Fill in this information to identify the case:

Debtor Fieldstone A&E, LLC

United States Bankruptcy Court for the: Eastern District of Michigan (State)

Case number 26-48494

Modified Official Form 410
Proof of Claim

04/25

Read the instructions before filling out this form. This form is for making a claim for payment in a bankruptcy case. Do not use this form to make a request for payment of an administrative expense. Make such a request according to 11 U.S.C. § 503.

Filers must leave out or redact information that is entitled to privacy on this form or on any attached documents. Attach redacted copies or any documents that support the claim, such as promissory notes, purchase orders, invoices, itemized statements of running accounts, contracts, judgments, mortgages, and security agreements. **Do not send original documents;** they may be destroyed after scanning. If the documents are not available, explain in an attachment.

A person who files a fraudulent claim could be fined up to $500,000, imprisoned for up to 5 years, or both. 18 U.S.C. §§ 152, 157, and 3571.

Fill in all the information about the claim as of the date the case was filed. That date is on the notice of bankruptcy (Form 309) **that you received.**

Part 1: Identify the Claim

1. **Who is the current creditor?**

Meritage Homes Corporation

Name of the current creditor (the person or entity to be paid for this claim)

Other names the creditor used with the debtor

2. **Has this claim been acquired from someone else?**

☑ No

☐ Yes. From whom?

3. **Where should notices and payments to the creditor be sent?**

Federal Rule of Bankruptcy Procedure (FRBP) 2002(g)

Where should notices to the creditor be sent?	**Where should payments to the creditor be sent?** (if different)
See summary page	
Contact phone (702) 784-5203	Contact phone
Contact email rkinas@swlaw.com	Contact email

(see summary page for notice party information)

Uniform claim identifier (if you use one):

4. **Does this claim amend one already filed?**

☑ No

☐ Yes. Claim number on court claims registry (if known) Filed on MM / DD / YYYY

5. **Do you know if anyone else has filed a proof of claim for this claim?**

☑ No

☐ Yes. Who made the earlier filing?

26484942610220000000000002

Part 2: Give Information About the Claim as of the Date the Case Was Filed

6. **Do you have any number you use to identify the debtor?**

☑ No

☐ Yes. Last 4 digits of the debtor's account or any number you use to identify the debtor: ___ ___ ___ ___

7. **How much is the claim?** $ 1,655,000.00 . **Does this amount include interest or other charges?**

☐ No

☑ Yes. Attach statement itemizing interest, fees, expenses, or other charges required by Bankruptcy Rule 3001(c)(2)(A).

8. **What is the basis of the claim?**

Examples: Goods sold, money loaned, lease, services performed, personal injury or wrongful death, or credit card.

Attach redacted copies of any documents supporting the claim required by Bankruptcy Rule 3001(c).

Limit disclosing information that is entitled to privacy, such as health care information.

Master Professional Services Agreement

9. **Is all or part of the claim secured?**

☑ No

☐ Yes. The claim is secured by a lien on property.

Nature or property:

☐ Real estate: If the claim is secured by the debtor's principle residence, file a *Mortgage Proof of Claim Attachment* (Official Form 410-A) with this *Proof of Claim*.

☐ Motor vehicle

☐ Other. Describe: _____

Basis for perfection: _____

Attach redacted copies of documents, if any, that show evidence of perfection of a security interest (for example, a mortgage, lien, certificate of title, financing statement, or other document that shows the lien has been filed or recorded.)

Value of property: $_____

Amount of the claim that is secured: $_____

Amount of the claim that is unsecured: $_____ (The sum of the secured and unsecured amount should match the amount in line 7.)

Amount necessary to cure any default as of the date of the petition: $_____

Annual Interest Rate (when case was filed)_____%

☐ Fixed

☐ Variable

10. **Is this claim based on a lease?**

☑ No

☐ Yes. **Amount necessary to cure any default as of the date of the petition.** $_____

11. **Is this claim subject to a right of setoff?**

☐ No

☑ Yes. Identify the property: Accounts payable on Master Professional Services Agreement

26484942610220000000000002

12. **Is all or part of the claim entitled to priority under 11 U.S.C. § 507(a)?**

A claim may be partly priority and partly nonpriority. For example, in some categories, the law limits the amount entitled to priority.

☑ No

☐ Yes. *Check all that apply:*

	Amount entitled to priority
☐ Domestic support obligations (including alimony and child support) under 11 U.S.C. § 507(a)(1)(A) or (a)(1)(B).	$
☐ Up to $3,800* of deposits toward purchase, lease, or rental of property or services for personal, family, or household use. 11 U.S.C. § 507(a)(7).	$
☐ Wages, salaries, or commissions (up to $17,150*) earned within 180 days before the bankruptcy petition is filed or the debtor's business ends, whichever is earlier. 11 U.S.C. § 507(a)(4).	$
☐ Taxes or penalties owed to governmental units. 11 U.S.C. § 507(a)(8).	$
☐ Contributions to an employee benefit plan. 11 U.S.C. § 507(a)(5).	$
☐ Other. Specify subsection of 11 U.S.C. § 507(a)(__) that applies.	$

* Amounts are subject to adjustment on 4/01/28 and every 3 years after that for cases begun on or after the date of adjustment.

13. **Is all or part of the claim entitled to administrative priority pursuant to 11 U.S.C. § 503(b)(9)?**

☑ No

☐ Yes. Indicate the amount of your claim arising from the value of any goods received by the debtor within 20 days before the date of commencement of the above case, in which the goods have been sold to the Debtor in the ordinary course of such Debtor's business. Attach documentation supporting such claim.

$

Part 3: Sign Below

The person completing this proof of claim must sign and date it. FRBP 9011(b).

If you file this claim electronically, FRBP 5005(a)(3) authorizes courts to establish local rules specifying what a signature is.

A person who files a fraudulent claim could be fined up to $500,000, imprisoned for up to 5 years, or both. 18 U.S.C. §§ 152, 157, and 3571.

Check the appropriate box:

☐ I am the creditor.

☑ I am the creditor's attorney or authorized agent.

☐ I am the trustee, or the debtor, or their authorized agent. Bankruptcy Rule 3004.

☐ I am a guarantor, surety, endorser, or other codebtor. Bankruptcy Rule 3005.

I understand that an authorized signature on this *Proof of Claim* serves as an acknowledgement that when calculating the amount of the claim, the creditor gave the debtor credit for any payments received toward the debt.

I have examined the information in this *Proof of Claim* and have reasonable belief that the information is true and correct.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on date 10/22/2026
MM / DD / YYYY

/s/Zachary Cooper
Signature

Print the name of the person who is completing and signing this claim:

Name: Zachary Cooper
First name Middle name Last name

Title: Attorney

Company: Snell & Wilmer LLP
Identify the corporate servicer as the company if the authorized agent is a servicer.

Address: 2501 N. Harwood Street, Suite 1850, Dallas, TX, 75201

Contact phone (214) 305-7330 Email zcooper@swlaw.com

26484942610220000000000002

Verita (KCC) ePOC Electronic Claim Filing Summary

For phone assistance: Domestic (877) 725-7539 | International 001-310-823-9000

Debtor:
26-48494 - Fieldstone A&E, LLC
District:
Eastern District of Michigan, Detroit Division

Creditor:
Meritage Homes Corporation
c/o Rob Kinas
1700 South Pavilion Center Drive, Suite 700

Las Vegas, NV, 89135

Phone:
(702) 784-5203
Phone 2:

Fax:

Email:
rkinas@swlaw.com

Has Supporting Documentation:
Yes, supporting documentation successfully uploaded
Related Document Statement:

Has Related Claim:
No
Related Claim Filed By:

Filing Party:
Authorized agent

Disbursement/Notice Parties:
Meritage Homes Corporation
Legal
18655 North Claret Drive, Suite 400

Scottsdale, AZ, 85255

Phone:
(480) 222-2449
Phone 2:

Fax:

E-mail:
alison.christian@meritagehomes.com

Other Names Used with Debtor:

Amends Claim:
No
Acquired Claim:
No

Basis of Claim:
Master Professional Services Agreement

Last 4 Digits:
No

Uniform Claim Identifier:

Total Amount of Claim:
1,655,000.00

Includes Interest or Charges:
Yes

Has Priority Claim:
No

Priority Under:

Has Secured Claim:
No

Amount of 503(b)(9):
No

Based on Lease:
No

Subject to Right of Setoff:
Yes, Accounts payable on Master Professional Services Agreement

Nature of Secured Amount:

Value of Property:

Annual Interest Rate:

Arrearage Amount:

Basis for Perfection:

Amount Unsecured:

VN: 5AD662681106414A0D48959D098A437C

Submitted By:

Zachary Cooper on 22-Oct-2026 10:30:13 a.m. Pacific Time

Title:

Attorney

Company:

Snell & Wilmer LLP

Optional Signature Address:

2501 N. Harwood Street, Suite 1850

Dallas, TX, 75201

Telephone Number:

(214) 305-7330

Email:

zcooper@swlaw.com

VN: 5AD662681106414A0D48959D098A437C

ADDENDUM TO PROOF OF CLAIM OF MERITAGE HOMES CORPORATION

This Proof of Claim is filed by Meritage Homes Corporation ("Meritage"). While Meritage's claims are presently unliquidated and/or contingent, they remain allowed claims unless and until an objection is filed pursuant to 11 U.S.C. § 502(a).

The claims arise under and in connection with that certain Master Professional Services Agreement dated November 15, 2013 (as amended, the "Master Agreement") between Meritage and Fieldstone A&E, LLC ("Fieldstone" or the "Debtor"). A true and correct copy of the Master Agreement is attached hereto as **Exhibit 1**.[1]

Because the precise amount of the claims cannot presently be determined, Meritage provides the following description and reasonable estimates:

Amount	Reason	Explanation
$100,000.00	Breach of Contract	Costs incurred by Meritage in an amount not less than $100,000.00 for replacement services and delay damages on account of Fieldstone's breach of the Master Agreement and Fieldstone's cessation of all attached-product work on Meritage's projects in Florida. *See, e.g.,* Master Agreement at Section 6.2 providing that "[u]pon the occurrence of any event of default, [Fieldstone] shall have no right to receive any amounts for Services and/or Reimbursable Expenses until all Services under the applicable terminated Authorization Agreement(s) have been fully and properly completed and all damages to Meritage and its affiliates, if any, have been ascertained and fully paid."
$1,500,000.00	Construction Defect Litigation Exposure	Meritage faces direct exposure in construction defect litigation arising from Fieldstone's design work, including litigation related to the following projects: (1)Woodleaf Townhomes; and (2) Savanna at Lakewood. These damages are recoverable under both Section 8.1 (Indemnification) and Section 3.2 (Quality) of the Master Agreement. Meritage estimates the potential damages under this category to be $1,500,000.00.

[1] Exhibit 1 contains redactions of sensitive information and omits exhibits and schedules.

$55,000.00	Defense Costs and Attorney's Fees	These fees were incurred and/or will be incurred as a result of Fieldstone's defaults under the Master Agreement, in the estimated amount of $50,000.00 through October 21, 2026, as may be updated and supplemented. *See, e.g.,* Master Agreement at Section 8.1 (obligating Fieldstone to "promptly reimburse the defense costs of Indemnitees to the same extent of [Fieldstone's] indemnity obligations"); Section 11.2(e) (prevailing party clause).
$1,655,000.00	**TOTAL**	

Reservation of Rights

In executing and filing this Proof of Claim, Meritage expressly reserves and is not waiving in any manner or under any circumstances (i) any security interest Meritage may have or may be determined to have at any time; (ii) any claim, action, or cause of action Meritage may have against the Debtor or any other person or entity; (iii) any defense, setoff, offset, recoupment, counterclaim or similar right or remedy Meritage may now have or at any time have against the Debtor or any other entity or person or with respect to any legal or equitable proceedings now existing or hereafter commenced; (iv) the right to seek to have the reference to the bankruptcy court withdrawn with respect to any such proceedings or any other proceedings commenced in this case against or otherwise involving Meritage; (v) any right of subordination in favor of Meritage of indebtedness or liens held by other creditors of the Debtor; (vi) any rights Meritage may have pursuant to 11 U.S.C. section 506(b); or (vii) any additional claims or other rights Meritage may have against the Debtor.

Exhibit 1

MERITAGE HOMES CORPORATION
17851 N. 85th STREET, SUITE 300
SCOTTSDALE, AZ 85255

MASTER PROFESSIONAL SERVICES AGREEMENT (ARCHITECTURAL, DRAFTING AND STRUCTURAL DESIGN SERVICES FOR DESIGN OF HOMES AND BUILDINGS)

"Consultant": FIELDSTONE A&E, LLC

Type of Entity: limited liability company

Federal Tax I.D. No.: [redacted]

Type of Work: architectural, drafting and engineering

Consultant License No.: [redacted]

Business Address: [redacted]

Business Phone: [redacted]

Cell Phone Number: [redacted]

Facsimile No.:

E-mail Address: [redacted]

THIS MASTER PROFESSIONAL SERVICES AGREEMENT – DESIGN PSA (this "**Master Agreement**") is entered into as of the 15th day of November, 2013, (the "**Effective Date**"), by and between **Consultant** and **Meritage Homes Corporation** ("**Meritage**"). In the event the above-named Consultant is a subsidiary or affiliate of a parent company, the above-named Consultant acknowledges that it is entering into, and has the authority to enter into, this Master Agreement on its own behalf and on behalf of its parent company and, therefore, all references herein to Consultant shall be deemed to refer to the above-named Consultant and its parent company. The terms and conditions of this Master Agreement shall apply to all Services (as defined in Section 1.2 below) provided by Consultant pursuant to one or more "**Authorization Agreements**" that may hereafter be entered into between Meritage or an affiliate of Meritage (such party that enters into the applicable Authorization Agreement with Consultant, whether Meritage or an affiliate of Meritage, is hereinafter referred to as the "**Meritage Party**") and Consultant pursuant to this Master Agreement, and this Master Agreement shall be deemed to include the applicable Authorization Agreement(s) (if any) duly executed and delivered by the Meritage Party. The form of Authorization Agreement that must be used pursuant to this Master Agreement is attached hereto as Exhibit A, and such Authorization Agreement contains, among other things, a description of the Basic Services to be performed by Consultant, the time periods for performance of the Basic Services, and Consultant's compensation for performing the Basic Services. Unless and until an Authorization Agreement is executed and delivered by the Meritage Party, Consultant is not authorized or obligated to perform any work or services, and no Meritage Party has any obligation to make any payments to Consultant for any work or services performed for which an Authorization Agreement has not been executed and delivered by the Meritage Party. This Master Agreement does not constitute (and shall not be construed as) a commitment by or obligation of Meritage or any affiliate of Meritage to execute or provide any Authorization Agreement to Consultant, and Meritage and any affiliate of Meritage may, at their sole option, retain others to provide services similar to, or the same as, the Services to be provided by Consultant pursuant to an Authorization Agreement, if any, in addition to or in place of Consultant.

1. Professional Services.

1.1 Basic Services. Consultant shall furnish all services, materials, labor and personnel reasonably prudent or necessary to perform and complete all services described in Schedule 1 to each Authorization Agreement executed by the parties from time to time, together with those services that are reasonably inferable from or incidental to such services, and such other services referenced as "Basic Services" in this Master Agreement (collectively, the "**Basic Services**"). The Basic Services shall be performed in accordance with the "**Performance Schedule**" (if any) set forth in Schedule 1 to each applicable Authorization Agreement. **In the event that all or any portion of Consultant's proposal or form agreement is attached to any Authorization Agreement, the parties acknowledge and agree that such item is attached thereto solely to set forth the scope of the Basic Services, the Performance Schedule and/or a completion date for the Basic Services, and no other terms, provisions or conditions of such attached proposal or Consultant's form agreement shall have any force or effect whatsoever.**

1.2 Additional Services. The Meritage Party may request that certain additional services be performed by Consultant that are not included in the Basic Services originally set forth in an Authorization Agreement ("**Additional Services**"). Basic Services and Additional Services performed under this Master Agreement shall be referred to collectively as the "**Services.**" Consultant shall only provide Additional Services if authorized in writing in advance by the Meritage Party pursuant to an "**Additional Services Order**" (each in the form attached to the applicable Authorization Agreement as Schedule 3) executed by the Meritage Party and Consultant in writing prior to Consultant commencing any Additional Services. All Additional Services shall be subject to the terms and conditions of this Master Agreement. Whenever Additional Services are to be provided by Consultant, Consultant shall first notify the Meritage Party in writing: (a) that such services requested by the Meritage Party are Additional Services and not part of the Basic Services, and (b) of Consultant's

estimate of the cost and time frame to accomplish such Additional Services. If requested by the Meritage Party, Consultant shall submit along with the description of Additional Services a maximum not-to-exceed price for such Additional Services. Notwithstanding the foregoing, the Meritage Party shall not pay for any Additional Services if such services were required due to the fault or neglect of Consultant, Consultant's failure to adhere to the Performance Schedule or Consultant's failure to otherwise perform its obligations in accordance with the terms of this Master Agreement. CONSULTANT ACKNOWLEDGES THAT IT SHALL NOT BE ENTITLED TO RECEIVE COMPENSATION FOR ANY ADDITIONAL SERVICES IF SUCH SERVICES WERE NOT PREVIOUSLY APPROVED BY THE MERITAGE PARTY PURSUANT TO AN ADDITIONAL SERVICES ORDER EXECUTED BY THE MERITAGE PARTY WITH RESPECT TO SUCH ADDITIONAL SERVICES. **In the event that all or any portion of Consultant's proposal or form agreement is attached to an Additional Services Order, the parties acknowledge and agree that such item is attached thereto solely to set forth the scope of the Additional Services, the compensation to be paid and/or expenses to be reimbursed to Consultant for the Additional Services, the Performance Schedule and/or a completion date for the Additional Services, and no other terms, provisions or conditions of such proposal or Consultant's form agreement shall have any force or effect whatsoever.**

1.3 Subconsultants. Consultant shall not enter into any agreements with consultants or subconsultants for the performance of any part of the Services ("**Subconsultants**") unless the Meritage Party has provided its prior written consent, which consent the Meritage Party may withhold in the Meritage Party's sole discretion. Consultant shall not delegate any Services to any Subconsultant to whom the Meritage Party objects for any reason. All agreements for the engagement of Subconsultants shall: (i) be in writing; (ii) require Subconsultants to perform their work to the same standards set forth in this Master Agreement; (iii) impose upon Subconsultants the same duties as Consultant has to the Meritage Party under this Master Agreement; (iv) at the Meritage Party's option, be assumable by the Meritage Party (without the prior consent of such Subconsultant and without any liability of the Meritage Party to perform Consultant's obligations that accrued prior to such assumption) at termination of this Master Agreement for any reason other than a monetary default by the Meritage Party; (v) include insurance requirements and dispute resolution provisions the same as those contained in this Master Agreement; (vi) provide that the Meritage Party shall be the owner of all plans and other documents prepared by Subconsultants; (vii) provide that such agreements shall be terminable by Consultant (or the Meritage Party if assumed thereby) at any time; and (viii) require Subconsultants to indemnify, defend, hold harmless, protect and reimburse the Meritage Party to the same extent Consultant has so agreed in this Master Agreement. There shall be no surcharge on Subconsultant's fees if Consultant elects to use Subconsultants. Nothing contained in this Master Agreement shall create any contractual relationship between the Meritage Party and any Subconsultant.

1.4 Coordination and Oversight. Notwithstanding Section 1.3, or any other provision in this Master Agreement to the contrary, Consultant shall be responsible for the Services, whether performed by Consultant or any Subconsultant. Consultant acknowledges that the Meritage Party may also contract with various other professionals or consultants ("**Meritage's Consultants**") with respect to services similar or complementary to the Services. Consultant acknowledges that the development of the Work Product (as defined in Section 9.1 below) may require very close coordination among various consultants. Consequently, Consultant shall coordinate the Services with and cooperate with each of Meritage's Consultants in order to achieve the design and development of a fully integrated and complete Work Product. Consultant shall immediately notify the Meritage Party and all of Meritage's Consultants (whose contact information the Meritage Party provides to Consultant) in writing of any changes, revisions, occurrences and conditions that might affect their work or drawings and/or their services, and Consultant shall immediately provide the Meritage Party with copies of all such correspondence.

1.5 Independent Contractor Relationship. This Master Agreement constitutes an agreement for the performance of Services by Consultant as an independent contractor and not as an employee of or partner with Meritage or any affiliate of Meritage. Nothing contained in this Master Agreement shall be deemed to create a relationship between Meritage (or any affiliate of Meritage) and Consultant, except that of an independent contractor.

1.6 Taxes. Consultant shall pay all taxes imposed by any federal, state or local taxing authority on: (a) all fees, costs and other compensation paid by the Meritage Party to Consultant pursuant to this Master Agreement; and (b) all payroll and compensation sums paid by Consultant to Consultant's employees and all other taxes, fees and charges levied against Consultant on account of this Master Agreement.

2. Compensation.

2.1 Payment of Consultant's Compensation. The Meritage Party shall compensate Consultant for the performance of: (a) those Services satisfactorily performed pursuant to an Authorization Agreement; and (b) where applicable, any Additional Services satisfactorily performed pursuant to an Additional Services Order. Payment shall be made in the manner and in the amounts described on Schedule 2 to the applicable Authorization Agreement (titled "Compensation").

2.2 Reimbursable Expenses. The Meritage Party shall reimburse Consultant for expenses actually incurred, without mark-up or administrative charges, if, and only if, any such expenses are specifically listed as Reimbursable Expenses in Section I of Schedule 2 attached to the applicable Authorization Agreement ("**Reimbursable Expenses**"). As a cost savings measure, Meritage requires that all plans, specifications, reports, studies and other Work Product (as defined in Section 9 below) be provided by Consultant to the Meritage Party electronically to allow the Meritage Party to print such items without the assistance of reproduction companies. Accordingly, the Meritage

Party will not typically pay or reimburse Consultant for such prints and to be eligible for inclusion as Reimbursable Expenses, all prints must be pre-approved in writing by the Meritage Party and printed by Consultant at its own premises or at reproduction company(ies) pre-approved in writing by the Meritage Party.

2.3 Payment.

a. As a condition of payment to Consultant by the Meritage Party, Consultant must comply with the following requirements as well as those set forth in Schedule 2 to the applicable Authorization Agreement: (i) all deficiencies in the Services or the Work Product, as determined by the Meritage Party or the applicable reviewing jurisdictional agency(ies), must be fully corrected by Consultant; and (ii) Consultant must provide Meritage with evidence that Consultant has obtained and currently maintains all insurance coverages required in Section 7 below. Consultant also agrees to provide such invoices, lien releases and other documentation as may be reasonably required by the Meritage Party or its lenders, investors, land bankers, other finance sources, partners, affiliates or other persons with an interest in the Work Product, as designated by the Meritage Party. In the event that any preliminary lien notices are filed or recorded by Consultant with respect to the Services in accordance with applicable Laws, such notices shall reflect the owner and project information (if any) identified by the Meritage Party in the applicable Authorization Agreement or Additional Services Order, and Consultant shall provide a copy of such information to each of its Subconsultants of every tier who may have lien rights under applicable Laws in connection with the Services provided pursuant to such Authorization Agreement or Additional Services Order.

b. The Meritage Party may refuse to approve all or any portion of Consultant's Applications for Payment (as defined in Schedule 2 to the applicable Authorization Agreement) and the Meritage Party shall have the right to withhold payment for all or that portion of any Application for Payment that is disapproved if: (i) Consultant fails to submit with any Application for Payment all appropriate back-up, including any required lien releases and waivers; (ii) the Meritage Party has disapproved all or a portion of the Services for which Consultant is requesting payment; (iii) third party claims have been threatened or made, or third party liens have been threatened or recorded, with regard to the Services; or (iv) Consultant has committed any other breach or default under this Master Agreement and has not cured such breach or default as provided in Section 5 below.

c. Consultant agrees that any payment by the Meritage Party shall not be deemed approval of any Work Product or Services performed by Consultant, or relieve Consultant of its responsibility for defective or non-conforming Work Product or Services, or of Consultant's obligations under the insurance and indemnification provisions of this Master Agreement.

3. Standards of Consultant Performance.

3.1 Skill. Consultant represents and covenants that Consultant and its Subconsultants performing any portion of the Services have, and will continue to have at all times during the performance of the Services, the skill and professional competence, expertise, qualifications, appropriate licenses and experience and the financial solvency and resources to undertake and professionally carry out the Services. Meritage has relied upon this representation, without independent investigation, as a material inducement to enter into this Master Agreement. The standard of care for all Services performed and Work Product furnished by Consultant or its Subconsultants shall be the care and skill ordinarily used by experienced members of Consultant's profession practicing under similar circumstances at the same time and in the same region. In recognition that Consultant is being retained for its represented expertise with respect to the Services, Meritage and Consultant acknowledge and agree that, notwithstanding anything in this Master Agreement to the contrary, in no event shall any Indemnitee (as defined in Section 8.3 below) be liable or bear any responsibility for, and Consultant shall be solely liable and responsible for, and shall indemnify, protect, defend and hold harmless each Indemnitee for, from and against any fault alleged against, an Indemnitee by reason of or arising out of any of the following: (i) the Meritage Party's decision to retain Consultant to perform the Services and/or any decision of Consultant to retain any Subconsultants; (ii) any failure of an Indemnitee to supervise, manage and/or direct Consultant or any other person for whom Consultant may be liable; (iii) any failure of an Indemnitee to identify, at any time, defects, errors or omissions in the Services, Consultant's Work Product and/or the Work Product of any other person for whom Consultant may be liable; and (iv) any Claims (as defined in Section 8.3 below) by any employee or past employee of Consultant or any Subconsultant arising out of or related to unpaid wages and benefits and/or other employment-related issues. Consultant's duty to defend the Indemnitees is entirely separate from, independent of and freestanding from Consultant's duty to indemnify Indemnitees for Claims; however, with regard to Claims that directly arise out of the performance or nonperformance of the Services, Consultant shall have no duty to defend the Indemnitees but shall promptly reimburse the defense costs of Indemnitees to the same extent of Consultant's indemnity obligations herein. If an arbitrator, court or tribunal of competent jurisdiction refuses to enforce Consultant's obligations under this Section 3.1 because the scope of such obligations are deemed unreasonable or to be in violation of public policy, it is expressly understood and agreed that such obligations will not be void for the purpose of such proceedings and the scope of Consultant's obligations will be reduced to the extent necessary to permit the enforcement of such obligations.

3.2 Quality. Consultant shall be responsible for the technical accuracy of the Work Product and the Services. Neither Meritage nor any affiliate of Meritage shall be responsible for discovering deficiencies in the Work Product or Services. Consultant shall correct any deficiencies in the Work Product or the Services without additional compensation, except to the extent that such corrections are directly attributable to deficiencies in information provided by the Meritage Party.

3.3 Performance Schedule and Extensions of Time. At all times during the term of this Master Agreement, Consultant shall employ sufficient personnel to complete all Services in accordance with the Performance Schedule (if any) set forth or referenced in Schedule 1 to any applicable Authorization Agreement and/or set forth or referenced in any Additional Services Order. If applicable, the Performance Schedule will include allowances for periods of time needed for the Meritage Party's review and approval of submissions and for required review and approval of any necessary governmental authorities. Consultant agrees to perform all Services in conformance with any applicable Performance Schedule. Notwithstanding the foregoing, but subject to the Meritage Party's reasonable written approval, the time frames set forth in any Performance Schedule shall be extended for any unanticipated delay beyond the reasonable control of Consultant provided: (a) the delay impacts the Performance Schedule; and (b) Consultant notifies the Meritage Party in writing within seven (7) days of the commencement of such delay; otherwise such claim for delay shall be deemed to have been waived by Consultant. An extension of time is Consultant's sole remedy for delays. In no event shall Consultant be entitled to payment for overtime work requiring higher than normal regular rates.

4. Compliance with Laws, Ordinances, Regulations and Instructions.

4.1 Compliance. Consultant shall perform all Services in full accordance with all applicable federal, state and local laws, ordinances and/or regulations in effect on the date each applicable Authorization Agreement is executed (collectively "**Laws**"). If, subsequent to the date any Authorization Agreement is executed, there occurs any change to any Laws that (i) was not known to or reasonably foreseeable by Consultant and (ii) consequently requires Consultant to perform Additional Services, then Consultant will be reasonably compensated for the performance of such Additional Services in accordance with an Additional Services Order if and to the extent executed between the Meritage Party and Consultant. Consultant also shall review and comply with any and all manufacturer instructions and standards applicable to any manufactured products that may be used, designated for use or included in improvements related to Consultant's Services or the Work Product.

4.2 License/Permit. Consultant represents and covenants that Consultant, Subconsultants and any personnel performing Services are properly licensed and in good standing and will remain properly licensed and in good standing under all applicable Laws at all times during the performance of Services.

5. Default of Consultant. Each of the following shall constitute a default by Consultant: (i) the failure of Consultant to fully, properly or timely perform the Services in accordance with this Master Agreement or otherwise comply with any covenant, condition or provision in this Master Agreement; (ii) the making by Consultant of any general assignment or general arrangement for the benefit of creditors; (iii) the filing by or against Consultant of a proceeding under state or federal insolvency and/or bankruptcy laws (unless in the case of a petition filed against Consultant, the same is dismissed within forty-five (45) days); and/or (iv) Consultant ceases doing business. In the event of a default under items (ii), (iii) or (iv) above, or if Consultant fails to commence the cure of a default under item (i) above within ten (10) Business Days after receipt of written notice thereof by Meritage and/or the Meritage Party, as applicable, and to diligently pursue such cure to completion in a timely manner (but not later than thirty (30) Business Days after receipt of such notice), Meritage and/or the Meritage Party, as applicable, in addition to all other rights and remedies they may have at law or in equity, may pursue one or more of the following remedies, all of which shall be cumulative: (a) terminate this Master Agreement and/or any or all Authorization Agreement(s); (b) commence an action for damages arising out of such breach; (c) withhold amounts otherwise due Consultant by Meritage (or an affiliate of Meritage) and/or offset their damages against the payment of any monies due Consultant until the default and breach by Consultant have been cured; and/or (d) pay, withhold and/or offset against monies due Consultant all sums due any persons, firms or other entities as a result of such default or breach. In the event there are not sufficient monies then due Consultant against which to offset such sums, then interest shall accrue on the deficiency at the rate of eighteen percent (18%) per annum, or the maximum rate allowable by law, whichever is less, until such deficiency is paid in full. "**Business Day**" means a day that is not a Saturday, a Sunday, or a legal holiday observed in the State of Arizona.

6. Termination of Agreement. Meritage shall have the right, in its sole discretion, and with or without cause, to terminate this Master Agreement and/or any or all Authorization Agreement(s), and the Meritage Party(ies) shall have the right, in its sole discretion, and with or without cause, to terminate the applicable Authorization Agreement(s), at any time, which termination shall be effective immediately upon delivery by Meritage or the Meritage Party(ies), as applicable, of a written termination notice or on such other later date as may be specified in any such notice of termination (the "**Effective Termination Date**"). Consultant shall have the right to terminate this Master Agreement and/or any or all Authorization Agreement(s) in the event of a material breach of the obligations of Meritage and/or the Meritage Party(ies) under this Master Agreement or the applicable Authorization Agreement if Consultant delivers to Meritage and, if applicable, the Meritage Party(ies), written notice of the material breach and Meritage or the Meritage Party(ies), as applicable, fail to commence the cure of such material breach within ten (10) Business Days after receipt of written notice thereof by Meritage and, if applicable, the Meritage Party(is), and diligently pursue such cure to completion in a timely manner (but not later than thirty (30) Business Days after receipt of such notice). If this Master Agreement or any Authorization Agreement is terminated for any reason, Consultant shall deliver to Meritage all Work Product within five (5) Business Days following the Effective Termination Date.

6.1 Termination for Convenience. Upon termination of this Master Agreement and/or any or all Authorization Agreement(s) by Meritage or the Meritage Party(ies), as applicable, for reasons other than default or breach by Consultant, the Meritage

Party(ies) shall pay Consultant for all Services satisfactorily performed by Consultant under the applicable terminated Authorization Agreement(s) through the Effective Termination Date. Such payment shall be calculated as: (i) compensation at agreed rates, but pro-rated for only such portions of the Services as were actually and satisfactorily performed and completed through the Effective Termination Date; plus (ii) the amount of all proper and approved but unreimbursed Reimbursable Expenses actually incurred by Consultant through the Effective Termination Date; less (iii) any amounts withheld or offset as authorized pursuant to this Master Agreement. In no event shall Meritage or any affiliate of Meritage be responsible for Consultant's lost profits or consequential or other damages. Unless otherwise instructed in writing by Meritage or the Meritage Party(ies), Consultant shall continue all Services in progress until the Effective Termination Date.

6.2 Termination for Cause. In the event this Master Agreement and/or any or all Authorization Agreement(s) are terminated for cause by Meritage or a Meritage Party, as applicable, then upon Consultant's receipt of notice of such termination, Consultant shall immediately cease all Services in progress and shall not undertake to perform any further Services under this Master Agreement and/or the applicable Authorization Agreement(s), as applicable. If the cost of completing such Services (including but not limited to managerial and administrative expenses incurred as a result of such default) shall exceed the amount of unpaid monies that would have been due and payable to Consultant by the Meritage Party(ies) had Consultant fully and timely performed the remainder of its Services under any applicable Authorization Agreement, such excess shall be immediately due and payable from Consultant to the Meritage Party(ies) upon Consultant's receipt of written notification thereof, and interest shall accrue on such excess at the rate of eighteen percent (18%) per annum, or the maximum rate allowable by law, whichever is less, until such excess is paid in full. The Meritage Party's exercise of the option to substitute another person or entity to furnish the Services shall not relieve Consultant of any liability for Services performed prior to termination. Upon the occurrence of any event of default, Consultant shall have no right to receive any amounts for Services and/or Reimbursable Expenses until all Services under the applicable terminated Authorization Agreement(s) have been fully and properly completed and all damages to Meritage and its affiliates, if any, have been ascertained and fully paid. Thereafter, any amounts due and payable to Consultant under this Master Agreement shall be calculated as provided in Section 6.1 above and paid in accordance with Section 2 above.

6.3 Suspension of Services. Upon oral or written notification from Meritage or a Meritage Party to Consultant to suspend any portion of the Services, Consultant shall immediately suspend work on any designated portion of the Services and deliver to Meritage all Work Product. Consultant shall be compensated for all Services performed to the Meritage Party's satisfaction prior to such suspension. Upon notification by Meritage or a Meritage Party that the suspension order has been lifted or rescinded, Consultant shall immediately continue performing the Services. If the Services are suspended for a period of more than ninety (90) consecutive days, then Consultant may be excused from further performance of the Services under the applicable Authorization Agreement(s) by giving written notice to the Meritage Party prior to the Meritage Party issuing a written order to resume the Services (provided that, to the extent applicable, Consultant shall cooperate with and provide information to the person or entity thereafter selected to replace Consultant with respect to the Services if and when the Meritage Party elects to resume the Services).

7. Insurance. Consultant represents and covenants to Meritage that Consultant is, as of the date of this Master Agreement, in compliance with, and shall at all times hereafter fully comply with the insurance requirements set forth on Exhibit B. Meritage's failure to enforce any of the insurance provisions set forth on Exhibit B shall not act as a waiver of or estoppel to assert Consultant's obligation to procure and maintain the required insurance coverages in accordance with the insurance requirements set forth on Exhibit B.

8. Indemnification.

8.1 Consultant Indemnity and Duty to Defend. In addition to any other obligation in this Master Agreement, to the fullest extent permitted by law and subject to the specific limitations set forth on Exhibit D (if any), Consultant shall indemnify, defend and hold harmless each Indemnitee (as defined in Section 8.3 below) for, from and against any and all Claims (as defined in Section 8.3 below), regardless of whether or not the Claim is caused in part by an Indemnitee; provided, however, that Consultant shall not be required to indemnify an Indemnitee for, and solely to the extent of, a Non-Indemnified Matter (as defined in Section 8.3 below). The parties acknowledge and agree that the existence of a Non-Indemnified Matter shall in no event relieve Consultant of its indemnity, defense and other obligations hereunder for, or with respect to, any other portion of a Claim that is not a Non-Indemnified Matter. Consultant's duty to defend the Indemnitees is entirely separate from, independent of and freestanding from Consultant's duty to indemnify Indemnitees for Claims; however, with regard to Claims that directly arise out of the performance or nonperformance of the Services, Consultant shall have no duty to defend the Indemnitees but shall promptly reimburse the defense costs of Indemnitees to the same extent of Consultant's indemnity obligations herein. Notwithstanding Consultant's duty to defend as set forth in this Section 8.1, Consultant acknowledges and agrees that Meritage is entitled to defend any and all Claims with counsel and experts of Meritage's choice. Meritage will promptly reimburse Consultant the defense costs reasonably incurred and paid by Consultant for the reasonable defense of any portion of any Claim against an Indemnitee solely to the extent such portion is ultimately determined to be a Non-Indemnified Matter. Payment by any Indemnitee is not a condition precedent to enforcing such Indemnitee's rights to indemnification and defense under this Master Agreement.

8.2 Indemnity and Defense Not Limited; Survival. Nothing in this Master Agreement shall be construed to negate, abridge or otherwise reduce: (a) any other obligation or liability of Consultant for breaching any of its agreements, covenants, representations or obligations under this Master Agreement and/or any Authorization Agreement; or (b) any other right or obligation of indemnity that

otherwise exists in favor of Meritage or any Indemnitees. Further, payments by Consultant to any Indemnitee(s) in connection with this Section 8 shall be in addition to any and all other legal remedies available to the Indemnitees and shall not be considered the exclusive remedy of any of the Indemnitees. Consultant's obligations under this Section 8 shall apply without regard to the particular allegations or theories of recovery asserted or omitted by any third party, including, without limitation, Claims based on duties, obligations or liabilities imposed on the Indemnitees by Law, and Claims based on theories of peculiar risks or non-delegable duty arising from conditions of the workplace, and shall not be limited in any way by any limitation on the amount or type of damages, compensation or benefits payable under any workers' compensation acts, disability benefits acts or other employee benefits acts.

8.3 Definitions. For purposes of this Section 8, the following capitalized terms shall have the following meanings:

(a) "**Claim**" means (i) any action, administrative action, legal proceeding, claim, demand, obligation and cause of action of every kind and character made or asserted against an Indemnitee, whether based on tort, contract or equitable principles, and whether asserted by one or more owners of any Unit, any applicable associations or any other person or entity; and (ii) any damage, loss, liability, lien, judgment, cost and expense (including, without limitation, attorney fees and costs, investigative and expert witness fees and costs and other litigation, mediation, arbitration or judicial reference expenses) suffered or incurred by an Indemnitee; which are in any way occurring, incident to, or arising from or in connection with (A) the negligent performance or nonperformance of the Services; (B) any act or omission (including, without limitation, any actual or alleged breach of any term or provision of this Master Agreement or any Authorization Agreement by Consultant or any Subconsultant, and any of their respective employees, agents, officer, directors, shareholders, representatives, affiliates, successors and assigns that does not directly arise out of the performance of the Services, including, without limitation, those acts or omissions covered by general liability, worker's compensation, employer's liability or auto liability insurance; (C) the willful misconduct of, or the failure to comply with applicable Laws by Consultant, any Subconsultant, and any of their employees, agents, officers, directors, shareholders, representatives, affiliates, successors and assigns; and/or (D) any actual or alleged infringement of the intellectual property rights of any person or entity in connection with the Services and/or the Work Product. For purposes of this Section 8, attorney and other professional and witness fees and costs shall be deemed reasonable if such fees and costs are incurred at the rate customarily charged by the professional or witness rendering the services.

(b) "**Indemnitee**" means each of the following: Meritage and any of their respective subsidiaries, affiliates, members, managers, shareholders, owners, officers, directors, partners, employees, agents, successors and assigns, and lenders and land bankers, if any.

(c) "**Non-Indemnified Matter**" means any portion (and solely to the extent of such portion) of any Claim against an Indemnitee to the extent the Claim (or portion thereof, if applicable) is determined by entry of a non-appealable final judgment after trial or award after arbitration to have been caused by the negligent act or willful misconduct of the Indemnitee sought to be indemnified, or the negligent act or willful misconduct of any third party who is not a Subconsultant or a parent, subsidiary, affiliate, member, manager, shareholder, owner, officer, director, partner, employee, contractor, agent, Subconsultant, successor or assign of Consultant or any Subconsultant.

9. Ownership and Use of Work Product.

9.1 Instruments of Service. All surveys, field data, test data, reports, plans, studies, tapes, disks and other electronic recordings, drawings, sketches, estimates, data sheets, maps, work sheets, prints, models, designs, specifications, photographs, presentations, renderings, CAD files and media (in all formats) prepared by Consultant and its Subconsultants (collectively, "**Work Product**") are "Instruments of Service". Consultant and its Subconsultants shall be deemed the authors and owners of their respective Work Product and, subject to the balance of this Section 9, shall retain all common law, statutory and other reserved rights, including copyrights; provided, however, that upon execution of this Master Agreement, a perpetual, exclusive, worldwide, royalty-free license to use, reproduce and distribute the Work Product (including, without limitation, any portion of incomplete Work Product) shall be deemed transferred to Meritage, and Meritage and its affiliates shall be permitted to retain and use copies of all the Work Product, including reproducible copies thereof. Meritage, its employees, consultants, agents and affiliates shall have the right to reuse or modify the Work Product; provided, however, that if Meritage modifies the Work Product either without retaining Consultant or without Consultant's prior written consent, Meritage shall remove Consultant's name and professional seal from the title block of any of the modified Work Product and release and indemnify Consultant from all claims and causes of action to the extent arising from such modification. Nothing herein shall be deemed to release Consultant from liability for that portion of the Work Product not modified by Meritage; accordingly, in all events, Consultant will remain fully responsible and liable for any loss or damage resulting from the unmodified portions of the Work Product.

9.2 Work Made For Hire. Notwithstanding anything to the contrary in Section 9.1 above, any Work Product consisting of structural plans or structural design elements shall be considered a "work-made-for-hire" under the copyright laws of the United States. Accordingly (a) Consultant hereby irrevocably assigns and transfers to Meritage from the moment of creation the exclusive right, title and interest in and to such Work Product, whether completed or in draft form, whether patentable or copyrighted, made or conceived or reduced to practice, and to all modifications and derivative works thereof (including, without limitation, any portion of incomplete Work Product), and to all United States and foreign trademarks, service marks, copyrights, patents, trade dress, trade secrets and all other intellectual property rights ("**Intellectual**

Property Rights") related thereto; (b) Consultant, on behalf of itself and any of its Subconsultants and employees who perform any work hereunder, hereby, to the fullest extent permitted by law, irrevocably waives any right to assert any moral rights and rights under the Visual Artist Rights Act against Meritage, its affiliates and any third party with respect to such Work Product, any modifications or derivatives thereof, and any Intellectual Property Rights related thereto; and (c) Meritage shall be the sole owner of and have exclusive right, title and interest in and to such Work Product (including, without limitation, any portion of incomplete Work Product), to all modifications and derivative works thereof, and to all Intellectual Property Rights related thereto, even if Meritage elects to allow Consultant to retain possession of copies of such Work Product. If any Work Product consisting of structural plans or structural design elements does not qualify as a "work made for hire," Consultant hereby assigns and agrees to assign to Meritage all copyrights, copyright registrations and copyrightable subject matter, including the right to secure copyrights worldwide, reproduction rights, and including the right to recover for past infringement of such copyrights. Consultant agrees to and shall execute promptly, upon presentation to Consultant by Meritage, any and all applications, assignments, waivers and other instruments that Meritage deems necessary or appropriate to vest in Meritage or to register in any state or country all right, title and interest in the Intellectual Property Rights, including the waiver of all rights arising under the Visual Artist Rights Act and moral rights. Upon Meritage's request, Consultant shall deliver to Meritage original Work Product consisting of structural plans or structural design elements and any copies thereof in any forms requested by Meritage. No license or other interest of any kind in such Work Product is granted by Meritage directly or indirectly to Consultant, except for Consultant's use of the same to perform its Services under this Master Agreement.

9.3 Survival. The rights, licenses and obligations set forth in this Section 9 shall survive termination of this Master Agreement.

10. Assignment.

10.1 No Assignment by Consultant. Consultant shall not sell, assign, grant or transfer, voluntarily, involuntarily, by bankruptcy, other operation of law or otherwise, Consultant's rights, interests or obligations in or under this Master Agreement without the prior written consent of Meritage, which consent may be withheld by Meritage in its sole discretion. Any purported sale, assignment, grant or transfer in violation of this Section 10.1 shall be null and void.

10.2 Land Bankers, Lenders, Successors, Assignees and Affiliates. Consultant acknowledges that Meritage may transfer or assign in whole or part the Work Product or portion(s) thereof (including the transfer of any or all related contracts and documents) to one or more other developers, lenders, land banking entities, other finance sources, joint ventures, or any other successors, assignees or affiliates of Meritage, and any such successor or assignee is entitled to rely on, and enforce against Consultant, any representations, warranties, covenants, indemnities and other obligations of Consultant under this Master Agreement, including, without limitation, the provisions of Section 9. Consultant shall provide free of charge such estoppel certificates, reliance letters, consents to assignment and novations as Meritage or any such successor or assignee may require in order to reflect the assignment of Meritage's interest, in whole or in part, in this Master Agreement, any Authorization Agreement(s) and the Work Product. If a successor or assignee owner of any of the Work Product assumes the obligations of Meritage with respect to the Work Product pursuant to such form of assignment document, Consultant shall execute such documentation as may be required to release Meritage and its affiliates from any continuing obligation or liability with respect to the Work Product and this Master Agreement (including the applicable Authorization Agreement(s)) or, if Meritage requests, Consultant shall enter into a new agreement in a substantially identical form with such successor or assignee, whereupon the obligations of Consultant and Meritage and its affiliates under this Master Agreement (including the applicable Authorization Agreement(s)) shall be canceled and of no further force or effect.

11. Dispute Resolution; Arbitration.

11.1 Binding Arbitration. All disputes arising out of or relating to this Master Agreement shall be subject to binding arbitration conducted by the American Arbitration Association, or any successor thereto, in accordance with its Home Construction Arbitration Rules (the "**Arbitration Rules**"), as supplemented by this Section 11; provided, however, that in order to minimize the duplication of dispute resolution proceedings, Consultant agrees to fully cooperate, participate in good faith in and be bound by whatever dispute resolution provisions and proceedings are determined to bind Meritage or any affiliate of Meritage with respect to any dispute, claim or controversy between Meritage or any affiliate of Meritage and Consultant that arises out of or relates to (a) any claim or action brought by a purchaser of improvements constructed by Meritage or an affiliate of Meritage to which any portion of the Services relates and to which a "notice and opportunity to repair" statute (if any) applies, including, without limitation the statute(s) identified on Exhibit C; and/or (b) any conditions, covenants and restrictions recorded against any Meritage project to which any portion of the Services relates; any sales agreement between Meritage or any affiliate of Meritage and purchasers (including, without limitation, subsequent purchasers) of the units/residences in such project(s), any unit(s)/residence(s), common area or association property at such project(s); and/or any combination thereof. A copy of the dispute resolution provisions contained in the sales agreement typically used by Meritage or its affiliates as of the date of this Master Agreement for the sale of a unit/residence is set forth in Exhibit D. Notwithstanding the foregoing, (i) none of the provisions of this Section 11 shall in any way limit the right of any party to exercise any other remedies under this Master Agreement, to exercise any lien rights or to obtain provisional, ancillary or equitable remedies (including, without limitation, temporary restraining orders or preliminary or permanent injunctions) from a court of competent jurisdiction before, after or during the pendency of any arbitration or other proceeding pursuant to this Section 11; (ii) the exercise of any such remedy shall not waive the right of any party to resort to arbitration; and (iii) the

parties each acknowledge and agree that to the extent any legal proceeding other than an arbitration proceeding is permitted by this Section 11, the Superior Court of the State of Arizona, and the associated federal and appellate courts situated in Maricopa County, Arizona, shall have exclusive jurisdiction over such legal proceeding.

11.2 Supplemental Arbitration Rules. Unless Meritage or an affiliate of Meritage is bound by other dispute resolution provisions and proceedings in accordance with Section 11.1 above, the following supplemental rules shall apply to all arbitration proceedings and shall govern in the event of a conflict between the rules set forth below and the Arbitration Rules.

a. Agreement to Arbitrate. Meritage and its affiliates and Consultant shall resolve disputes exclusively through binding arbitration in Maricopa County, Arizona, unless an alternative location is agreed upon by both Meritage or its affiliate, as applicable, and Consultant, and each party hereto hereby waives any defense of inconvenient forum or other objection to exclusive venue in Maricopa County, Arizona. This arbitration provision shall apply to disputes of any kind or nature regardless of the nature of the relief sought.

b. **WAIVER OF TRIAL BY JUDGE OR JURY. BY AGREEING TO RESOLVE ALL DISPUTES THROUGH BINDING ARBITRATION, MERITAGE AND ITS AFFILIATES AND CONSULTANT EACH GIVE UP THE RIGHT TO HAVE THEIR RESPECTIVE CLAIMS AND DEFENSES DECIDED BY A JUDGE OR A JURY. ALL CLAIMS AND DEFENSES SHALL INSTEAD BE DECIDED BY THE ARBITRATOR.**

c. Participation by Other Parties. Meritage, its affiliates, and Consultant may have all necessary or appropriate persons and entities included as parties to the arbitration. Consultant agrees to participate in and be bound by any arbitration proceeding between Meritage or its affiliate(s) and any third party relating to the Services. Notwithstanding any provision in this Section 11 to the contrary, Meritage shall be entitled to terminate this Master Agreement and/or any or all Authorization Agreement(s) in whole or in part, if any dispute arises between Consultant and Meritage or its affiliate(s), whereupon Meritage and its affiliates shall also be entitled to exercise any and all remedies, deductions and offsets authorized pursuant to this Master Agreement. Notwithstanding any other provision of this Section 11, if Consultant's Subconsultants or material suppliers of Consultant, or any other necessary third party, cannot be forced to mediate or arbitrate, Meritage and its affiliates may elect to unilaterally waive mediation and arbitration.

d. Rules of Law. The arbitrator must follow the substantive law of the State of Arizona, including statutes of limitations, but strict conformity with the rules of evidence is not required, except that the arbitrator shall apply applicable law relating to privilege and work product. The arbitrator shall be authorized to provide all remedies provided for under this Master Agreement and all other recognized remedies available at law or in equity for any cause of action.

e. Attorneys' Fees and Costs. The prevailing party in any such arbitration shall be entitled to recover all of its costs and expenses incurred in such proceeding from the other party, including without limitation the cost of reasonable attorneys' fees and expert witness costs. In addition to the foregoing award of attorneys' fees to the prevailing party, the prevailing party shall be entitled to its attorneys' fees incurred in any court action or proceeding to collect or enforce the arbitrator's award and/or to enforce the provisions of this Section 11.

11.3 Final and Binding Award. The decision of the arbitrator shall be final and binding, and judgment upon the award rendered by the arbitrator may be entered in any court having jurisdiction thereof. A petition to confirm, vacate, modify or correct an award may be filed in any court of competent jurisdiction in Maricopa County, Arizona.

11.4 Severability. In addition to and without limiting the effect of any general severability provisions of this Master Agreement, if the arbitrator or any court determines that any provision of this Section 11 is unenforceable for any reason, that provision shall be severed, and proceedings agreed to in this Section 11 shall be conducted under the remaining enforceable terms of this Section 11.

11.5 Consultant's Duty to Continue and Complete Services. During all disputes, actions, Claims or other matters arising out of ~~or relating to this Master Agreement or the breach thereof, and unless and until Meritage or Consultant terminates this Master Agreement~~ pursuant to and in accordance with Section 6 above, Consultant shall carry on its duties, as described in this Master Agreement, unless Consultant terminates this Master Agreement pursuant to Section 6 above.

12. Miscellaneous.

12.1 Exhibits/Schedules. Exhibits and schedules attached to and referred to in this Master Agreement are incorporated in this Master Agreement by reference and are part of this Master Agreement.

12.2 Time of Essence. Time is of the essence with respect to Consultant's performance under this Master Agreement.

12.3 Choice of Law. Except where otherwise explicitly provided, this Master Agreement shall be construed and interpreted under and shall be governed by and enforced according to the laws of the State of Arizona, without regard to choice of law rules.

12.4 Confidentiality. Consultant agrees to keep confidential any and all information concerning the plans, operations or activities of Meritage, its affiliates, divisions and subsidiaries if such information is divulged to Consultant by any source in the course of the performance of Consultant's Services under this Master Agreement.

12.5 Entire Agreement; Previous Services. This Master Agreement, any Authorization Agreement(s) and the exhibits/schedules thereto contain the entire agreement between the parties with respect to its subject matter and supersede all other agreements or understandings between the parties, including without limitation any previous master professional services agreement. Notwithstanding the fact that this Master Agreement is executed as of the Effective Date, the parties recognize that a portion of the Services required under this Master Agreement (and any Authorization Agreement(s) executed in connection with this Master Agreement) may have been performed prior to the Effective Date. Irrespective of that fact, all work and services performed by or on behalf of Consultant shall be governed by the terms and conditions of this Master Agreement and shall be deemed to be a part of Consultant's Basic Services under this Master Agreement. Consultant shall not be entitled to any compensation for such prior work or services except as expressly provided in this Master Agreement. Without limiting the foregoing, all of Consultant's liabilities and obligations to Meritage and its affiliates under this Master Agreement shall apply to all work and services provided by Consultant prior to the execution of this Master Agreement, notwithstanding the fact that such work or services may have been performed prior to the Effective Date pursuant to prior negotiations, representations, agreements, understandings or otherwise, unless such work and services were (i) not a portion of the Services required under this Master Agreement (and any Authorization Agreement(s) executed in connection with this Master Agreement), and (ii) performed and completed pursuant to a written agreement duly executed by Meritage (or an affiliate of Meritage) and Consultant prior to the Effective Date, in which case the terms and conditions of such written agreement shall govern solely to the extent such work and services were authorized, performed and completed thereunder.

12.6 No Waiver. No waiver of a breach of any of the terms, covenants or conditions of this Master Agreement will be construed or held to be a waiver of any succeeding or preceding breach of the same or any other term, covenant or condition herein contained. The failure of either party to insist upon strict performance of any of the provisions of this Master Agreement shall in no way constitute a waiver of its rights, at law or in equity, or a waiver of any other provisions of this Master Agreement or subsequent default by the other party in the performance of or compliance with any of the terms and conditions set forth in this Master Agreement. The consent or approval by Meritage and/or a Meritage Party to or of any act by Consultant requiring the consent or approval of Meritage and/or a Meritage Party does not waive or render unnecessary the consent or approval of Meritage and/or a Meritage Party to or of any subsequent similar acts by Consultant.

12.7 Headings. Headings used in this Master Agreement are for general reference only and do not have special significance or relevance in construing various aspects of this Master Agreement.

12.8 Invalidity. The invalidity, illegality or unenforceability of any provision of this Master Agreement shall not affect the validity or enforceability of any other provision.

12.9 Survival. All representations; agreements to reimburse, defend, hold harmless or indemnify; dispute resolution provisions; and covenants or agreements of Consultant that contemplate performance after completion of and/or payment for the Services that are set forth in this Master Agreement shall survive any completion or termination of this Master Agreement. Without limiting the generality of the foregoing or the survival of any other express provision to that effect, the terms and conditions contained in Sections 7, 8, 9 and 11 above shall survive the termination of this Master Agreement.

12.10 Successors. Subject to the restrictions and limitations set forth in Section 10.1 above, this Master Agreement shall be binding upon and shall inure to the benefit of the parties and their respective heirs, administrators, executors, permitted assigns and successors in interest.

12.11 Construction. The parties to this Master Agreement agree that both have had the opportunity to review and negotiate the terms of this Master Agreement and to obtain the assistance of counsel in reviewing and negotiating such terms prior to execution, and that this Master Agreement shall be construed neither against nor in favor of either party but shall be construed in a neutral manner.

12.12 Beneficiaries. In addition to specific provisions above, Consultant's Services, obligations, representations, warranties and indemnity promises are generally intended to protect and benefit not only Meritage, but also any applicable project owner, lender, finance source or land banker, and all of their respective affiliates, subsidiaries, corporate parents, partners, joint venturers, officers, directors, shareholders, employees, agents and representatives.

12.13 Modification. This Master Agreement may not be modified, changed or supplemented, nor may any obligations in this Master Agreement be waived, except by a written document signed by the party to be charged or by such party's agent duly authorized in writing.

12.14 Authority to Bind. Each party, and each individual on behalf of each party signing this Master Agreement and/or any Authorization Agreement, represents that it has the full legal power, authority and right to execute, deliver and perform its obligations under this Master Agreement, and each party's performance under this Master Agreement and the transaction contemplated hereby have been duly authorized by all requisite actions on the part of such party, and no remaining action is required to make this Master Agreement and/or any Authorization Agreement binding.

12.15 Cumulative Remedies. All rights, options and remedies of Meritage and its affiliates contained in this Master Agreement are cumulative so that no one of them is exclusive of the other. Meritage and its affiliates will have the right to pursue any one or all of their remedies or to seek damages or specific performance in the event of any breach of this Master Agreement by Consultant, or to pursue any other remedy or relief that may be provided by law or equity, whether stated in this Master Agreement, including without limitation Meritage's right of offset described in Section 12.16 below. Meritage specifically retains and reserves, to the fullest extent permitted by law, all causes of actions, claims, and remedies, in contract and in tort, at law or in equity, seeking recovery for property damage, personal injury, or economic loss arising from, without limitation, breach of contract, negligence, malpractice, fraud, or negligent misrepresentations in connection with or relating to the performance by Consultant of the obligations and duties set forth in this Master Agreement or performed in connection with or as a result of this Master Agreement.

12.16 Cross-Default and Offset. Consultant and Meritage acknowledge and agree that Meritage's continued confidence in the ability of Consultant to properly and expeditiously perform the Services is a substantial and material concern to Meritage. Consequently, if Meritage (and/or any affiliate thereof) and Consultant (and/or any affiliate thereof) enter into or have entered into any other agreements and Consultant defaults under this Master Agreement or under any other such agreement, Meritage may, at its election, treat that default as a default of all agreements between Meritage (and/or any affiliate of Meritage) and Consultant (and/or any affiliate of Consultant) and may terminate any or all such agreements for cause pursuant to Section 6.2 above. In the event of any such default by Consultant under this Master Agreement, Meritage (and/or any affiliate of Meritage) may offset from amounts owing to Consultant (and/or any affiliate of Consultant) under this Master Agreement and/or any other agreement between Meritage (and/or any affiliate of Meritage) and Consultant (and/or any affiliate of Consultant) any losses, damages, costs and expenses incurred by Meritage (and/or any affiliate of Meritage) arising from such default.

12.17 Meritage Name. Consultant shall not use the name of Meritage, Meritage's logo or the logo of any division or project of Meritage without the prior written approval of Meritage, which may be granted or withheld in Meritage's sole discretion.

12.18 Equal Opportunity; Code of Ethics. Consultant shall adopt and maintain (a) employment practices that ensure that it does not discriminate in employment in any way prohibited by applicable Law and (b) business practices consistent with the Meritage Homes Corporation Code of Ethics, a copy of which is available at *www.meritagehomes.com*, which Consultant acknowledges having reviewed.

13. Notices. All notices and other communications made pursuant hereto shall be in writing and shall be deemed properly delivered, received, given and served: (i) on the same day as personally delivered; (ii) when delivered if deposited in the United States mail, certified or registered, postage prepaid, return receipt requested; (iii) when delivered by Federal Express or other comparable courier service, charges prepaid; or (iv) on the same day as actually sent by facsimile transmission to the parties at their respective addresses or facsimile numbers listed on page 1 of this Master Agreement (or, if to a Meritage Party, the address or facsimile number set forth on the applicable Authorization Agreement) if sent before 5:00 p.m. Arizona time, and otherwise on the next Business Day. Either party may change its address for the purposes of this Section 12.18 by giving five (5) days prior written notice of such change to the other party in the manner provided in this Section 12.18. Any delivery failure caused by a party's failure to give notice of change of address or refusal to accept delivery shall be deemed receipt of notice. **No notice to Meritage or a Meritage Party of any breach, default, dispute or Claim under this Master Agreement shall be effective unless and until a copy thereof has also been delivered to Meritage Homes Corporation and addressed as follows: "Meritage Homes Corporation, 17851 N. 85th Street, Suite 300, Scottsdale, Arizona 85255, Attention: General Counsel. THIS NOTICE MAY REQUIRE IMMEDIATE ATTENTION."**

[SIGNATURE PAGE TO FOLLOW]

IN WITNESS WHEREOF, the parties hereto have executed this Master Agreement as of the Effective Date.

"Meritage"

MERITAGE HOMES CORPORATION, a Maryland corporation

By: _____

Name: STEVEN M. DAVIS

Its: EVP – CHIEF OPERATING OFFICER

"Consultant"

FIELDSTONE A&E, LLC, a Michigan limited liability company

By: _____

Name: Bryan Barrett

Its: Vice President