

**Lost Plantation Homeowners Association
Collection Policy Resolution #002**

WHEREAS Article IV, Section 2 of the Bylaws grant the Board of Directors with the power to conduct Association business and Article VI of the Declaration grants the authority to levy assessments against Owners. The Association's economic well-being relies on the timely payment of assessments and other allowable charges and it is the Boards duty to use its best efforts to collect funds owed to the Association.

LET IT BE RESOLVED THAT the following rules collection procedures will be followed:

1. **Amounts Payable to the Association.** Include, but are not limited to, regular assessments, special assessments, rules enforcement fees, repairs to the common area that are an Owner's responsibility, legal fees, and other costs associated with the collection of funds on behalf of the Association.
2. **Payment Schedule.** The regular assessment is due within 30-days of the Owner receiving an invoice. Fees not received or postmarked within that 30-days will be considered past due.
3. **Late Fees, NSF, and Interest Charges.** A late fee of \$25 will be charged on all delinquent balances. A \$35 NSF (non-sufficient funds) charge will apply to any returned check. Any balance older than 30-days will incur an interest charge of 18% per annum until paid.
4. **Order of Crediting Payments.** Payments received shall be first applied to late charges, interest or collection expenses, then assessments owed.
5. **Process for Delinquency Notification.** For all balances exceeding \$10 that are thirty (30) days past due, the following notification process applies:
 - First Notice: First notice of past due charges will include a detail of assessments owed, late fees, NSF charges, interest, and other charges that apply and will be sent by First Class Mail to the Owner.
 - Second Notice: Second notice of past due charges will include a detail of assessments owed, late fees, NSF charges, interest, or other charges that apply and will be sent by First Class Mail to a Owner whose balance is sixty (60) days past due.
 - 10-Day Demand: 10-day demand for payment will include a detail of assessments owed, late fees, NSF charges, interest, or other charges that apply and will be sent by First Class Mail to an Owner whose balance is seventy five (75) days past due. This notice will recite intent to turn the matter over to an attorney for collection enforcement if balance is not paid within 10-days. Attorney actions

include but are not limited to; filing a lien against the Owner's property, a personal judgment against the Owner, and property foreclosure.

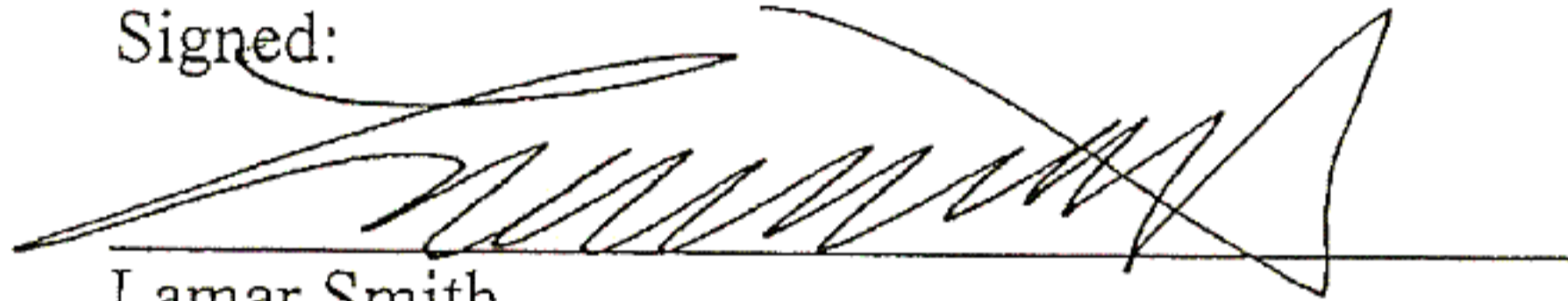
6. **Legal Services.** If a delinquent account is referred to an attorney for collection, the Owner shall be charged the Association's reasonable attorney fees and related costs.

7. **Other Charges.** The Association may charge the Owner for:

- Fees charged by Businesses to collect funds payable to the Association.
- Owner bankruptcy.
- Foreclosure action or deed in lieu of foreclosure.
- Notification, filing, and satisfying liens.
- Enforcement of the Association's Rules, Bylaws, Declaration or Policies.
- Costs of litigation.
- Repairs to the Association's common areas that result from the acts of Owners, their tenants, or guests.

Recorded in the Lost Plantation Board of Minutes: August 8, 2005

Signed:

A handwritten signature in black ink, appearing to read 'Lamar Smith', written over a horizontal line.

Lamar Smith
Developer – Effingham Development Group