



## Malvern Club, Inc. Financial Policy

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The Malvern Club, Inc., has adopted the following policy to fix, levy, collect, and enforce by any lawful means, all charges or assessments due or to become due to The Malvern Club, Inc.

1. Association Dues. The annual assessment is currently set at \$600.00 per lot. Payment amounts and due dates are as follows:
  - a. The total \$600.00 or a minimum first payment of \$350.00 is due on March 1<sup>st</sup> of each year and considered to be late if postmarked after March 31<sup>st</sup>.
  - b. The second payment in an incremental amount of \$250.00 or equal to the remaining balance is due September 1<sup>st</sup> of each year and considered to be late if postmarked after September 30<sup>th</sup>.
  - c. The Malvern Club, Inc., currently does not have a special assessment. Assessment dates, payment amounts, and due dates will be set at the time a special assessment is required/established. A special assessment will otherwise conform to this adopted policy.
  - d. Notice of Assessment regarding each portion of The Malvern Club, Inc., dues will be sent to each member by the Treasurer via regular mail at least thirty (30) days before each due date. Assessment will be considered delinquent when unpaid more than sixty (60) days after the date of the written Notice of Assessment.
2. Late Fees. Any payment received after the above-stated closing dates shall be considered delinquent and shall be assessed a \$30.00 late fee. Only one \$30 late fee shall be charged each year on the annual assessment. The late fee shall be charged following the first instance of a late payment. Late fees may not be waived for any reason. There will be no late fee assessed on late fee balances.
3. Late Notices. The Treasurer will send a First Overdue Notice that will include an immediate payment demand fifteen (15) days after the established delinquency date via regular mail. If no payment has been received within the next fifteen (15) days, a Second Overdue Notice that will include an immediate payment demand will be sent via Certified Mail. If no payment is received within the next fifteen (15) days, the debt may be turned over to legal counsel to pursue a civil judgment and/or file a memorandum of lien against the delinquent property(s).
4. Routine Prepayment Plans. A member may choose to make periodic payments throughout the fiscal year (January 1<sup>st</sup> through December 31<sup>st</sup>) and will be considered paid in full for any portion of the year provided that:
  - a. Periodic prepayments totaling at least \$350.00 be postmarked no later than March 31<sup>st</sup>,

AND

  - b. Periodic prepayments totaling the remaining assessment balance be postmarked no later than September 30<sup>th</sup>.
5. Suspension of Rights to Enjoyment of Community Facilities. Once a member has failed to meet the above stated deadlines (March 31<sup>st</sup> and September 30<sup>th</sup>), the Treasurer will advise the Board

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of Directors and the applicable committees in writing of such delinquency and the member's rights to enjoyment of community facilities will be suspended for non-payment. Once all overdue assessments have been received, deposited and funds cleared through the financial institution utilized by The Malvern Club, Inc., the Treasurer will advise the Board of Directors and the applicable committees in writing that the member has been reinstated and eligible to their rights to enjoyment of community facilities. The Treasurer will maintain the master list of all members who have had their right to enjoyment suspended.

6. Obtaining a Civil Judgment and/or Filing a Memorandum of Lien

- a. In order to protect its financial interests, The Malvern Club, Inc., may seek legal counsel or otherwise begin proceedings to enforce payment of assessments if a member has failed to pay in full the required assessment within 60 days of a Notice of Assessment. The Malvern Club, Inc., may authorize legal counsel to file a civil judgment against the member and/or may authorize the filing of a memorandum of a lien which will become public record once filed. As such, the legal actions sought will minimally include the applicable overdue assessments to The Malvern Club, Inc., current State of Virginia judgment interest rate, filing and release fees required by the County of Madison, the cost of collection, and applicable legal counsel's fees. Subsequent delinquencies may be enforced using similar methods.
- b. The Treasurer will provide in writing to the Board of Directors at each monthly meeting a listing of all civil judgments and memoranda of liens within the community and their applicable status.

7. Overdue Assessment Payment Plan. An exception to the above civil judgment and/or memorandum of lien placement will be for those members who have made arrangements with the Treasurer in writing to make monthly installments. All arrangements for a payment plan that extends past a fiscal year must be approved by the Board of Directors. However, should these good faith installments for any payment plan cease for two consecutive months, the debt may be turned over to legal counsel for further legal action.

8. Additional Fees. The following fees and charges may be added to a member's delinquent assessment and are collectible to the same extent and in the same manner as described herein:

- a. Any handling charges, administrative fees, postage, or other collection costs or expenses incurred by The Malvern Club, Inc., in connection with the collection of any assessment or related amount owing beyond the delinquency date.
- b. A charge of \$30.00 plus bank fees for a deposited check returned unpaid for any reason.
- c. A late charge of \$30.00 for a delinquent assessment.
- d. When a memorandum of lien is filed, annual interest will accrue at the judgment rate established by Virginia from the date of delinquency through final satisfaction of the lien.
- e. All associated civil judgment court fees.
- f. All associated lien fees, if a memorandum of lien is prepared and/or recorded.

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- g. Legal counsel fees and costs.
  - h. Any other fees associated to the collection of delinquent assessments of a member.
9. Application of Funds Received. Unless otherwise directed in writing by the member and unless otherwise subsequently changed by state statute, all moneys received by The Malvern Club, Inc., will be applied to amounts outstanding to the extent of and in the following order:
- a. First, to assessments.
  - b. Next, to late fees and interest on those late assessments.
  - c. Then to collection fees and legal counsel's fees and costs The Malvern Club, Inc., has incurred and related to the delinquent assessment.
  - d. Next, to other unpaid fees, charges, and fines or interest and late charges on any of those amounts.
10. Contacting the Board of Directors
- a. Email address for the Board of Directors: [malvernhwa@malvernofmadison.org](mailto:malvernhwa@malvernofmadison.org)
  - b. Email address for the Treasurer: [treasurer@malvernofmadison.org](mailto:treasurer@malvernofmadison.org)

Enacted by the Malvern Club, Inc., Board of Directors on October 13, 2011, amended by the Board of Directors on November 14, 2019, again on January 14, 2021, and again on November 9, 2023.