



Acordia
4742 North 24th Street
Suite 270
Phoenix, AZ 85016-9998
Voice: 602.381.2800
800.729.9299
Fax: 602.381.2929
www.acordia.com

April 5, 2006

Arizona First Partners 1, LLC
5041 E. Pershing Dr.
Scottsdale, AZ 85254

RE: 7565 E. Eagle Crest Dr., Mesa AZ 85207

Dear David:

Thank you for your order to bind coverage on the General Liability policy for the above captioned property.

An invoice is enclosed for \$217.00 which is a full annual premium. In addition, I enclose our compensation disclosure which outlines the compensation earned by Acordia on this placement. Please acknowledge this disclosure by signing the acknowledgement form and returning to me.

AutoOwners requires your signature on the products and completed operations exclusion acknowledgement form enclosed.

I hope this answers any questions you may have if not, please give me a call.

Thank you again,

Sincerely,

A handwritten signature in cursive script that reads "Georganne".

Georganne Rodgers, CIC, CRM
Broker, Commercial Insurance Division
602-381-2841 direct
Georganne_rodgers@acordia.com

ACORD. INSURANCE BINDER

ISSUE DATE (MM/DD/YY)

4/05/06

THIS BINDER IS A TEMPORARY INSURANCE CONTRACT, SUBJECT TO THE CONDITIONS SHOWN ON THE REVERSE SIDE OF THIS FORM

PRODUCER Acordia of Arizona 4742 N. 24th Street Suite 270 Phoenix, AZ 85016-9998	COMPANY Auto-Owners Insurance		BINDER NO. 04052006	
	DATE 4/05/06	EFFECTIVE TIME 12:01 X AM PM	DATE 6/05/06	EXPIRATION TIME X 12:01 AM NOON
CODE 25004	SUB-CODE		THIS BINDER IS ISSUED TO EXTEND COVERAGE IN THE ABOVE NAMED COMPANY PER EXPIRING POLICY NO:	
INSURED Arizona First Partners 1, LLC 5041 E. Parshing Scottsdale AZ 85254	DESCRIPTION OF OPERATIONS/VEHICLES/PROPERTY (Including Location) Land Owners			

COVERAGES **LIMITS**

TYPE OF INSURANCE	COVERAGE/FORMS	AMOUNT	DEDUCTIBLE	CONSUR.
PROPERTY CAUSES OF LOSS <input type="checkbox"/> BASIC <input type="checkbox"/> BROAD <input type="checkbox"/> SPEC.				
GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS MADE <input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> OWNER'S & CONTRACTOR'S PROT.	RETRO DATE FOR CLAIMS MADE:	GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COMP/OP AGG. \$ PERSONAL & ADV. INJURY \$ 1,000,000 EACH OCCURRENCE 1,000,000 FIRE DAMAGE (Any one fire) \$ MED. EXPENSE (Any one person) \$		
AUTOMOBILE LIABILITY <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> NON-OWNED AUTOS <input type="checkbox"/> GARAGE LIABILITY		COMBINED SINGLE LIMIT \$ BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE \$ MEDICAL PAYMENTS \$ PERSONAL INJURY PROT. \$ UNINSURED MOTORIST \$		
AUTO PHYSICAL DAMAGE DEDUCTIBLE <input type="checkbox"/> ALL VEHICLES <input type="checkbox"/> SCHEDULED VEHICLES COLLISION: _____ OTHER THAN COL: _____		ACTUAL CASH VALUE STATED AMOUNT \$ OTHER		
EXCESS LIABILITY <input type="checkbox"/> UMBRELLA FORM <input type="checkbox"/> OTHER THAN UMBRELLA FORM	RETRO DATE FOR CLAIMS MADE:	EACH OCCURRENCE \$ AGGREGATE \$ SELF-INSURED RETENTION \$		
WORKER'S COMPENSATION AND EMPLOYER'S LIABILITY		STATUTORY LIMITS EACH ACCIDENT \$ DISEASE-POLICY LIMIT \$ DISEASE-EACH EMPLOYEE \$		

SPECIAL CONDITIONS/OTHER COVERAGES

NAME & ADDRESS

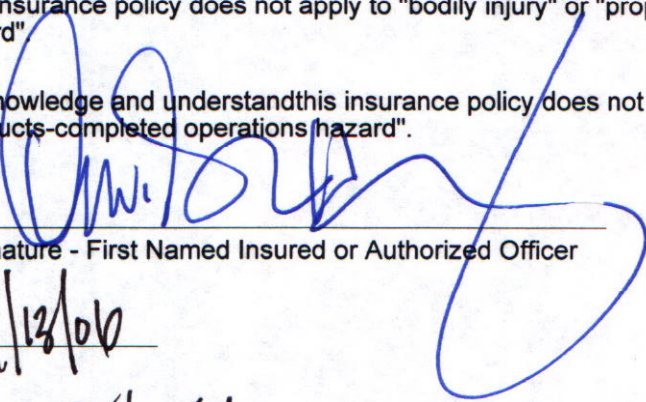
<input type="checkbox"/> MORTGAGEE <input type="checkbox"/> LOSS PAYEE LOAN # _____	<input type="checkbox"/> ADDITIONAL INSURED
AUTHORIZED REPRESENTATIVE 	

**POLICYHOLDERS ACKNOWLEDGEMENT OF
EXCLUSION -- PRODUCTS-COMPLETED OPERATIONS
HAZARD**

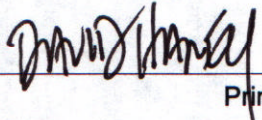
Your policy has been modified by adding CG-21 04 (11-85) Exclusion - Products-Completed Operation Hazard.

This insurance policy does not apply to "bodily injury" or "property damage" included within the "products-completed operations hazard"

I acknowledge and understand this insurance policy does not apply to "bodily injury" or "property damage" included in the "products-completed operations hazard".


Signature - First Named Insured or Authorized Officer

4/12/06
Date

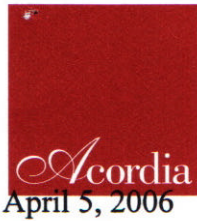

Print Name

Agents Signature - Witness to First Named Insured

Date

Acordia Of Arizona - 25000400
Agency Name and Agency Code

Policy Number _____



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David Haney
Arizona First Partners 1, LLC
5041 E. Pershing
Scottsdale, AZ 85254

REFERENCE: General Liability

COMPENSATION DISCLOSURE STATEMENT

Our principal compensation for the placement and professional servicing of your insurance will be by standard commission, being a percentage of the premium paid from one or more insurers for placing and servicing your insurance with them. In addition, as a result of placing and servicing your insurance, we may also receive income from the following sources:

- * Interest earned on premiums received from you and forwarded to the insurer through our bank accounts.
- * Payments to defray the cost of advertising and services provided to insurers, training and/or compensation for our employees, and other expenses, such as, for example, electronic communication between us and insurers.
- * Additional commission payments (sometimes referred to as “profit-sharing”, “overrides,” “contingent commissions” or “incentive commissions”) which can be based on factors such as profitability, premium volume and/or growth. We describe below how these additional commission payments are calculated.

The following specific disclosure about additional commission payments would apply to the placement and servicing of your insurance.

The insurance company has agreed to pay us a percentage of the aggregate premium received from all of our clients, including you, for the particular kind of insurance, if (i) the aggregate premium exceeds a certain volume and (ii) the “loss ratio” for all of our clients’ policies with the insurer for this calendar year for this kind of insurance is no higher than a certain percentage. The term “loss ratio” means the amount of losses paid and reserved by the insurer on those policies plus the expenses incurred to adjust those losses divided by the amount of premium received for such policies. For example, if the insurer incurs losses and adjustment



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expenses of \$150,000 for policies placed and serviced by Acordia this year and receives www.acordia.com
\$200,000 in premium on such policies, generally the "loss ratio" would be 75%.

This payment will be in addition to the standard commission of 18% of the premium paid by the insurer. Based on the knowledge of the premium at the effective date of the policy, the standard commission earned by Acordia is \$39.60. Premium is subject to change over the term of the policy due to, for example, endorsement requests that you may make or due to premium audits. Should the premium change, the estimated amount of compensation would change accordingly.

The amount of additional compensation from the insurer(s) to us for placing and servicing your insurance cannot be determined at this time because it is based on contingencies, such as aggregate annual volume and loss ratios, which will not be known until some time in the future. Based on the additional compensation paid by the insurer for the preceding year, Acordia estimates the additional compensation paid to Acordia based on the placement and servicing of your policy will be approximately \$0. This estimate is based on the percentage of the premium you paid to the entire premium volume placed with the insurer used to calculate the additional compensation. Acordia has no way of predicting future claim activity. Therefore, Acordia assumes the same factors used in the preceding year in making this estimate.

If you have any questions about this Compensation Disclosure Statement, please contact your Acordia representative. Also, after March 31st of next year, you can receive a revised estimate of the additional compensation received by Acordia by making a written request addressed to your Acordia representative.



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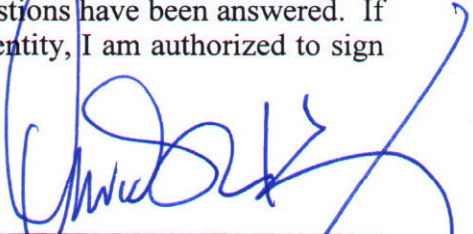
REFERENCE: General Liability

**CUSTOMER ACKNOWLEDGMENT
 OF COMPENSATION DISCLOSURE STATEMENT**

I have read the accompanying COMPENSATION DISCLOSURE STATEMENT, (“the Disclosure Statement”) and understand that, in addition to receiving standard commissions from one or more insurers for the insurance Acordia will place and service, Acordia may receive additional compensation, including additional commission payments, from one or more of the insurers as set forth in the Disclosure Statement.

I have had a full opportunity to review the Disclosure Statement and to ask Acordia personnel any questions about it and am satisfied that any such questions have been answered. If the insurance is being placed and serviced for a business or other entity, I am authorized to sign this acknowledgment on its behalf.

Date: 4/13/06



 [Signature]
 David Harvey, manager

 [Print name of signatory]
 APPS LLC

 [Title]

Received by: _____
 [Print name of Acordia employee]