



## **Overdue Accounts – Lien Process**

December 1, 2008

The Board has been addressing the slow paying of monthly maintenance fees over the years. It has been mentioned numerous times in the past 4 years that when maintenance fees are not paid in a timely manner it inhibits the Boards ability to operate.

To avoid any maintenance fee increases or assessment to compensate for this practice the Board has no choice but to strictly adhere to **Section 17 of the Articles of Association.**

***The Articles and the Board expects all shareholders to pay their monthly maintenance fees, promptly, within the monthly billing cycle...***

### **Notice of Call**

***In order to accommodate section 17, this notice will act as “Notice of Call” to all shareholders that all fees are to be paid to Coral Beach, Freeport monthly and promptly within the monthly billing cycle. In the event that the past due balance and any previously billed late charges and electric charges are not paid in full in a 60 day period from the first of any month, an administration fee of \$250 will be automatically applied to the Owners account. After which a letter will be sent demanding payment as a prelude to a lien action.***

***In the event that after this notice is issued and or if any balance remains or carries over from any billing period, the administration fee will be applied every 60 days to the account until brought current, (in addition to the interest on the unpaid balance)***

***It should be noted that if an account is overdue for 90 days the matter will automatically be passed on to the Coral Beach Attorney, without any further notice. Once in the Attorney’s hands, the Lien process has commenced and legal fees are irreversible. The Shareholder from that point on must deal directly with the Lawyer’s office and pay all legal fees, any affiliated expenses and reoccurring 60 day administration fees until the account is current.***

**The Articles are also clear that “in the event of a dispute Shareholders shall not withhold payment of fees while matters in question are being reviewed.”**

In many cases when an account is in arrears the common practice of some Shareholders is to make claim that there is an irregularity in their account, stating, that is the reason for the account not being current. The Articles are clear that there is no acceptable excuse for a shareholder to withhold payment.



In the past the majority of owners have stated that do not wish to bank roll others investments. The Board in the past 4 years has been addressing this general directive. This re notification and now stricter appliance of policy is another step in that direction.

The Board encourages all Shareholder to pay on time to avoid penalty fees and so that the Board can continue to improve the value of our investment in the Bahamas. Interest at 1-1/2% compounded monthly equates to in excess of **19% annually**, Coral Beach should not be your Bank of last choice!

A good number of Owners are leaving **Post Dated Checks** or **Paying in Advance**. These are two assured methods of payment that will avoid an account slipping into arrears.

Board of Directors  
Treasurer