

1. **Basic Member Benefits.** During the Term of this Agreement, in consideration of the initial sponsorship offered by an existing member of BP or administrative fees collected, Builder shall receive those certain benefits and privileges of basic membership (the “**Basic Member Benefits**”) established by BP as of the date hereof (such as, by way of example only, member newsletters and quarterly journals, member discounts for seminars and other services, special promotions, etc.), or as may be set forth from time to time in writing by BP. Basic Member Benefits may be offered, modified, amended, increased, reduced and /or terminated from time to time, provided that BP shall at all times offer Builder access to those Basic Member Benefits that are offered to other Participating Builders.

2. **Incentive Program Services.** Builder engages BP as Builder’s agent to negotiate and manage on its behalf incentive, discount and Incentive programs (“**Incentive Programs**”) with selected building trade manufacturers and suppliers (“**Vendors**”) during the Term of this Agreement, together with other builders executing similar agreements with BP (“**Participating Builders**”), and provide the other Services specified in Section I, or as the Parties may agree upon in writing. BP’s agency rights under this Agreement will apply as elected by Builder and will be subject only to the terms of any written agreements between Builder and the Vendors in existence as of the Commencement Date (“**Existing Agreements**”). BP does not endorse, warrant, or make any representations regarding the quality of any goods or services provided by the Vendors. Due to local market conditions or other factors, some Manufacturers/Suppliers may elect to make certain incentives, discounts, Incentives or other benefits available only to specifically identified builders within an area.

3. **Incentive Distributions and Statements.** Except as aforesaid, all incentives, discounts and Incentives will be collected by BP for the benefit of all Participating Builders and (after deduction of BP’s membership fee) will be distributed within 60 days of receipt to Builder and all other Participating Builders on a pro rata basis based on each Participating Builders’ Qualifying Purchases of particular products or services as compared to that of all Participating Builders during the applicable period. As used herein, the term “Qualifying Purchase” means a purchase of goods or services, which, under agreements negotiated by BP with Manufacturers/Suppliers, qualifies for incentives, discounts or Incentives. Distribution shall be made no later than 60 days after receipt of payment by BP and shall be accompanied by a statement setting forth BP’s calculation of Builder’s share of each such distribution.

4. **Additional BP Services.** BP offers a number of additional services that facilitate the development of mutually beneficial business relationships between Participating Builders and Manufacturers/Suppliers. BP will manage such services on behalf of the Participating Builders to the extent the Participating Builders engage in such services, including:

1. Model home benefits
2. Sales training

3. Special promotions
4. Co-op advertising
5. Displays
6. Program and new product trials

5. **Builder Reporting and Records.** Builder shall provide to BP in a timely manner, the following information for the Unit: Address, Job Number, Community Name and Closing Date (collectively, the “**Basic Information**”), together with any other information BP may request in order to collect Incentives. Builder agrees to maintain such books and records as may be required by BP or any Vendor to substantiate and support Qualifying Purchases claimed by Builder, and to permit Vendors to examine such books and records at reasonable times and upon reasonable prior notice. Under no circumstances shall Builder fail to maintain copies of purchase orders and/or invoices substantiating each Qualifying Purchase. BP will use reasonable efforts to outline any information in addition to the Basic Information that is required for each of the Incentive Programs on its secured website.

6. **BP Compensation.** BP will be entitled to compensation (the “**BP Compensation**”) for providing the Services, including:

(i) A per period fee (the “**Administrative Fee**”) payable by Builder for BP’s Services in the negotiation and administration of the Incentive Programs. The Administrative Fee will be five percent (5%) of each rebate distribution to Builder and will be payable via BP withholding/ deducting any and all fees and expenses that are due and payable to BP, including without limitation any and all Administrative Fees and check processing fees, from any Distribution, prior to transmittal of such Distribution to Builder.

(ii) BP reserves the right to impose and collect reasonable fees associated with any other Services (i.e., other than administration of the Incentive Programs) provided under this Agreement; provided, however, that BP shall provide prior written notice of such fees prior to imposition thereof, and Builder shall have the right to forego or discontinue such related Services within thirty (30) days thereafter.

7. **Builder Distribution Objections.** Unless BP receives, on or before the end of the next succeeding submission period, Builder's written objection to any statement or distribution, setting forth the basis therefor with reasonable particularity, such statement and distribution shall be deemed final and conclusive as between BP and Builder. BP's determination of Builder's share of each distribution shall be binding upon the parties if made in good faith and upon reasonable grounds.

8. **Program Participation.** In addition to the Incentive Programs, there will be programs with Vendors established by BP on behalf of Participating Builders in which Builder will be asked to actively participate, and Builder shall attempt to participate therein in such manner as may be reasonably requested by BP.

9. **Disputes with Vendors.** In the event of any disagreement over the scope, applicability, amounts, or other provisions of any Incentive Programs and/or agreements between BP and a Vendor, Builder expressly authorizes BP to resolve such a dispute on Builder's behalf, including, but not limited to, pursuing litigation, arbitration, or settlement of such dispute. Builder further expressly authorizes BP to offer a release to any such Vendor on behalf of Builder, BP, and related entities, in furtherance of the resolution of any such dispute.

10. **Termination for Breach.** If either Party commits a material breach or material default in the performance or observance of any of its obligations under this Agreement, then the non-breaching or non-defaulting Party shall have the right to terminate this Agreement, with immediate effect, by giving written notice to the breaching or defaulting Party. Upon termination of this Agreement, each Party shall promptly pay to the other Party all fees and other amounts earned but not yet paid.

11. **Term.** Subject to earlier termination as herein provided, the term of this Agreement shall continue until terminated by either Party on thirty (30) days prior written notice to the other (the "Term"). This Agreement is set to continue until terminated by either Party on thirty (30) days prior written notice to the other (the "Term"). Notwithstanding the foregoing, BP shall have the right to terminate this Agreement as provided in Section 10 above.

12. **Notice.** Any notice to be given or served upon any Party hereto in connection with this Agreement must be in writing, and delivered to the other Party (i) in person or (ii) by a nationally recognized overnight delivery service. Notice given in person shall be deemed to have been given when personal delivery is confirmed at the applicable address. Notice given by a nationally recognized overnight delivery service shall be deemed received the day following delivery to the delivery service of such notice.

Any notice sent pursuant to this paragraph shall be delivered at the address first provided above; provided that, any Party may

change its address for the purpose of notice to any other address by giving notice in accordance with the foregoing provisions.

13. **Applicable Law and Venue.** This Agreement shall be governed by and construed and enforced in accordance with the internal laws of the State of Colorado.

14. **Time is of the Essence; No Waiver.** For all times specified in the Agreement for the performance of the obligations of the Parties, time shall be deemed of the essence. Failure or delay on the part of either Party to exercise any right, power, privilege, or remedy under this Agreement, shall not constitute a waiver thereof. No modification or waiver by either Party of any provision hereof shall be deemed to have been made unless made in writing.

15. **Miscellaneous.** Neither Party to this Agreement shall be deemed to be the drafter of any of the provisions of this Agreement. No Party hereto shall thus take any position in any dispute resolution proceeding or otherwise that any vague or ambiguous provisions of this Agreement should be construed against another Party hereto simply because such other Party may have actually drafted such provision. This Agreement, together with any attachments and exhibits attached hereto, constitute the entire agreement between the parties hereto concerning the subject matter hereof. This Agreement may only be modified by a writing executed by both Parties, each by an individual with actual authority to bind that Party. This Agreement may be executed in counterparts, each of which and all together will constitute this Agreement in its entirety. A counterpart executed by a Party to this Agreement or any amendment thereto and delivered to the other Party via facsimile or e-mail transmission shall be construed as a legally binding signature, and the sending Party shall deliver an original, signed counterpart to the other Party without delay (provided that failure by the sending Party to deliver the original, signed counterpart shall not affect the validity of this Agreement). Nothing in this Agreement, expressed or implied, is intended to confer any rights or remedies under or by reason of this Agreement on any person other than the parties to it and their respective permitted successors and assigns, nor is anything in this Agreement intended to relieve or discharge any obligation of any third person to any party hereto or give any third person any right of subrogation or action over or against any party to this Agreement.

(End of Standard Terms)
