

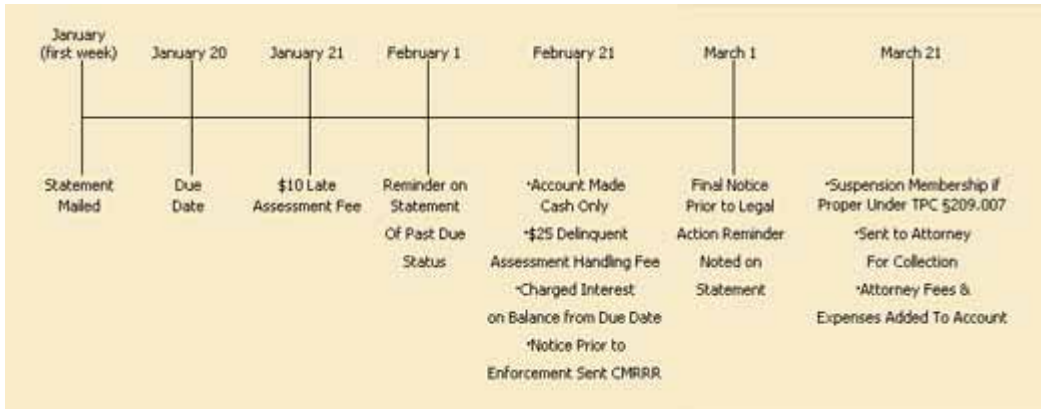
Collection Policy

In order to comply with recently enacted provisions of Chapter 209 of the Texas Property Code, and to protect the interest of the entire community, PPOA has determined a need to re-evaluate our billing and collection policy. PPOA maintains that the best course of action to safeguarding the community's assets is to collect assessment & charges on accounts in a timely manner. Effective January 1, 2003 the following guidelines will be implemented as billing and collection procedures.

Statements are dated the last day of the month and include charges made in that month as well as fixed charges for the next month. Fixed charges include assessments, trash pick up, storage, PPYA, stable, VFD donations, etc. Annual fixed charges, such as TABC, Cart Trail fee, Handicap fee will appear on your December 31st statement. Tennis dues are charged annually on the March 31st statement and MGA Dues are billed in November each year.

Members should receive their statement within the first week of the month and payment in full is **due by the end of the business day on the 20th of each month**. If the payment is received after the end of business on the 20th of the month, it will be considered past due, and if the past due amount includes an assessment, the member will incur a (\$10.00) assessment late fee. Partial payments will first be applied to miscellaneous charges and then to assessments. If the payment has not been received by the last business day of the month (approximately another 10 days), when statements are processed, the member will have a warning that their account is past due (noted on statement). If the payment has not been received by the end of the business day on the 20th of the following billing month (one full month past due), the account will be made "Cash Only", and if the past due amount includes an assessment, charged a (\$25.00) delinquent assessment fee, charged interest from the date due (the 20th day of the preceding month), and a "Notice Prior to Enforcement Action" letter as provided by TPC d209.006 mailed by certified mail. If the payment is still not received by the time statements are processed (two months from the date initially generated and now approximately 40 days past due), a final notice prior to legal action will be noted on the statement and the member advised that reimbursement of attorney fees and expenses may be charged to the account if not paid by the 20th of the month. If payment is not received by the end of business on the 20th of the month (now two months past due and roughly 80 days from date mailed), the member's privileges are subject to being suspended in accordance with the provisions of TPC §209.006-.007; the account sent to the attorney for collection and the attorney fees and expenses incurred (estimated at \$50.00) charged to the member's account. Please see the sample timeline below.

These policies and procedures are intended to comply with all applicable provisions of Texas statutes and laws, and shall be interpreted and applied so as to comply with such laws.



Effective October 7, 2004 the Board of Directors approved a credit granting policy. Part of this policy states that any member account that is 30 days past due two times in a six-month period will be placed on a cash only basis for a period of one year.