

KULEANA CLUB ASSOCIATION OF INTERVAL OWNERS ASSESSMENT BILLING AND COLLECTION POLICY

The following is the Assessment Billing and Collection policy for the Kuleana Club Association of Interval Owners as adopted by the Board of Directors on July 8, 2024.

OCTOBER 1st

You will be mailed the Budget, ABC Policy and Assessment Notice for the next year's assessment. **NOTE: THE ENTIRE YEAR'S ASSESSMENTS MUST BE PAID IN FULL PRIOR TO SUBMITTING OR USING ANY USE WEEK FOR EXCHANGE PURPOSES OR DEPOSITING YOUR WEEK IN THE RENTAL PROGRAM.**

JANUARY 1st

Due date for the full amount if paying annually, or due date for the first of four (4) quarterly payments. Payments are considered late if not received by January 15th.

Quarterly Payment Option

The quarterly option is available to those owners who have a history of paying maintenance and property tax assessments when due. If you have a history of paying late, this option may not be available to you.

You may pay the assessment in full or in four (4) equal quarterly installments. If you choose to pay quarterly, a \$20.00 fee for additional payment processing is added to the first installment payment and this \$20.00 processing fee must be paid with the first installment payment to be eligible for this option. Once you choose this option, the \$20.00 is non refundable should you later choose to pay the entire maintenance fee balance.

To calculate the quarterly payment amount divide the total annual assessment by four (4). This is your quarterly payment amount. Remember to add the \$20.00 processing fee to the first month's payment. Each of the remaining three (3) quarterly payments is due by the first day of, **April 2023, July 2023 and October 2023.**

FEBRUARY 1st

If you have not paid your assessments, your account is delinquent.

If you are delinquent, the following charges are added to all delinquent owner accounts:

- a. A Reinstatement Fee of \$75.00
- b. Maximum Interest allowed by law per month beginning March 1st
- c. An exchange, deposit, or confirmation cancellation fee of \$50.00

If you are delinquent, your reservations are cancelled and you may not hold a reservation until your account is brought current. Exchange requests will not be confirmed. Existing confirmed exchanges will be blocked. There is no guarantee that you will receive a reservation or confirmed exchange after you have brought your account current.

You will be mailed a final Assessment Billing Notice, including all penalties, fees and interest. You must pay all charges in full to have your occupancy and voting rights reinstated. Use Weeks resulting from delinquencies are available for Bonus Time, Vacation Tyme, and the Administrative Hold Program. Net proceeds are used to offset collection costs, assessment liens, foreclosures, and shortfalls in the HOA operating account.

MARCH 1st

Management will send a notice detailing all charges and fees that will be added if the delinquent account is not paid in full in 15 days and is submitted for legal and/or collection action.

APRIL 1st

The Board of Directors may, at its discretion, implement any of the following actions. Any related costs for these actions will be added to the delinquent owner's account.

- a. Engage professional collection agencies to collect payment
- b. Pre-Notification of Lien & Record a Claim of Assessment Lien (\$50 charge to delinquent owners account)
- c. Foreclose on the Claim of Assessment Lien
- d. Institute a Small Claims suit or other legal action

NOTE: A \$25.00 charge will be added to your account for any payment that is not honored (bad check, insufficient funds, etc.). If the first payment is not honored for any reason subsequent payment including applicable late fees must be by secured funds (cash, money order, cashier's check).