

**UNANIMOUS WRITTEN CONSENT OF THE BOARD OF DIRECTORS OF
[ASSOCIATION]
APPROVING COLLECTIONS POLICY**

Effective [DATE]

Pursuant to KRS Chapter 273, the [DECLARATION OF RESTRICTIONS] (the “Master Deed”), the Association’s Articles of Incorporation, and the Association’s Bylaws (collectively the “Governing Documents”), we, [BOARD MEMBERS], being the ## members of the Board of Directors of the [THE ASSOCIATION] a Kentucky non-profit, non-stock corporation (hereinafter referred to as “Association”), unanimously consent to the following Preamble and Resolutions and the actions authorized pursuant to these Preamble and Resolutions:

WHEREAS, the Governing Documents provide for making and collection of assessments against Unit Owners for common expenses of [COMMUNITY], including but not limited to, maintenance and repair of, and insurance charges and utility expenses related to, the Common Elements;

WHEREAS, the Board of Directors of the Association, after consideration of the relevant facts, finds that it is in the best interest of the Association to adopt a formal Collection Policy for the collection of assessments from U Owners.

NOW THEREFORE, BE IT RESOLVED, THAT, the Board of Directors adopts the following Collections Policy:

- **Assessments**
 - Assessments are payable on the first day of each month.
 - At least thirty (30) days prior to the initial assessment in a year, the Board will cause notice to be distributed to each Owner, which notice shall include the amount of the monthly assessment and applicable due dates.
 - The Board’s failure to provide said notice shall not release an Owner from their obligation to pay any assessment.

- **Late Fees and Interest**
 - If the Assessment is not paid by the 10th day of the month, a late fee of \$25.00 shall be charged and added to the outstanding balance and the outstanding balance shall begin accruing interest at annual rate of 12%, compounded monthly.
 - An additional late fee in the amount of \$25.00 and interest will accrue on the 10th day of each subsequent month until the delinquent balance is paid in full.

- The purpose of the late fee is to compensate the Association for the costs and administrative burden of collections and the interest charge is intended to compensate the Association for the time-value of money.
- **Notices**
 - As a courtesy, the Association will cause a notice of delinquency to be sent to delinquent Owners on or about the 10th and 40th days after an assessment becomes due. The Association's failure to do so shall not relieve the Unit owner from the payment of any Assessment, late charges, interest, or costs and expenses of collections, including its attorneys' fees.
- **Legal Action**
 - If an account is not fully paid by the 70th day after the an Assessment initially becomes due, including all late fees and interest, the Association will turn the account over to its attorneys' and the Owner will be responsible for all legal fees associated with the collections process.
- **Application of Payments**
 - The Association shall apply all payments received first to the costs of collections, including its attorneys' fees, then to interest and late charges, and finally to outstanding Assessments.

WITNESS THE SIGNATURES of **NAMES**, being all of the members of the Board of Directors of **ASSOCIATION** a Kentucky non-profit, non-stock corporation.

BILLINGS LAW FIRM, PLLC

