

The Highlands Community Association, Inc.
Policy Resolution #2

Whereas, the Highlands Community Association has the authority to levy an Annual Assessment for the purpose of carrying out the responsibilities of the Association and that such assessments shall be used exclusively for the improvement, maintenance, enlargement and operation of the Common Properties as provided in Article V, Section 2 of the Covenants and Restrictions; and

Whereas, the Board of Directors has the authority to establish a billing schedule and due date for Assessments charged to the Association's Membership and the Board of Directors has the authority to establish a past-due date, in which an Assessment shall be considered delinquent if the Assessment has not been paid, as provided in Article V, Section 3 and Article V, Section 9, respectively of the Covenants and Restrictions; and

Whereas, the Board of Directors has the power to establish, adopt, and enforce rules and regulations with respect to use of the common areas and with respect to such other areas of responsibilities assigned to the association by the Declaration and Covenants and Restrictions, as provided in the Virginia Property Owner's Association Act, Section 55-513; and

Whereas, the Board of Directors seeks to establish a Past-Due Date and a Late Fee to be applied to all accounts, in which the Assessment has not been paid by the Past-Due Date; and

Now, Therefore, the Board of Directors hereby resolves that beginning on January 1, 2000, a Twenty Dollar (\$20.00) Late Fee will be applied to all delinquent accounts. In addition to the Annual Assessment and Special Assessment, the Late Fee shall be a charge and continuing lien on the real property and improvements thereon against which each Late Fee is made. The past-due date will be the last day of each month. If any Member's Assessment fee is not received by the last day of the month and the Member's Account does not have a zero (\$0.00) balance, then a Twenty Dollar (\$20.00) Late Fee will be applied to the Member's Account on the 1st day of the next month and the 1st of each following month until the Assessment is paid.

Approved by the Board of Directors on 8.30.99

Motion made by: X [Signature]

Seconded by: X [Signature]

Witnessed by: [Signature] 8.30.99
Secretary of the Board of Directors - Oliver D. Rudy