

**RESOLUTION NO. 2022-04**

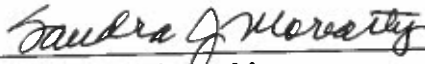
**A RESOLUTION OF THE MAYOR AND COUNCIL OF THE CITY OF SEDONA, ARIZONA,  
APPROVING A DEVELOPMENT AGREEMENT WITH SEDONA VACATION CLUB  
INCORPORATED/THE INN AT LOS ABRIGADOS OWNERS ASSOCIATION ("LOS  
ABRIGADOS") FOR THE LOS ABRIGADOS TO RANGER PARK CONNECTION PROJECT.**

WHEREAS, the City of Sedona ("City") intends to enter into a cost-sharing development agreement ("Development Agreement") for the construction of a one-way exit driveway from Los Abrigados to the City-owned Ranger Station Park, as set forth in the recitals and terms of the agreement with Sedona Vacation Club Incorporated/The Inn at Los Abrigados ("Los Abrigados"),

BE IT RESOLVED BY THE MAYOR AND THE COUNCIL OF THE CITY OF SEDONA, ARIZONA, as follows:

The City of Sedona, through its Mayor and Council, hereby finds that the Development Agreement is consistent with the Community Plan pursuant to A.R.S. §9-500.05, and approves the agreement, authorizing the signature by the Mayor and recording by law.


PASSED AND ADOPTED by the Mayor and Council of the City of Sedona, Arizona this 8th day of February, 2022.

  
\_\_\_\_\_  
Sandra J. Moriarty, Mayor

ATTEST:

  
\_\_\_\_\_  
JoAnne Cook, CMC, City Clerk

APPROVED AS TO FORM:

  
\_\_\_\_\_  
Kurt W. Christianson, City Attorney

**WHEN RECORDED RETURN TO:**

City Clerk  
City of Sedona  
102 Roadrunner Drive  
Sedona, AZ 85336

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**Public Infrastructure Cost-Sharing Development Agreement (V2.2)**

This Public Infrastructure Cost-Sharing Agreement (“Agreement”) is entered into as of this 22 day of MARCH, 2022, by and between the City of Sedona, an Arizona municipal corporation (“City”), Sedona Vacation Club, Inc., and the Inn at Los Abrigados Owners Association (collectively “Los Abrigados”). City and Los Abrigados may be referred to individually as “Party” and collectively as the “Parties”.

**RECITALS**

- A. Sedona Vacation Club, Inc. is an Arizona Corporation, and is the owner of real property located within the limits of the City, commonly known as “Los Abrigados Resort & Spa” located at 160 Portal Lane, Sedona, Arizona 86336 (the “Property”). For the purposes of this agreement, Sedona Vacation Club Incorporated and the Inn at Los Abrigados Owners Association will be responsible for the financial contributions stated herein.
- B. The City desires to improve congestion on the SR 179 corridor in the vicinity of Portal Lane. One strategy to accomplish this as identified in the City’s Transportation Master Plan, is to reduce the number of vehicles accessing Portal Lane, whose destination is Uptown or West Sedona. After exiting Portal Lane, these vehicles must travel southbound on SR 179, make a U-turn at the Schnebly Hill roundabout, and then proceed northbound on SR 179. Reducing these trips will help to alleviate overall congestion for both the northbound and southbound directions of travel for the SR 179 corridor.
- C. To help achieve the goals as indicated in Recital B, the City and Los Abrigados have agreed to implement a one-way exit driveway connection from the northwest corner of the Los Abrigados Property, to City owned Ranger Park at 250 Brewer Road.
- D. Arizona Revised Statutes § 9-500.05 authorizes the City to enter into a development agreement with a land owner or any other person having an interest in real property to facilitate development of the real property by providing for, among other things, the conditions, terms, restrictions, and requirements for public infrastructure and the financing of public infrastructure.
- E. It is in both the interest and welfare of the general public and in the best interests of the Parties that the above-described improvements be constructed in order to mitigate congestion on SR 179 and provide a more direct and convenient route for vehicles departing Los Abrigados who are destined for West Sedona or Uptown. To that end, the Parties wish to financially participate

in the construction of the Los Abrigados to Ranger Park Connection ("Project"), identified in the City's capital program as SIM-5C.

- F. Los Abrigados desires to work with the City as a sponsor of the public Project, and the City is willing to participate in the Project as the public sponsor as further described in this Agreement.
- G. The Project is detailed in the construction plans titled "Los Abrigados Driveway Construction Plans".

**NOW, THEREFORE**, in consideration of the foregoing, and of the mutual promises and the covenants and agreements set forth below, the Parties agree as follows:

#### AGREEMENT

- A. Accuracy of the Recitals. The Parties hereby acknowledge the accuracy of the Recitals, which are incorporated herein by this reference.
- B. Term. Once executed by the Parties, the term of this Agreement shall be deemed to commence as of the date that this Agreement is fully executed, and shall continue for two (2) years thereafter.
- C. Financial Contributions for the Project. The Parties shall each share as follows for the contract costs of the Project: Los Abrigados will contribute 50% of the as-bid construction cost, up to a maximum of \$75,000 (the "Contribution") and the City will be responsible for the remaining construction costs. No later than ten (10) calendar days after: (1) the full execution of this Agreement, and (2) written confirmation from the City to Los Abrigados of an accepted construction bid amount, in the City's sole discretion, and that the construction contract with the contractor chosen to perform the project work ("Contractor") has been finalized and is ready for execution, Los Abrigados will be responsible for: (1) execution of the Temporary Access Agreement, and (2) paying one-half of its total Contribution. Los Abrigados shall pay the remaining balance of their Contribution prior to June 30, 2022. Any amounts above the Accepted Bid Amount or added to the contract at any time including during construction, not requested in writing by Los Abrigados, will be the sole responsibility of the City. The award of the construction contract is contingent upon Los Abrigados executing this Agreement. The City reserves the right to, in its judgment, reject any and all construction bids submitted in the public's interest, including if the bids exceed the engineer's estimated cost of construction.
  - 1. Los Abrigados shall have the right to add to the original scope and extent of the public infrastructure improvements as depicted in the final design drawings for such things as aesthetic improvements, landscaping, or other improvements intended to be to their sole benefit through change orders approved in advance by the City, which approval shall not be unreasonably withheld or delayed. Los Abrigados shall submit actual plans and specifications for any augmented improvements to the City, as well as bids or proposals received by Los Abrigados to construct the augmented improvements, for the City's review and approval. The additional cost of any such augmented improvements shall be borne solely by the Party requesting the improvement, and one hundred percent (100%) of the funding shall be submitted to the City before any change order implementing the improvements is authorized.

2. Improvements made by Los Abrigados, as noted above, after contract time is no longer available for such improvements, shall be accomplished through a City Building Permit. If a City Building Permit is obtained for this purpose, within 2-years of the contract Final Completion date issued by the City Engineer, the permit fee will be waived.
  3. Construction of the Los Abrigados to Ranger Park Connection Project does not convey to Los Abrigados any easement, interest in land or property rights to City property or the Project driveway. Nothing contained in this Agreement shall require the City to maintain open the Project connection if the City determines that it is in the best interest of the City to close the connection after consultation with Los Abrigados and at least 120 days prior written notice of the closure date for the Los Abrigados to Ranger Park Connection. In the event that the City closes the Los Abrigados to Ranger Park Connection, the City will reimburse Los Abrigados its Contribution for the construction cost (not to exceed \$75,000) within thirty days after the closure decision is made, and restore Los Abrigados property nearly as possible to the condition it was in prior to the Project. In the event that Los Abrigados closes access to the Los Abrigados to Ranger Park Connection, Los Abrigados will reimburse the City its share of the construction cost (not to exceed \$75,000) within thirty days after the closure decision is made. This Section 3.C. shall survive the termination of this Agreement.
- D. City Duty to Obtain Permits; Applicable Laws. The City shall obtain any and all necessary permits, licenses and approvals from all applicable entities (collectively, "Approvals"), and require that Contractor and all other third parties obtain all necessary, or required Approvals, in order to construct, operate, repair, or that are otherwise required for the Project. The City shall obtain, and shall maintain, all necessary approvals, permits, consents, and authorizations from all governmental authorities and other persons or entities necessary for the City ownership, maintenance, operation, repair, and replacement of the augmented public infrastructure improvements. City hereby agrees to abide, and shall insure that City and all City personnel and officials, abide by, all applicable federal, state and local laws, codes, statutes, rules, regulations and ordinances, including, but not limited to, the United States Foreign Corrupt Practices Act and all other anti-corruption and anti-bribery laws and regulations ("Applicable Laws") and shall require and insure that all employees, contractors, vendors and service providers that are retained by Contractor, City or any other party for the Project shall abide by all Applicable Laws. City shall provide Los Abrigados with copies of all such permits and licenses promptly upon request but in no case more than fifteen (15) days thereafter.
- E. Access/Right of Way. Los Abrigados will grant the City and the Contractor temporary access to the Property for purposes of completing the Project conditioned upon and subject to the execution of a separate written temporary access agreement with such terms and conditions required by Sedona Vacation Club and Inn at Los Abrigados Owners Association ("Temporary Access Agreement") and Sedona Vacation Club and Inn at Los Abrigados Owners Association shall have the right to terminate this Agreement without penalty if the Contractor fails or refuses to execute the Temporary Access Agreement.
- F. Warranty Period; Maintenance. The City will require the Contractor to warranty all components of the work for a 2-year period after completion of the Project. After the 2-year warranty period has expired, Los Abrigados will be responsible for maintaining all improvements on their

property, including the gate. The City will only be responsible for the driveway on City property after the 2-year warranty period has expired.

- G. Performance. City shall require that (1) Contractor and Service Providers (as that term is defined below) diligently and in good faith pursue completion of all work associated with the Project and perform all such work in a good, professional and workmanlike manner and in accordance with all industry standards, contractual requirements and Applicable Laws and (2) Contractor and Service Providers shall at all times enforce strict discipline and good order among, require the highest levels of professionalism and courtesy by, and be responsible for any and all injury or damage to any person and property caused by, Contractor and Service Provider's employees and other persons carrying out any work related to the Project.
- H. City Representations and Warranties. The City represents, warrants, and covenants to Los Abrigados that all the City's representations, findings, warranties, and covenants set forth in this Agreement are true in all material respects as of the date of this Agreement.
1. That the City is a duly organized, validly existing municipal corporation in the State of Arizona. The transactions contemplated by this Agreement, the execution of this Agreement, and the City's performance hereunder have been duly authorized by all requisite action of the City, and no other approval or consent is required for this Agreement to be binding upon the City. The individuals executing this Agreement have all necessary authority to enter into this Agreement and to bind the City. The execution of this Agreement and the consummation of the transactions contemplated hereby will not result in any violation of, or default under, any term or provision of any applicable Agreement, instrument, law, rule, regulation, or official policy to which the City is a Party or by which the City is bound.
- I. Inn at Los Abrigados Owners Association and Sedona Vacation Club, Inc. Representations and Warranties. Inn at Los Abrigados Owners Association and Sedona Vacation Club, Inc. represent, warrant, and covenant to the City that each of their respective representations, warranties, and covenants set forth in this Agreement are true in all material respects as of the date of this Agreement.
1. That Inn at Los Abrigados Owners Association is duly organized and a validly existing corporation licensed to do business in the State of Arizona. The transactions contemplated by this Agreement, the execution of this Agreement, and Inn at Los Abrigados Owners Association's performance hereunder have been duly authorized by all requisite action, and no other approval or consent is required for this Agreement to be binding upon Inn at Los Abrigados Owners Association. The individuals executing this Agreement have all necessary authority to enter into this Agreement and to bind Inn at Los Abrigados Owners Association. The execution of this Agreement and the consummation of the transactions contemplated hereby will not result in any violation of, or default under, any term or provision of any applicable Agreement, instrument, law, rule, regulation, or official policy to which Inn at Los Abrigados Owners Association is a Party or by which Inn at Los Abrigados Owners Association is bound.
  2. That Sedona Vacation Club, Inc. is duly organized and a validly existing corporation licensed to do business in the State of Arizona. The transactions contemplated by this Agreement,

the execution of this Agreement, and Sedona Vacation Club, Inc.'s performance hereunder have been duly authorized by all requisite action, and no other approval or consent is required for this Agreement to be binding upon Sedona Vacation Club, Inc. The individuals executing this Agreement have all necessary authority to enter into this Agreement and to bind Sedona Vacation Club, Inc. The execution of this Agreement and the consummation of the transactions contemplated hereby will not result in any violation of, or default under, any term or provision of any applicable Agreement, instrument, law, rule, regulation, or official policy to which Sedona Vacation Club, Inc. is a Party or by which Sedona Vacation Club, Inc. is bound.

J. Mediation, Arbitration, and Default.

1. Mediation. If a dispute arises out of or related to this Agreement, or the breach thereof, and if the dispute cannot be settled through negotiation, the Parties agree first to try to settle the dispute through mediation before resorting to arbitration, litigation, or some other dispute resolution procedure. The parties agree to engage in a good faith effort to select a mutually acceptable mediator.
2. Arbitration. If the mediation procedure set forth in the mediation paragraph above does not resolve a dispute, then the Parties may, without obligation to do so, jointly agree to subject such dispute to non-binding arbitration, pursuant to the rules of the American Arbitration Association, or other arbitration organization acceptable to the Parties.
  - a. If the Parties do jointly agree to subject such dispute to such arbitration, then the decision of the arbitrator(s) shall be in accordance with the laws of the State of Arizona and the United States. The arbitrator(s) shall prepare written findings of fact and conclusions of law upon which the decision and award shall be based.
  - b. The arbitration shall occur within the County of Coconino, unless the Parties agree otherwise in writing.
  - c. Unless otherwise agreed in writing, and notwithstanding any other rights or obligations of any of the Parties under the Agreement, the City, and Los Abrigados shall carry on with the performance of their respective duties, obligations, and services hereunder during the pendency of any claim, dispute, or other matter in question giving rise to arbitration or mediation, as the case may be.
  - d. The dispute resolution process set forth in this Agreement shall not apply to an action by the City to condemn or acquire by inverse condemnation all or any portion of the Los Abrigados property, or to claims for injunction relief or mandamus by any Party.
3. Default and Cure Period. The failure by any Party to perform or otherwise act in accordance with any term or provision of this Agreement for a period of thirty (30) days (the "Cure Period"), after written notice thereof from any other Party, shall constitute a default. In the event such default is not cured within the Cure Period, any non-defaulting Party shall have the right to seek all its rights and remedies, including injunctive relief or mandamus, in a court of competent jurisdiction. In all such cases of breach, the breaching Party shall

diligently undertake all reasonable efforts to cure the breach prior to the expiration of the Cure Period.

- K. Notices and Filings. All notices and other communications required or permitted to be given hereunder shall be in writing and shall be sent by: (1) certified or registered mail, postage prepaid, return receipt requested; (2) personal delivery or (3) recognized overnight delivery service. Such notices and communications shall be addressed as follows, or to such other addresses as any Party hereto may from time to time designate in writing and deliver in a like manner:

City	Los Abridados
Karen Osburn City Manager City of Sedona 102 Roadrunner Drive Sedona, AZ 86336	Sedona Vacation Club, Inc. and Inn at Los Abridados Owners Association Attn: General Counsel 6355 MetroWest Blvd., Suite 180 Orlando, Florida 32839
Phone No: 928-204-7127	With copies also sent by email to: notices@diamondresorts.com Phone No.: 702-804-8600

Notice shall be deemed to have been given upon receipt or refusal. The telephone numbers listed above are for purposes of providing the same to overnight delivery services, and are not to be otherwise used for notice purposes.

- L. Waiver. No delay in exercising any right or remedy shall constitute a waiver thereof, and no waiver by the City, Sedona Vacation Club, Inc. or the Inn at Los Abridados Owners Association of the breach of any covenant of this Agreement shall be construed as a waiver of any preceding or succeeding breach of the same or any other covenant or condition of this Agreement.
- M. Termination. Prior to the City issuing a notice to proceed to the Contractor for the improvements, this Agreement may be terminated without cause by either Party upon written notice to the non-termination Party. After execution of the construction agreement this Agreement may only be terminated upon mutual consent of the Parties or by either Party for any material breach of this Agreement in accordance with the termination provisions provided herein.
- N. Indemnification.
1. Los Abridados agrees to indemnify and hold harmless the City, its elected officials, appointees, employees, affiliates, agents, assigns and successors from any liability for claims, suits, losses, damages to persons or property, including investigation and expert witness and attorney's fees, arising as a result of Los Abridados' breach of this Agreement or for any injury or death resulting from Los Abridados' negligence or willful misconduct.
  2. City agrees to indemnify and hold harmless Los Abridados, Hilton Grand Vacations, Inc., their respective parents, subsidiaries and affiliates and each of their respective owners,

managers, officers, directors, employees, members, and successors from any liability for claims, suits, losses, damages to persons or property, including investigation and expert witness and attorney's fees, arising as a result of City's breach of this Agreement or for any injury or death resulting from City's negligence or willful misconduct.

3. City shall require that each contract with Contractor or any other Service Provider (as that term is defined below) shall include the following provision:

"To the fullest extent permitted by law, Contractor [or Service Provider] agrees to indemnify, defend and hold harmless Los Abrigados, Hilton Grand Vacations, Inc, their respective subsidiaries, parents and affiliates, and each of their respective officers, directors, members, managers, employees, partners, shareholders and agents (individually a "Indemnified Party" and collectively, "Indemnified Parties"), from any causes of action, suits, liens, losses, judgments, debts, damages, claims and demands which arise from or relate to: (i) Contractor's [or Service Provider's] performance or failure to perform under this Agreement, (ii) Contractor's [or Service Provider's] breach of any provision, representation or warranty of this Agreement, (iii) the intentional, willful, illegal, dishonest or negligent acts or omissions by Contractor [or Service Provider], its subsidiaries, parents and affiliates, and each of their respective officers, directors, members, managers, employees, partners, shareholders, contractors and agents (collectively, "Contractor [or Service Provider] Parties") and (iv) any breach or violation of any Applicable Laws, of or by, Contractor [or Service Provider] or Contractor [or Service Provider] Parties. Contractor [or Service Provider] shall defend Indemnified Parties using counsel selected by the Indemnified Parties, and Contractor's [or Service Provider's] obligations shall include the obligation to pay reasonable attorneys' fees and costs in connection with such defense, or to reimburse the Indemnified Parties promptly for such attorneys' fees and costs. This Section shall survive the expiration or termination of this Agreement for any reason whatsoever."

4. This section shall survive the expiration or termination of this Agreement for any reason whatsoever.
- O. Insurance. Upon City's execution of this Agreement, City shall furnish, and require that the Contractor and all other Service Providers furnish, Los Abrigados with the certificates of insurance and endorsements that meet the requirements described in Exhibit "A" ("Insurance Requirements"). Each Service Providers understands and agrees that all insurance procured by Service Provider is primary and non-contributory over any insurance held by Sedona Vacation Club, Inc. or Inn at Los Abrigados Owners Association and is intended to respond to any indemnification event. Los Abrigados shall have the sole and unconditional right to terminate this Agreement with written notice to Service Provider if Service Provider fails or refuses to satisfy the Insurance Requirements.
  - P. Attorneys' Fees. In the event any Party finds it necessary to bring any action at law or other proceeding, including arbitration, against another Party to enforce any of the terms, covenants, or conditions hereof, or by reason of any breach or default hereunder, the Party prevailing in any such action or other proceeding shall be paid all reasonable and documented costs and reasonable attorneys' fees, including appellate court costs and attorneys' fees, as set forth in A.R.S. § 12-341 et seq.



- Q. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. The signature pages from one or more counterparts may be removed from such counterparts, and such signature pages all attached to a single instrument so that the signature of all Parties may be physically attached to a single document. Facsimile and scanned signatures shall be deemed to be original signatures for purposes of executing this Agreement and amendments hereto and for purposes of issuing all instructions authorized or permitted hereunder.
- R. Headings. The descriptive headings of the paragraphs of this Agreement are inserted for convenience only, and shall not control or affect the meaning or construction of any of the provisions hereof.
- S. Exhibits. The exhibits attached hereto, and incorporated by this reference, shall have the same force and effect as if fully set forth in the body hereof.
- T. Further Acts. Each of the Parties hereto shall execute and deliver all such documents and perform all such acts as reasonably necessary, from time to time, to carry out the matters contemplated by this Agreement. Without limiting the generality of the foregoing, each of the Parties shall cooperate in good faith regarding the prompt processing of any requests and applications for plan and specification, plat or permit approvals or revisions, and other necessary approvals relating to the development of the property in construction of the infrastructure improvements.
- U. Time of the Essence. Time is of the essence of this Agreement.
- V. Assignment. This Agreement may not be assigned without the express written consent of the non-assigning Parties. Consent shall not be unreasonably withheld.
- W. No Partnership and Third Parties. It is not intended by this Agreement, and nothing contained in this Agreement shall, create any partnership, joint venture, or other similar arrangement between Sedona Vacation Club, Inc. and Inn at Los Abridados Owners Association, on one hand, and the City, on the other. No term or provision of this Agreement is intended to, or shall, be for the benefit of any person, firm, organization, or corporation not a party hereto, and no such other person, firm, organization, or corporation shall have any right or cause of action hereunder.
- X. Entire Agreement. This Agreement constitutes the entire agreement between the Parties hereto pertaining to the subject matter hereof. All prior and contemporaneous agreements, representations, and understandings of the Parties, oral or written, are hereby superseded and merged herein.
- Y. Amendment. No change or additions are to be made to this Agreement except by written amendment executed by the Parties hereto.

- Z. Governing Law. This Agreement is entered into in Arizona, and shall be construed and interpreted under the laws of the State of Arizona. In particular, this Agreement is subject to the provisions of Arizona Revised Statutes § 38-511.
- AA. Recordation. No later than ten (10) days after this Agreement has been executed by the Parties, it shall be recorded in its entirety by the City in the Official Records of Coconino County, Arizona.
- BB. Reformation. Should any term, provision, covenant, or condition of this Agreement be held to be void or invalid, the Parties shall reform this Agreement to conform as closely as possible to the original intent thereof.
- CC. Excused Delay in Performance. In addition to specific provisions of this Agreement, for a period of time equal to the period of the force majeure delay, untimely performance by a Party hereto shall not be deemed to be a default where delays or inability to perform are due to war, insurrection, strikes, slowdowns, lockouts, riots, floods, earthquake, fires, casualties, acts of God, acts of the public enemy, epidemics, quarantine restrictions, freight embargoes, lack of transportation, governmental restrictions or priority (including, but not by way of limitation, referendums), litigation, severe weather, acts or the failure to act of any utility, public, or governmental agent or entity, and/or other causes beyond the reasonable control of said Party. In the event that a Party hereto is unable to perform due to an event constituting force majeure as provided for above, then the time for performance by said Party shall be extended as necessary for a period of time up to the period of the force majeure delay.
- DD. Venue. Any legal action relating to this Agreement may be brought in the Coconino County Superior Court, provided, however, that nothing in this paragraph will be deemed to have authorized the bringing of any legal action in a court that does not otherwise have jurisdiction to adjudicate the legal action.
- EE. Severability. Every provision of this Agreement is, and will be construed to be, a separate and independent covenant. If any provision of this Agreement or the application of the same is, to any extent, found to be invalid or unenforceable, then the remainder of this Agreement or the application of that provision to circumstances other than those to which it is invalid or unenforceable, will not be affected by that invalidity or unenforceability, and each provision of this Agreement will be valid and will be enforced to the extent permitted by the law, and the Parties will negotiate in good faith for such amendments of this Agreement that may be necessary to achieve its intent, notwithstanding such invalidity or unenforceability.
- FF. Rights of Successors. This Agreement shall bind and inure to the benefit of the Parties hereto, their respective heirs, representatives, lessees, successors, and assigns. The singular number includes the plural, and the masculine gender includes the feminine and neuter.

**IN WITNESS WHEREOF**, we have hereunto set our hands and seals on the date and year first above written.

**CITY OF SEDONA**, an Arizona municipal corporation

By Sandra J. Moriarty  
Sandra J. Moriarty, Mayor

Attest: JoAnne Cook  
JoAnne Cook, CMC, City Clerk

APPROVED AS TO FORM:  
[Signature]  
Kurt W. Christianson, City Attorney

**Sedona Vacation Club Incorporated, an Arizona Corporation**

By [Signature] Its VICE PRESIDENT  
CAITLIN MARKOS  
[Printed Name]

STATE OF Nevada )  
County of Clark ) ss

SUBSCRIBED AND SWORN TO before me this 22 day of March, 2022  
by CAITLIN MARKOS, VICE PRESIDENT of Sedona Vacation Club  
Incorporated, an Arizona Corporation, on behalf of the corporation.



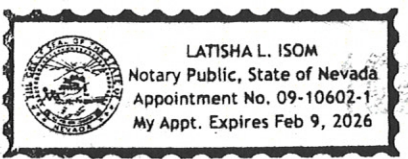
[Signature]  
Notary Public (Seal)

**The Inn at Los Abrigados Owners Association, an Arizona Corporation**

By [Signature] Its VICE PRESIDENT  
CAITLIN MARKOS  
[Printed Name]

STATE OF Nevada )  
County of Clark ) ss

SUBSCRIBED AND SWORN TO before me this 22 day of MARCH, 2022  
by CAITLIN MARKOS, VICE PRESIDENT The Inn at Los Abrigados Owners  
Association, an Arizona Corporation, on behalf of the corporation.



[Signature]  
Notary Public (Seal)

Exhibit "A"  
Insurance Requirements

City, Contractor and all subcontractors, service providers and material suppliers retained for the Project (collectively, "Service Providers") must submit verification of insurance by providing a certificate of insurance on a standard ACORD 25-S form issued by a carrier with an S&P or Best rating not less than A-VII, unless otherwise approved in writing by Sedona Vacation Club, Inc. and Inn at Los Abridados Owners Association.

The Certificate must include:

1. Additional insured endorsement for general liability naming **Sedona Vacation Club Incorporated, the Inn at Los Abridados Owners Association, Hilton Grand Vacations, Inc.**, and each of their respective parents, subsidiaries and affiliates and each of their officials, shareholders, principals, members, managers, officers, directors, employees and agents. Coverage is primary and non-contributory. The additional insured endorsement shall state that the coverage provided to the additional insureds is primary and non-contributing with respect to any other insurance available to the additional insureds.
2. A copy of the endorsement must be provided on form CG 2010 and form CG 2037 if applicable to service being provided.
3. The Certificate must also evidence that each carrier has provided Waivers of Subrogation in favor of **Sedona Vacation Club Incorporated, the Inn at Los Abridados Owners Association, and Hilton Grand Vacations, Inc.**
4. Commercial General Liability insurance on an occurrence coverage form, at least as broad as the Insurance Services Office Commercial General Liability Policy form CG 0001©.
5. Additionally the policy(s) may not contain exclusions for residential or subsidence. Both must be evidenced on the certificate of insurance.
6. Certificate Holders must read:  
Sedona Vacation Club Incorporated, and the Inn at Los Abridados Owners Association  
**10600 W. Charleston Blvd.**  
**Las Vegas, NV 89135**

For City, Contractor and all Service Providers, the following minimum and unimpaired limits of insurance (unless higher limits required by law or statute) are required. In addition to procuring and maintaining this insurance throughout the duration of the Agreement, City and Contractor agree to continue to procure and maintain products and completed operations liability insurance coverage following completion of the Project for a period of one year.

**Workers' Compensation and Employer's Liability**

**Part One - Workers' Compensation: Statutory Limit**

**Part Two - Employer's Liability: Annual Limits:**

Bodily Injury by Accident, each Accident: \$ 1,000,000

Bodily Injury by Disease, each Employee \$ 1,000,000

Bodily Injury by Disease, Policy Limit: \$ 1,000,000

**Commercial General Liability**

General Aggregate \$2,000,000  
Products/Completed Operations Aggregate \$2,000,000  
Personal/Advertising Injury \$1,000,000  
Each Occurrence Limit \$1,000,000

Coverage is required to be on an Occurrence form and shall apply to bodily injury and property damage for operations including independent contractors, products and completed operations.

**Umbrella/Excess Liability**

General Aggregate \$2,000,000  
Each Occurrence Limit \$2,000,000

Limits can be provided by a combination of a primary Commercial General Liability policy and Excess or Umbrella Liability policy.

**Automobile Liability**

Commercial Business Auto Policy covering all owned, hired and non-owned automobiles, trucks and trailers with coverage limits not less than **\$1,000,000 Combined Single Limit** each accident for Bodily Injury and Property Damage. Coverage will apply both on and away from the Project site. All subcontractors shall be required to maintain limits of not less than **\$1,000,000 Combined Single Limit**.

**Property Insurance**

City, Contractor and Service Providers are solely responsible for their own insurance for owned and leased equipment and materials, whether such equipment is located at the Project site or "in transit". Service providers are solely responsible for any loss or damage to their personal property including, without limitation, property or materials created or provided under the Agreement until installed at the Project site, service provider tools and equipment, and scaffolding and temporary structures, whether owned, used, leased, or rented by Service provider.

**Note: Waivers Required**

All Workers' Compensation, General Liability, Automobile, Umbrella or Excess Liability and Property insurers, including Contractor's equipment, shall waive all claims.