

**TAHOE SANDS TIME SHARE OWNERS ASSOCIATION
OWNER BILLING AND COLLECTION POLICY**

The following is the Owner Billing and Collection policy for the Tahoe Sands Time Share Owners Association (hereinafter referred to as Association) consistent with the Association's Declaration, State statutes and approved by your Board of Directors. The Managing Agent has been directed to apply this policy to all members of the Association.

BILLING

Annual assessments are levied on each Timeshare Segment owned and are due and payable in one lump sum on or before January 1st, whether or not the resort interval is used by the owner. (Declaration 4.5, 5.2, 5.5, & Bylaw 6.1a, b, 6.3-6.7)

NOTE: All amounts are due in U.S. funds by personal check, bank check, Visa, MasterCard, Discover or American Express. (If paying by credit card, a \$10.00 service charge will be assessed for each interval being paid by credit card) On rare occasions, billings sent through normal mailing channels may not be received by the owner. Failure to receive a billing statement does not relieve the owner of their legal obligation to pay their assessment by the due date or their obligation to pay any and all late charges assessed against their delinquency. It shall be the owners' responsibility to request a duplicate billing statement in such circumstances.

Special assessments billed to an owner by the Association that remain unpaid, will be subject to the same collection process as described below (Declaration 4.5, 5.2, 5.5 & Bylaw 6.2-6.7).

Charges incurred at the resort (personal charges) that remain unpaid thirty (30) days after check-out will be subject to the same collection process as described below.

COLLECTION

Pursuant to this policy, the Managing Agent will utilize its best efforts to collect all amounts owed to the Association from past due owners employing various collection techniques including the assessment of late fees, finance charges, handling telephone calls, written reminder notices and, if necessary, the use of outside collection agencies. If an outside collection agency is used, the Association authorizes the Managing Agent to use such outside sources as the Managing Agent deems necessary to protect the interests of the Association. All collection fees and collection charges assessed by the outside collection agency and the Managing Agent respectively shall be levied against and paid directly by the past due owner. Such fees and charges will be deducted and remitted from amounts paid by the past due owner to the Association.

Rev 10/09

COLLECTION CHARGES

1. 30 DAYS PAST DUE - \$25 LATE FEE
2. 30 DAYS PAST DUE - 1% PER MONTH INTEREST CHARGE (12% APR)
3. 120 DAYS PAST DUE – ACCOUNT SENT TO OUTSIDE COLLECTION AGENCY / FEE ASSESSED BY COLLECTION AGENCY
4. IF A LIEN IS FILED, A \$100 LIEN FILING CHARGE WILL BE ASSESSED
5. IF SMALL CLAIMS IS FILED, A \$150 SMALL CLAIMS PROCESSING CHARGE WILL BE ASSESSED
6. IF FORECLOSURE STEPS ARE TAKEN BY ASSOCIATION, ALL COST PERTAINING TO SUCH ACTION WILL BE ASSESSED
7. IF ACCOUNT IS REINSTATED, A \$50 REINSTATEMENT FEE WILL BE ASSESSED

These charges represent accrual costs incurred as a result of efforts to collect assessments and all other related charges as described above in the BILLING section of this collection policy. As provided in California Civil Code section 1366 (d) and the Declaration, any owner may be charged all such costs, including reasonable attorney's fees, if an assessment becomes delinquent.

OTHER FEES

RETURNED CHECK FEE - \$25.00

DELINQUENCY INTEREST CHARGES

The Association will charge interest at the rate of one percent (1%) per month (12% APR) on all accounts which become 30 DAYS PAST DUE, and it shall continue to accrue until the account is paid in full.

ADDITIONAL PENALTIES FOR DELINQUENCY

1. SUSPENSION OF VOTING PRIVILEGES
2. DENIAL OF BONUS TIME, EXCHANGE, AND/OR REGULAR INTERVAL USAGE
3. CANCELLATION OF EXISTING RESERVATIONS

ADDITIONAL COLLECTION ACTIONS

1. REMINDER NOTICES
2. COLLECTION PHONE CALLS
3. COLLECTION LETTERS
4. LEGAL / FINAL DEMAND NOTICES
5. ASSIGNMENT TO COLLECTION AGENCIES
6. NATIONAL CREDIT BUREAU NOTIFICATION
7. LIEN FILING
8. SMALL CLAIMS FILING
9. SMALL CLAIMS ACTION
10. FORECLOSURE OF LIEN