

DIAMOND RESORTS HAWAII COLLECTION MEMBERS ASSOCIATION 2015 ASSESSMENT BILLING AND COLLECTION POLICY

The following was adopted by the Board of Directors for 2015.

ASSESSMENT BILLING

Assessment invoices are included with this policy. Should you not receive an assessment notice, it does not relieve you of your responsibility for timely payment. If a bill is not received, it is up to the member to request, and/or notify the Association of any address change.

JANUARY 1 – PAYMENT DUE

Note: A \$20.00 charge will be added to the member's account for any payment that is dishonored, regardless of reason. If assessment is not paid in full by **January 31**, the account becomes delinquent.

FEBRUARY 1 – LATE FEE ASSESSMENT

1. The following charges will be added to all late accounts on **February 1**:
 - a. A one-time late charge equal to 5% of the past due amount.
 - b. An interest charge at the rate of 12% per annum from the due date.
 - c. An exchange (deposit or confirmation) cancellation fee of \$25.00, if applicable.
 - d. General Excise Tax (GET) of 4.16666% on all of the above charges.
2. Delinquency results in the following:
 - a. A reservation cannot be made and member will suffer suspension of use rights.
 - b. Pending reservation requests of any type, including exchanges, will not be confirmed.
 - c. Previously confirmed exchanges or use periods are subject to cancellation. In addition, there is no guarantee that the member will be able to receive a confirmed reservation or exchange after the account is brought current.

FEBRUARY 15—FINAL NOTICE

Management will send a final notice if the account is not paid in full by **February 15**. On **March 15**, the account will/may be submitted for collection action resulting in additional collection fees.

MARCH 15—BOARD ACTION

The Board of Directors may authorize any necessary actions to collect outstanding assessments. Actions may include but are not limited to the following:

1. Lockout letter sent to delinquent members.
2. Submit delinquent accounts to an attorney.
3. Engagement of professional collection agency.
4. Recovery of points through enforcement of security interest and termination of membership.
5. Initiation of small claims suit or legal action.

All related costs for the above, including General Excise Tax (GET) of 4.16666%, will be added to the delinquent member's account.