described in Exhibit B, the Fannie Mae Insurance Requirements, as revised by Fannie Mae, from time to time, which are incorporated herein by reference.

Vendor shall assure that its subcontractors, if any, maintain insurance coverage as specified in this Section or are endorsed as additional insureds on all required Vendor policies and provide evidence of such upon request by Fannie Mae. If at any time Vendor or any subcontractor fails to procure or maintain the required insurance, Fannie Mae, at its option, may procure such insurance on behalf of Vendor and Vendor shall reimburse Fannie Mae for the cost of such insurance upon demand.

The minimum limits of coverage described in this Section are not intended, and shall not be construed, to limit any liability or indemnity of Vendor under this Agreement.

11. INDEMNITY. Vendor shall indemnify, hold harmless, and defend Fannie Mae, its affiliates, its Servicers and their respective officers, directors, customers, agents and employees against all claims, liabilities, costs, damages, judgments, suits, actions, losses and expenses, including reasonable attorneys' fees and costs of suit, arising out of or resulting from: (a) allegations that the Services infringe or violate any Intellectual Property Rights or other proprietary or non-disclosure rights of a third party; (b) Vendor's misuse, unauthorized disclosure, or misappropriation of Confidential Information; (c) Vendor's negligence, willful misconduct, breach of any representation or warranty under this Agreement, or failure to perform its obligations under this Agreement; or (d) any injuries to persons (including death) or damages to property caused by the negligent or willful acts or omissions of Vendor or its subcontractors. Vendor shall not settle any suit or claim regarding any of the foregoing without Fannie Mae's prior written consent if such settlement would be adverse to Fannie Mae's interest. Vendor agrees to pay or reimburse all costs that may be incurred by Fannie Mae in enforcing this indemnity, including attorneys' fees.

12. LIMITATION OF LIABILITY. IN NO EVENT SHALL EITHER PARTY, ITS OFFICERS, DIRECTORS, EMPLOYEES, AGENTS OR AFFILIATES BE LIABLE TO THE OTHER PARTY WITH RESPECT TO THIS AGREEMENT, OR FOR ANY ACT OR OMISSION OCCURRING IN CONNECTION WITH THIS AGREEMENT, FOR LOST PROFITS, LOSS OF BUSINESS OR ANY OTHER INDIRECT, INCIDENTAL, CONSEQUENTIAL, SPECIAL OR PUNITIVE DAMAGES OF ANY NATURE OR UNDER ANY LEGAL THEORY WHATSOEVER, EVEN IF ADVISED OF THE POSSIBILITY OF SUCH DAMAGES AND REGARDLESS OF WHETHER OR NOT THE DAMAGES WERE REASONABLY FORESEEABLE; PROVIDED, HOWEVER, THAT SUCH LIMITATION OF LIABILITY SHALL NOT APPLY TO OBLIGATIONS UNDER SECTIONS 7, 8 OR 11 OF THIS AGREEMENT; provided, however, that the limitations set forth in this Section shall not apply to or in any way limit Vendor's liability to Fannie Mae or a Fannie Mae affiliate for consequential damages constituting lost profits or loss of goodwill which arise from Vendor's gross negligence or willful misconduct.

13. TAXES. Fannie Mae hereby represents that under Section 309(c)(2) of the Federal National Mortgage Association Charter Act, 12 U.S.C. §1723a(c)(2), Fannie Mae is exempt from all state and local taxes, except certain taxes on real property. Fannie Mae shall not be responsible for any such taxes paid on its behalf. Vendor shall not bill or charge Fannie Mae for any such taxes.

The parties agree that Vendor is solely responsible for all applicable withholding and payment of taxes (due, chargeable, or assessed) with respect to Vendor Personnel, including (a) Federal Insurance Contributions ("FICA") and Federal Unemployment Tax Act ("FUTA") taxes; (b) income taxes for federal, state, and local income tax purposes in the manner required by law; (c) payroll taxes (regardless of tax jurisdiction); and (d) other taxes, including social security, unemployment, workers' compensation, and disability insurance as required by law. Neither party undertakes, pursuant to this Agreement or otherwise, to perform or discharge any liability or obligation of the other party, whether regulatory or contractual, or to assume any responsibility whatsoever for the conduct of the business or operations of the other party.

14. SUBCONTRACTS. The parties agree that the Services may be provided by subcontractors of the Vendor. Fannie Mae reserves the right to direct Vendor to replace a subcontractor if the subcontractor's performance is deficient in any material respect, as mutually agreed to by the parties. Vendor shall remain responsible for obligations, Services and functions performed by subcontractors to the same extent as if they were performed by Vendor's employees and, for purposes of this Agreement, such work shall be deemed work performed by Vendor. Vendor shall be responsible and liable for any and all costs associated with enforcing Fannie Mae's rights under this Agreement against Vendor's agents and subcontractors. Vendor shall: (a) establish procedures to ensure compliance by both parties with the terms of its subcontracts including, without limitation, the timely payment of amounts due to subcontractors; and (b) comply with Fannie Mae's policies concerning diversity in subcontracting, as revised by Fannie Mae from time to time, which are attached hereto as Exhibit C. Upon request, Vendor shall submit reports to Fannie Mae, in a form mutually agreed to by the parties regarding such compliance.

Vendor's agreements with agents and subcontractors approved to provide Services shall provide Fannie Mae at least as much protection with respect to each such agent and subcontractor that the following Sections of this Agreement provide Fannie Mae with respect to Vendor: Section 7 (Confidentiality and Protection of Records), Section 8 (Ownership of Work Products), Section 9 (Representations and Warranties), Section 10 (Insurance), Section 11 (Indemnity), Section 20 (Limitation of Liability), Section 18 (Advertising), Section 19 (Non-Solicitation), Section 15 (Subcontractors), Section 9(g) (Compliance) and Section 20 (Review and Retention/Audit Rights).

15. INDEPENDENT CONTRACTOR. Vendor shall at all times be and act as an independent contractor of Fannie Mae and, as such, no law, agreement or other arrangement that has the effect of conferring benefits upon officers or employees of Fannie Mae shall be applicable to Vendor or any Vendor employee, agent or subcontractor in connection with the Services. Vendor's and subcontractor's personnel will be, and will remain at all times, employees of Vendor (or subcontractor, as the case may be) and shall not be deemed to be employees of Fannie Mae for any purpose whatsoever. As between Fannie Mae and Vendor, Vendor shall be solely responsible for the safety and supervision of Vendor's and subcontractors' employees and payment of wages, salaries and other amounts due such employees in connection with this Agreement and shall be responsible for all taxes, reports and other obligations respecting employees required by law.

16. INJUNCTIVE RELIEF. Each party understands and agrees that the other party will suffer irreparable harm in the event of a breach of any of the obligations imposed by Section 7 (Confidentiality and Protection of Records), Section 8 (Ownership of Work Products), Section 18 (Advertising), or Section 19 (Non-Solicitation) of this Agreement and that monetary damages will be inadequate to compensate for any such breach. Accordingly, each party agrees that, in the event of a breach or threatened breach of any of such provisions, the other party, in addition to and not in limitation of any other rights, remedies or damages available at law or in equity, shall be entitled to preliminary and permanent injunctive relief in order to prevent or restrain any such breach without the necessity of proving damages or irreparable harm, or posting bond.

17. ADVERTISING.

Vendor shall not publish, or cause to have published, or make public use of Fannie Mae's name, logos, trademarks, or any information about its relationship with Fannie Mae without the prior written permission of Fannie Mae, which permission may be withdrawn at any time in Fannie Mae's sole discretion.

18. NON-SOLICITATION. During the term of this Agreement, Vendor will not, without the prior written consent of Fannie Mae, solicit any employee of Fannie Mae who is directly engaged in the receipt of Services under this Agreement, during the period in which such employee is so engaged, to seek employment with Vendor. This restriction shall not apply to employees responding, on their own initiative, to internal job postings of Vendor or to advertisements made in job fairs or in media circulated to the general public at large.

19. REVIEW AND RETENTION OF RECORDS/AUDIT.

(a) **Retention of Records.** For a period of not less than seven (7) years after the termination expiration of this Agreement, Vendor shall maintain at no additional cost to Fannie Mae, in a reasonably accessible location, all material data, files and records pertaining to its performance under this Agreement and to charges and costs paid or payable by Fannie Mae under this Agreement. If the documents or records exist in electronic form, Vendor shall hold such documents or records in secure facilities and with appropriate back-up to guard against loss due to physical damage, power failure, or physical or electronic contamination, and shall maintain equipment or systems with capability to read, store, copy, reproduce or otherwise access such documents or records. In addition, Vendor hereby grants Fannie Mae (in any of its capacities), a license to use Vendor's technology to access any such documents or records on Vendor's systems as such licensee, in its sole discretion, determines is necessary or convenient in connection with its capacity.

(b) **Audit.** Vendor will provide Fannie Mae, its designated independent audit firm, and its government regulators access, upon reasonable prior notice, to any facility at which either Vendor or any of its subcontractors is providing the Services and to data, records, equipment, software, and Vendor Personnel for the purpose of performing audits and inspections relating to the performance of the Services under this Agreement.

20. NOTICES.

(a) **Transmissions.** All material notices or other communications or notices required under this Agreement shall be given to the parties in writing as follows: (i) by registered or certified United States mail, return receipt requested and postage prepaid to the applicable addresses below, or to such other addresses as the parties may substitute by written notice in the manner prescribed in this Section; (ii) by hand delivery, including courier service delivery, to such addresses; or (iii) by commercial overnight courier with verification receipt, to the addresses provided below:

If to Fannie Mae:

**Joseph Laflamme C.P.M.
Senior Strategic Sourcing Specialist
Fannie Mae Corporate Procurement
13150 Worldgate Drive (MS: 6160F-OB2)
Herndon VA 20170
703-833-3049**

With copy to

**Legal Department
Fannie Mae
14221 Dallas Parkway, Suite 1000
Dallas, TX, 75254-2916
972-773-7949**

If to Vendor:

**North Florida Field Services Inc
Attn: Marti McCoy
11648 Mandarin Terr. Rd.
Jacksonville, FL 32223
904-307-6771**

(b) **Receipt.** Such notices shall be deemed to have been duly given either three (3) Calendar Days after the date of mailing as described above or one (1) Calendar Day after being given to an express courier or delivered via fax as described above.

21. MISCELLANEOUS.

- (a) **Complete Agreement.** The complete Agreement between the parties consists of the Cover Page(s), Work Orders, the Terms, all Exhibits (including attachments), and any documents incorporated into the Agreement by reference and supersedes all prior agreements, representations and understandings between the parties with respect to Services performed under Work Orders issued in connection with this Agreement. The most current versions of documents incorporated into this Agreement by reference will be provided by Fannie Mae to Vendor upon request. If the parties have entered into other agreements, work remaining to be performed under Work Orders issued in connection with those other agreements shall be governed by the terms of such agreements. If there is a conflict between a Work Order and these General Terms and Conditions, the Work Order shall control. Any modifications or amendments to these General Terms and Conditions that appear in a Work Order will control for purposes of that Work Order only.
- (b) **Modification and Amendments** Except as otherwise provided herein, all amendments and modifications to the Agreement must be in writing and must be executed by authorized representatives of both parties.
- (c) **Caption References and Headings** All Section headings in this Agreement are for convenience or reference only and are not intended to define or limit the scope of any provision of this Agreement.
- (d) **Severability.** If any provision of this Agreement shall be held invalid for any reason, then such provision shall be severed from the remaining provisions of this Agreement and shall not affect the validity or enforceability of the other provisions of this Agreement, unless the invalidity of any such provision deprives any party of the economic benefit intended to be conferred by this Agreement.
- (e) **No Implied Waiver.** No failure to contest a breach of a term, provision, or clause of this Agreement shall be deemed to waive or excuse such breach, unless such waiver or consent shall be in writing and executed by a duly authorized representative of the waiving party. Any consent by any party to, or waiver of, a breach by the other, whether express or implied, shall not constitute consent to, waiver of, or excuse for any other different or subsequent breach.
- (f) **Force Majeure.** Neither party shall be liable for any failure or delay in its performance due to the acts of God, riots, acts of war, epidemics, power failures, earthquakes or other disaster, provided such delay or failure of performance could not have been prevented by reasonable precautions and cannot reasonably be circumvented by either party through use of alternative sources, workout plans or other means. Vendor agrees to strive to develop and maintain adequate backup systems, procedures, contingency plans and resources to assure its performance.
- (g) **Construction.** Notwithstanding the general rules of construction, both Fannie Mae and Vendor acknowledge that both parties were given an equal opportunity to negotiate the terms and conditions contained in this Agreement, and agree that the identity of the drafter of this Agreement is not relevant to any interpretation of the terms and conditions of this Agreement.
- (h) **Counterparts.** This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which taken together constitute a single agreement. If requested by Fannie Mae, Vendor will provide written or electronic certification of its compliance with the terms of this Agreement.
- (i) **Governing Law.** Vendor irrevocably consents to submit to the exclusive jurisdiction and venue of the federal and state courts in Texas with respect to all disputes in connection with this Agreement.
- (j) **Other Remedies.** Nothing in this Agreement shall limit the right of either Vendor or Fannie Mae to obtain from a court provisional or ancillary remedies such as, but not limited to, injunctive relief.
- (k) **Assignment.** Vendor may not assign its rights or obligations under this Agreement to any third party without the prior written consent of Fannie Mae, which may not be provided by electronic means (other than facsimile copy of an authorized signature). This Agreement shall be binding upon and shall inure to the benefit of the successors and permitted assigns of the parties.
- (l) **Third Party Beneficiaries.** Except as specifically set forth in this Agreement, the parties do not intend the benefits of this Agreement to inure to any third party, and nothing contained herein shall be construed as creating any right, claim or cause of action in favor of any such third party, against either of the parties hereto.

[SIGNATURE PAGE FOLLOWS]

Agreement #LEG-MSA-000245

EXECUTED this 11th day of September, 2009

FANNIE MAE

BY 

PRINTED NAME Kathy Hinton

TITLE VP Corporate Procurement

NORTH FLORIDA FIELD SERVICES, INC.:

BY 

PRINTED NAME Wayne M. McCoy

TITLE Owner

EXHIBITS

Exhibit A - Services

Exhibit B - Fannie Mae Insurance Requirements

Exhibit C - Supplier Diversity

EXHIBIT A

"Services"

1) Property repair services provided by the Contractor to Fannie Mae may include (but are not limited to):

- a) Carpentry
- b) Environmental Services
- c) Painting
- d) Structural
- e) HVAC
- f) Locksmiths
- g) Moving and Storage
- h) Electrical
- i) Pest Control
- j) Plumbing
- k) Swimming Pools

2) Repair Contractors must adhere to the following guidelines:

- a) Specific property repair services required for an individual property are defined on a "Scope of Repair" document provided to the contractor by a Fannie Mae assigned broker.
- b) Contractor shall submit an itemized written bid within three (3) business days of request from a Fannie Mae assigned broker.
- c) Contractor shall adhere to the cost guideline incorporated herein by reference as applicable and as amended from time to time unless otherwise agreed upon in writing.
- d) Contractor shall provide a bid for only those repairs as recommended in the scope of repairs provided by Fannie Mae's assigned broker.
- e) If in the contractor's opinion, there are additional repairs needed that may not have been readily visible to the broker, then the contractor should:
 - i) Not add to or alter the original broker's scope.
 - ii) Complete a separate and itemized list of additional repairs needed including a bid to complete such repairs.
 - iii) Attach these documents to the original contractor's bid and brokers' scope
- f) Contractor shall not start repairs until approved by Fannie Mae and notified by the Broker.
- g) Contractor shall begin authorized repairs within no more than three (3) days of receipt of Fannie Mae's approved work order (1093 form) and shall be completed at a rate of 1 day per \$1,000 of approved repairs
- h) Contractor shall provide progress reports as requested by the Fannie Mae Representative.
- i) Contractor shall notify Fannie Mae's assigned broker immediately upon completion of all authorized repairs.
- j) Contractor shall update the AMN system appropriately upon completion of repairs.
- k) Contractor shall submit their invoice and copy of approved 1093 to Fannie Mae within 30 days of the completion of repairs.
- l) Contractor shall correct any deficiencies in a timely manner and to Fannie Mae's satisfaction.

EXHIBIT B

FANNIE MAE INSURANCE REQUIREMENTS

1. General Insurance Requirements

During the term of this Agreement (and, to the extent that any insurance is carried on a claims made basis, for such period thereafter that claims may be legally made with respect to occurrences during the term) and in any event prior to commencement of work under this Agreement, Vendor shall have and maintain in force, at Vendor's expense, at least the following insurance coverage and provide to Fannie Mae Certificates of Insurance evidencing such coverage:

(a) Workers' Compensation – (Coverage A) insurance (and similar coverage outside of the United States) as required by statute in the state or jurisdiction in which employees are located and Employer's Liability (Coverage B) insurance, with limits of not less than \$500,000 – bodily injury by accident, \$500,000 bodily injury by disease, and \$500,000 disease aggregate.

(b) Commercial General Liability – covering liability arising from bodily injury, property damage, and personal injury with limits of not less than \$1,000,000 per occurrence; \$1,000,000 Personal Injury/Advertising Injury Limit, \$2,000,000 General Aggregate; and \$2,000,000 Products/Completed Operations Aggregate. The insurance will cover the following hazards, and certificates will so indicate: independent contractors – covering Vendor for any work performed by subcontractors; contractual – covering any indemnity obligations specified in this Agreement; products – covering any products provided under this Agreement; and completed operations – covering any work performed or Services rendered under this Agreement. Completed operations coverage, where applicable, will be maintained for not less than one year after the completion of Services under this Agreement

(c) Business Auto Liability – covering all owned, non-owned and hired vehicles with a combined single limit for bodily injury and property damage of not less than \$1,000,000 per accident. The insurance described in this Section (c) shall only be required if Vendor or Vendor's employees use automobiles in connection with the provision of Services to Fannie Mae and/or operate vehicles on Fannie Mae's premises.

(d) Umbrella/Excess Liability – Providing limits of not less than \$10,000,000 per occurrence and aggregate; scheduled underlying coverage must include the Employers Liability, Commercial General Liability, and Business Auto Liability policies described above.

2. Supplemental and Conditional Insurance Requirements

During the term of this Agreement (and, to the extent that any insurance is carried on a claims made basis, for such period thereafter that claims may be legally made with respect to occurrences during the term) and in any event prior to commencement of work under this Agreement, Vendor shall have and maintain in force, at Vendor's expense, supplemental and/or conditional insurance coverage in the types and amounts indicated below, and provide to Fannie Mae Certificates of Insurance evidencing such coverage

Professional Liability/Errors and Omissions – covering liability due to errors or omissions in the performance of Services under this Agreement, including the job functions of each Vendor employee or contractor performing Services under this Agreement, with limits not less than \$2,000,000 per occurrence.

3. Miscellaneous

Each policy of insurance described in this Exhibit shall be primary and non-contributory with respect to any insurance or self-insurance that may be maintained by Fannie Mae. Each policy shall contain a waiver of all rights of subrogation against Fannie Mae and its affiliates, provided, however, if any policy does not contain such a waiver, Vendor shall indemnify, hold harmless, and defend Fannie Mae, its affiliates, and their respective officers, directors, customers, agents and employees against all claims, liabilities, costs, damages, judgments, suits, actions, losses and expenses, including reasonable attorneys' fees and costs of suit, arising out of or resulting from any claim in connection with subrogation actions by Vendor's insurers.

The insurers selected by Vendor shall each have an A.M. Best & Co. rating of not less than "A-" or be otherwise acceptable to Fannie Mae. Additionally, Vendor shall require its insurers to provide Fannie Mae no less than thirty (30) days' written notice prior to any modification, cancellation, or non-renewal of the policies. Vendor shall cause its insurers to issue Certificates of Insurance to Fannie Mae, issued by an authorized representative of the insurer, evidencing the coverage and policy endorsements required under this Agreement.

Vendor shall ensure that its subcontractors, if any, maintain insurance coverage as specified in this Exhibit or are endorsed as additional insureds on all required Vendor policies and provide evidence of such upon request by Fannie Mae. If at any time Contractor or any subcontractor, insured or insurance carrier fails to procure or maintain the required insurance, Fannie Mae, at its option, may procure such insurance on behalf of Vendor and Vendor shall reimburse Fannie Mae for the cost of such insurance upon demand.

The minimum limits of coverage described in this Exhibit are not intended, and shall not be construed, to limit any liability or indemnity of Vendor under this Agreement, nor are the limits required represented to be adequate to protect the interests of Vendor.

EXHIBIT C

"Supplier Diversity"

If Fannie Mae pays \$500,000.00 or more to Vendor for products and services provided to Fannie Mae in a calendar year, then Vendor shall satisfy the diversity requirements set forth in this Exhibit C in accordance with, and subject to, the terms and conditions of this Exhibit C.

1. Definitions

(a) The term "Diverse Vendor" means a company that has been certified and remains certified by a qualified independent third party agency as one or more of the following (as these terms are defined by the National Minority Supplier Development Council, Inc. and in 48 CFR 52.219 *et seq.*; 13 CFR § 124.3, and 20 USC 1061):

- (i) woman-owned small business concern
- (ii) HUBZone small business concern
- (iii) service-disabled veteran-owned small business concern
- (iv) business certified by the U.S. Small Business Administration as a "small business"
- (v) minority-owned business
- (vi) 8(a) business concern (referred to as a "Participant")
- (vii) veteran-owned business
- (viii) historically black colleges and universities (referred to as a "part B institution"), or
- (ix) small disadvantaged business concern.

(b) The term "Utilization" means an amount equal to the product of (i) amounts paid to Vendor by Fannie Mae for products and services provided hereunder during a calendar year and (ii) a percentage (a "Utilization Percentage") equal to the sum of:

- (I) the percentage derived by dividing (1) amounts paid by Vendor to one or more Diverse Vendors for products and services provided hereunder to Fannie Mae during a calendar year, by (2) the total amounts paid to Vendor by Fannie Mae for products and services provided hereunder during such year,
- (II) the percentage derived by dividing (1) amounts paid by Vendor to one or more Diverse Vendors for products and services provided during the foregoing calendar year, whether or not those products and services are provided to Fannie Mae, by (2) the total revenue earned by Vendor during such year

2. Requirements

(a) Vendor shall make commercially reasonable efforts to have a Utilization Percentage equal to 13% for each year.

(b) Vendor shall provide a report (a "Report") to Fannie Mae regarding Vendor's compliance with the terms and conditions of this Exhibit C. Vendor shall deliver each Report to Fannie Mae within 30 calendar days of the end of each quarter, starting with the first quarter in which Vendor has become subject to the requirements of this Exhibit C. Each Report shall be in a format and shall be submitted using a method specified by Fannie Mae. If Vendor fails to comply with the terms and conditions of Section 2(a) of this Exhibit C during a calendar year, then Vendor shall pay to "Fannie Mae Help The Homeless Fund" an amount equal to the Utilization Vendor is required to have during such year minus the Utilization actually achieved by Vendor in such year. If Vendor fails to provide to Fannie Mae the report required by this Section 2(b) for a particular calendar year, then Vendor shall pay to "Help The Homeless Fund/CFNCR" an amount equal to the Utilization Vendor is required to have during such year.

(c) Fannie Mae may audit Vendor's compliance with the terms and conditions of this Exhibit C. Vendor shall provide reasonable cooperation with such an audit.