



Association Dues Assurance Co., LLC  
 PO Box 806044  
 St. Clair Shores, MI 48080-6044  
 Toll Free: (866) 608-ADAC (2322)  
 Phone: (586) 294-ADAC (2322)  
 Fax: (586) 415-8600  
<http://www.associationdues.net>

## ASSOCIATION SET-UP FORM

### Name & Contact(s):

Condominium/Homeowner's Association Name [COMPLETE LEGAL NAME]

State / County

Association Contact

Management Company Contact (if applicable)

Contact Address, City, State, ZIP+4

[Assoc. Address **WILL** appear on some legal documents]

Contact Address, City, State, ZIP+4

Contact Phone Number + Contact Email

[Assoc. Phone **WILL** appear on some legal documents]

Contact Phone Number + Contact Email

Specify Association Type (**CONDO – HOA – POA – OTHER**):

### SET-UP CHECKLIST – What Association Dues Assurance Co., LLC (ADAC) Needs to Begin

- Copy of Recorded **Master Deed/CCRs/Declaration** and all Amendments
- Copy of Recorded **Bylaws** and any Amendments or adopted **Policies**
- Original Signed **Contract** with ADAC
- Special **Power of Attorney** Signed (AND **Notarized**)
- Copy of any prior Sheriff's Deed / Foreclosure / Lien Documents filed by the Association for accounts turned over
- Copy of Complete Account **Ledgers**
- And ALL correspondence to and from the home owner concerning the delinquency

#### Account Ledgers **NEED** to include:

- |   |   |  |
|---|---|--|
| <input type="checkbox"/> Full name(s) of all legal owner(s)       | <input type="checkbox"/> Is the Unit a vacant lot or home?          | <input type="checkbox"/> <b>+Account Balance</b> |
| <input type="checkbox"/> Physical Address of unit in Association  | <input type="checkbox"/> If home, Is it resident, rental, or empty? | - Dues            - Fines                        |
| <input type="checkbox"/> Last known mailing address of owner(s)   | <input type="checkbox"/> *Does Assoc. have a Lien?                  | - Late fees    - Interest                        |
| <input type="checkbox"/> Any contact info (phone/email) for owner | if so, Liber _____ pages from ____ to ____                          | - Legal fees   - Other                           |
|   | *Send ADAC copy of recorded Assoc. Lien                             | +Broken down, not lump sum                       |
| <input type="checkbox"/> **Mortgage holder and contact (if known) |   |  |
| ** if not ADAC will research to find it                           |   |  |

Other/Special Instructions: \_\_\_\_\_

## ACCOUNTING<sup>1</sup>:

The ONYX system will automatically add regular Assessments (Dues) to each case in the amount specified on the date(s) specified. For this reason, we need the Amounts and Due Dates for each different Regular Assessment (for the same unit OR different units).

### **Regular Assessment:**

Monthly  Quarterly  Annual  Other \_\_\_\_\_ Assessment amount: \$ \_\_\_\_\_ Charge Day/Date: \_\_\_\_\_

This Assessment is charged to the following Unit types:  All  Other \_\_\_\_\_

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Monthly  Quarterly  Annual  Other \_\_\_\_\_ Assessment amount: \$ \_\_\_\_\_ Charge Day/Date: \_\_\_\_\_

This Assessment is charged to the following Unit types:  All  Other \_\_\_\_\_

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Monthly  Quarterly  Annual  Other \_\_\_\_\_ Assessment amount: \$ \_\_\_\_\_ Charge Day/Date: \_\_\_\_\_

This Assessment is charged to the following Unit types:  All  Other \_\_\_\_\_

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*If you have more than three different Assessment variations, please attach a separate page with additional information for each.*

### **Special Assessments:** (Non-standard Assessments that will be charged soon)

Assessment Amount: \$ \_\_\_\_\_ Charge Day/Date: \_\_\_\_\_ Assessment Description: \_\_\_\_\_

Assessment Amount: \$ \_\_\_\_\_ Charge Day/Date: \_\_\_\_\_ Assessment Description: \_\_\_\_\_

*If you have more than two special assessments coming up, please attach a separate page with additional information for each.*

### **Late Fees:**

Monthly  Quarterly  Annual  Other \_\_\_\_\_ Amount of late fee: \$ \_\_\_\_\_ Charge Day/Date: \_\_\_\_\_

This Late Fee is charged to the following Unit types:  All  Other \_\_\_\_\_

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Monthly  Quarterly  Annual  Other \_\_\_\_\_ Amount of late fee: \$ \_\_\_\_\_ Charge Day/Date: \_\_\_\_\_

This Late Fee is charged to the following Unit types:  All  Other \_\_\_\_\_

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*If you have more than two different Late Fee variations, please attach a separate page with additional information for each.*

### **Additional Costs & Fees:**

Amount of Fine: \$ \_\_\_\_\_ Description of Fine: \_\_\_\_\_

Amount of Fine: \$ \_\_\_\_\_ Description of Fine: \_\_\_\_\_

*If you have more than two Fine types, please attach a separate page with additional information for each.*

<sup>1</sup> The Association may notify ADAC of any other special charges through notes in ONYX or change assessment amount and due dates through ONYX at any time, this information simply helps get the process started quickly.

**DELINQUENT CONDOMINIUM / HOMEOWNERS / PROPERTY OWNERS ASSOCIATION DUES  
COLLECTION AGREEMENT v.5.20.13**

This Agreement is made effective \_\_\_\_\_, by and between Association Dues Assurance Co., LLC, a Hawaii Limited Liability Company, as Durable Special Power of Attorney [hereafter "COLLECTION AGENT"], located at PO BOX 806044, St. Clair Shores, MI 48080, contact: John Rickel, 586-294-ADAC (2322), or 586-415-8700 (cell), [john@associationdues.net](mailto:john@associationdues.net); AND \_\_\_\_\_, [hereafter "ASSOCIATION PRINCIPAL"] in care of: \_\_\_\_\_, President, and/or \_\_\_\_\_, Property Manager(s), phone \_\_\_\_\_, fax \_\_\_\_\_, email: \_\_\_\_\_.

1. ASSOCIATION PRINCIPAL, a Condominium, Homeowners, or AOA Association pursuant to a filed and recorded Master Deed, Bylaws, and/or Declaration of Covenants, is owed Delinquent Association Dues by Unit Owner(s) which ASSOCIATION PRINCIPAL wishes to collect, and COLLECTION AGENT is willing to attempt to collect said debt on behalf of ASSOCIATION PRINCIPAL (with no guarantees as to whether such debt will in fact be collected in any given instance), such debt collection process frequently taking about 8 – 16 weeks (but in the unusual event of Eviction, the Court process will take longer [plus any applicable redemption period, depending on jurisdiction], in which circumstance, collection or non-collection depends on variables including without limitation: positive or negative unit equity, Mortgagee Foreclosure, Bankruptcy, and other circumstances).
2. ASSOCIATION PRINCIPAL shall, in files transferred, provide true and accurate records of Delinquent Association Dues amount(s) of debt owed to ASSOCIATION PRINCIPAL as principal, and COLLECTION AGENT is authorized only as Durable Special Power of Attorney on behalf of ASSOCIATION PRINCIPAL to collect said debt solely on behalf of ASSOCIATION PRINCIPAL. ASSOCIATION PRINCIPAL indemnifies COLLECTION AGENT against any obligation including attorney fees/costs for any errors or false information ASSOCIATION PRINCIPAL provides to COLLECTION AGENT, and COLLECTION AGENT indemnifies ASSOCIATION PRINCIPAL against any grossly negligent or illegal collection activity by COLLECTION AGENT in regard to said debt collection (e.g., violation of the Fair Debt Collection Practices Act, both U.S. and State Statutory jurisdictions). ASSOCIATION PRINCIPAL is solely liable for all attributes of any litigation against ASSOCIATION PRINCIPAL initiated by any (Delinquent or otherwise) Parties, including without limitation, Counter-Claims, Judgments, and legal fees and costs, and shall be represented by ASSOCIATION PRINCIPAL's counsel, not by COLLECTION AGENT. The parties hereto may or may not separately agree to Pro Hac Vice legal representation in addition by COLLECTION AGENT in event of litigation, and may or may not agree to cost of such representation. In the event of litigation or otherwise, COLLECTION AGENT's liability to ASSOCIATION PRINCIPAL shall be limited to the amount of the ASSOCIATION PRINCIPAL Delinquency Receivable.
3. ASSOCIATION PRINCIPAL authorizes and directs COLLECTION AGENT to proceed with COLLECTION AGENT's normal course of Hawaii collection and legal processes, including the filing of a lawsuit, if necessary, through COLLECTION AGENT's legal counsel, throughout the entire period of time that the file has been provided to COLLECTION AGENT. ASSOCIATION PRINCIPAL authorizes and directs COLLECTION AGENT to collect from the Delinquent Association Unit Owner(s), and forward said payment to ASSOCIATION PRINCIPAL. ASSOCIATION PRINCIPAL agrees to prepay COLLECTION AGENT those certain collection fees and costs, attached as Schedule A, which shall be billed to the Delinquent Unit Owner(s)' account(s) and collected by COLLECTION AGENT. All payments accepted by COLLECTION AGENT, pursuant to a Durable Special Power of Attorney from ASSOCIATION PRINCIPAL, shall be split, pro rata, across ASSOCIATION PRINCIPAL's balance and COLLECTION AGENT's fees and costs. For example, if 80 units are owed to ASSOCIATION PRINCIPAL's balance, and 20 units are for COLLECTION AGENT's fees and costs charged, for a total due of 100 units, a payment of 40 units after payment of all advanced out of pocket costs, would be paid  $(40 \times 80\%) = 32$  units to ASSOCIATION PRINCIPAL's balance, and allocated 8 units to COLLECTION AGENT's advanced fees and costs. Each party shall provide monthly file status actions / amounts updated to the other, which may or may not be Internet provided (e.g., by ONYX program 24 / 7 / 365 by COLLECTION AGENT). Delinquents, by Hawaii Statute, are responsible for collection charges of ASSOCIATION PRINCIPAL in reimbursement of the ASSOCIATION PRINCIPAL's collection expenses to COLLECTION AGENT.

4. In the event that collection is unsuccessful, the remaining fees and costs attached as Schedule A, shall be refunded by COLLECTION AGENT to ASSOCIATION PRINCIPAL, except that COLLECTION AGENT's out of pocket costs shall be not be refunded to ASSOCIATION PRINCIPAL. If any payments were received during the course of collection by COLLECTION AGENT, the pro rata share of those fees and costs would be reduced from the amount available to refund to ASSOCIATION PRINCIPAL.
5. Each party acknowledges and agrees that this document is also a Release Agreement, a general release, and that each said party waives and assumes the risk of any and all claims for damages, whether known or unknown at this time. If the ASSOCIATION PRINCIPAL directs COLLECTION AGENT to not proceed in the normal course of COLLECTION AGENT's collection efforts, and all amounts due from delinquent Unit Owners are not ultimately collected for any reason, ASSOCIATION PRINCIPAL shall pay COLLECTION AGENT the out of pocket costs and one half of the costs and fees specified in Schedule A as incurred up to the point in time that ASSOCIATION PRINCIPAL directed COLLECTION AGENT not to proceed. ASSOCIATION PRINCIPAL SHALL NOT COLLECT, BUT SHALL FORWARD TO COLLECTION AGENT, ALL PAYMENT(S) RECEIVED FOR FILES ONCE TURNED OVER TO COLLECTION AGENT (UNTIL FILE RETURN) TO INSURE ACCOUNTING ACCURACY AND CONTINUOUS RECONCILIATION OF ACCOUNTS, AND ASSOCIATION PRINCIPAL REMAINS LIABLE TO COLLECTION AGENT FOR COLLECTION AGENT FEES / COSTS IF ASSOCIATION PRINCIPAL ACCEPTS DELINQUENT PAYMENTS.
6. COLLECTION AGENT shall not charge ASSOCIATION PRINCIPAL for any payroll nor operations costs of collection services in the normal course of business, but COLLECTION AGENT shall be paid out-of-pocket filing fees/costs/Legal News insertion costs and fees/appraisers/Commissioner's Deed costs/Eviction costs, etc., as presented in Schedule A, upon presentment. ASSOCIATION PRINCIPAL agrees to and shall advance Legal News insertion costs and fees to COLLECTION AGENT. Schedule A costs and fees are authorized by ASSOCIATION PRINCIPAL, and COLLECTION AGENT is directed that such cost reimbursement shall be charged to Delinquent Unit Owners: (1) COLLECTION AGENT exclusively collects Delinquent Association Dues but no other type(s) of debt, and (2) ASSOCIATION PRINCIPAL shall not forward any Delinquent Unit Owners Files where Mortgagee Foreclosure or Bankruptcy has been initiated – and if subsequently determined Mortgagee Foreclosure / Bankruptcy had been or is subsequently initiated, ASSOCIATION PRINCIPAL shall reimburse COLLECTION AGENT the said out-of-pocket costs and fees incurred by COLLECTION AGENT upon return of such File to ASSOCIATION PRINCIPAL (not COLLECTION AGENT payroll nor operating costs). Differentiating Pre-Bankruptcy Filing Association Delinquency, and Post-Bankruptcy Association Delinquency, ASSOCIATION PRINCIPAL may forward Post-Bankruptcy Filing Delinquency during the Bankruptcy Administrative Period to COLLECTION AGENT for collection.
7. ASSOCIATION PRINCIPAL shall, on an accelerated basis, pay the Legal News Insertions Costs and Legal Insertion Fees related to foreclosure for Delinquent Units given over to COLLECTION AGENT more than 45 days delinquent (stale files) from zero (\$-0-) association balance OR Delinquent Units which ASSOCIATION PRINCIPAL has halted COLLECTION AGENT process timeline for more than 30 days. ASSOCIATION PRINCIPAL shall pay COLLECTION AGENT, if either of these conditions apply, the agreed Legal News Insertion Costs and Legal News Insertion Fees as defined in Schedule A, prior to COLLECTION AGENT initiating the foreclosure. A judicial foreclosure lawsuit fee as described in Schedule A shall be paid to COLLECTION AGENT'S attorney by ASSOCIATION PRINCIPAL.
8. If either party commences legal action against the other party pursuant to this Agreement, the prevailing party shall be entitled to and the Court shall award reasonable attorney's fees and other costs of such action (whether or not the case proceeds to trial / judgment) and just and equitable remedy against the non-prevailing party.
9. Neither party shall use information from files transferred pursuant hereto, to compete with that other party, and shall maintain confidentiality, and privacy of the delinquent unit owner, including without limitation as provided by Statute.
10. This Agreement shall be binding on and inure to the benefit of the parties and their respective successors and assigns. This Agreement may be executed in counterparts, each counterpart representing only one single agreement. A signature to this Agreement delivered by facsimile or email scan shall be as valid as the original.

11. This Agreement constitutes the entire agreement between the parties with respect to the matters contained in this Agreement and supersedes any prior oral or written representation(s) and agreement(s), if any.
12. If any provision of this Agreement is deemed invalid or unenforceable by a court of competent jurisdiction, such invalidity or unenforceability shall not affect or make this agreement unenforceable. The Court shall interpret such a provision in such way as to make the provision valid to the extent permitted by law in accord with the intent of this agreement.
13. The terms of this agreement including all paragraphs, schedules and attachments, may be further amended over time with thirty (30) days prior notice by COLLECTION AGENT to ASSOCIATION PRINCIPAL, or as required by state law.
14. File return or representation termination for any reason, permitted only upon 30 days prior written notice by either party to the other, shall, pursuant to this Release Agreement, terminate and release the parties, with no further obligation whatsoever, except payment of one-half (50%) of outstanding Schedule A costs and fees and all out-of-pocket costs incurred by COLLECTION AGENT provided herein due to COLLECTION AGENT.
15. This Agreement shall be construed in accordance with, and be governed by, the contract laws of the State of Michigan without conflict of law, venue in state court being Macomb County Circuit / District Court, and in federal court being Eastern District of Michigan, Southern Division.
16. The parties cooperated in drafting this Agreement. If there are disputes regarding the construction of this Agreement or any of its provisions, ambiguities or questions of interpretation shall not be construed in favor of one party over another; rather, questions of interpretation shall be construed equally as to each party.

IN WITNESS WHEREOF the parties have executed this agreement.

COLLECTION AGENT

ASSOCIATION PRINCIPAL

By: \_\_\_\_\_,  
John Rickel, Chief Executive Officer,  
Association Dues Assurance Co., LLC

By: \_\_\_\_\_,  
\_\_\_\_\_, Property Manager

Agreement in 3 Documents: 1. Agreement; 2. Schedule A costs and fees; and 3. Durable Special Power of Attorney Limited to Collection

**Hawaii — SCHEDULE A - COSTS AND FEES — DELINQUENT HOMEOWNERS / PROPERTY OWNERS ASSOCIATION DUES COLLECTION AGREEMENT – FEES AND COSTS / ASSOCIATION PRINCIPAL AUTHORIZATION AND DIRECTION TO DURABLE SPECIAL POWER OF ATTORNEY COLLECTION AGENT TO CHARGE THE FOLLOWING REIMBURSEMENT / FEE(S) TO EACH OF ITS DELINQUENT UNIT OWNER(S)** Updated as of October 10, 2013.

Initial Case Setup	\$ 19.00	(Not charged if Association correctly enters new case into Onyx itself)
In House Title Research	\$ 29.00	
Initial Letter	\$ 95.00	(Demand and Fair Debt Collection Practices Act Letter)
Case Admin Fee	\$ 20.00 per month	(beginning with second month)
Payment Plan Admin Fee	\$ 10.00 per month	(replaces Case Admin Fee once plan is in effect)
Lien Letter Fee	\$ 125.00	
Lien Filing Fee	\$ 225.00	
Lien Release Fee	\$ 195.00	(ADAC or non-ADAC placed liens)
Lien Placement/Release Expense	\$ 30.00 – 130.00	(State specific cost of filing/releasing the lien)
Payoff Letter to Bank	\$ 175.00	
Bank Payoff Preparation Fee	\$ 295.00 – 995.00	(research, balance, processing – Costs not to exceed \$995.00)
Additional Required Letters	\$ 100.00	(i.e. Bankruptcy proof of claim, other statutory notices, etc.)

Foreclosure:

<b>Non-Judicial Advancement</b>	<b>\$ 350.00 – 3500.00</b>	<b>(County specific publisher cost – may include title search)</b>
Publication Processing Fee	\$ 100.00	(charged to Owner – non-refundable portion of Advancement)
Pre-Foreclosure Notice/Letter	\$ 150.00	
Publication and Notification Fee	\$ 995.00	Or as determined by attorney if judicial foreclosure.
Processing Fee	\$ 495.00	Or as determined by attorney if judicial foreclosure.
Sale and Redemption Fee	\$ 1,495.00	Or as determined by attorney if judicial foreclosure.
<b>Eviction</b>	<b>\$ 1,995.00</b>	<b>Estimated, as determined by attorney **</b>
Postage and Delivery	\$	(All mailing fees subject to current postage and delivery rates)
<b>Judicial Foreclosure Advance</b>	<b>\$ \$2,500.00</b>	<b>(Forwarded to attorney – estimated **)</b>
Judicial Foreclosure Litigation Support	\$ 995.00	(covers all permitted support to local attorney)
<b>Post property transfer research</b>	<b>\$ 39.00</b>	<b>(Charged to Association by request – new ownership transfer)</b>

Plus all out-of-pocket costs, filing fees, Legal Notice Insertion cost(s) and fees, Appraisers cost if any, Sheriff's Deed costs, Eviction costs, including without limitation Register of Deeds / Court filing fees, legal costs, attorney fees, property taxes (if any), property research fees, and other filing fees and advertising fees, if any.

\*\*Advancement by ASSOCIATION PRINCIPAL to COLLECTION AGENT (forwarded to attorney) for Lawsuits is estimated. This cost will vary depending on the requirements of the attorney. COLLECTION AGENT will take every effort to minimize use of the attorney's time assisting the attorney at all stages of the judicial process as permitted. Actual or final attorney fees will be determined and set by the local attorney for work performed.

Authorized and directed by

ASSOCIATION PRINCIPAL

By: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**A Power of Attorney form will be prepared specifically for your association.**