

EXHIBIT A

Alternative Payment Plans and Application of Payment Policy

Date: March 2025

Property Owners Association: Llano Grande Golf Course Road Subdivision Property Owners' Association

Association's Address: 3017 Benjamin Ave., Mercedes, Texas 78570

Subdivision: Llano Grande Golf Course Road Subdivision

Monetary penalties: \$25/month as set forth in the Bylaws

Payment Plan Guideline: A member of the Association who is delinquent in the payment of any regular or special assessments or any other amounts owed to the Association (collectively, "Delinquent Payments") shall be entitled to enter into a payment plan with the Association providing for an alternative payment schedule by which the member may make partial payments to the Association for Delinquent Payments (each, a "Payment Plan"). Each such Payment Plan shall be in accordance with terms of these Payment Plan Guidelines and the requirements of Section 209.0062 of the Texas Property Code (the "Code").

Notwithstanding the foregoing or any provision herein to the contrary, the Board of Directors of the Association, in its discretion, may elect: (a) not to allow a Payment Plan for any Member who has failed to honor the terms of a previous payment plan with the Association during the two (2) years following the Member's default under the previous Payment Plan, (b) not to allow a Payment Plan after the period of cure set forth in the Violation Notice and delivered pursuant to the Fine and Enforcement Policy has expired, and (c) not to allow a Payment Plan for any Member who has already entered into a Payment Plan with the Association within the same 12-month period.

Payment Plans: Payment plans may be for a minimum of three months to a maximum of eighteen months. Any Payment Plan shall be evidenced in writing by an agreement executed by both the member and an authorized representative of the Association. Such writing shall specify the total amount of Delinquent Payments owed, the total amount of Payment Plan Administrative Charges, and the period of repayment under the Payment Plan. Unless stated otherwise in the Payment Plan, each payment due under any Payment Plan shall be due on or before the first (1st) day of each month. Any payment made pursuant to a Payment Plan which is returned for insufficient funds, and any payment which is received after the due day thereof, shall constitute a material breach of the Payment Plan, in which event the Payment Plan shall terminate, and all unpaid amounts subject to the Payment Plan shall immediately become due and payable in full.

There shall be three (3) Payment Plans available as follows:

1. Members owing Delinquent Payments to the Association totaling **\$600 or less** shall be entitled to pay all Delinquent Payments and any "Payment Plan Administrative Charges" (as defined below) owed in equal monthly installments over a period of six (6) months.
2. Members owing Delinquent Payments to the Association totaling **\$601-\$1200** shall be entitled to pay all Delinquent Payments and any "Payment Plan Administrative Charges" owed in equal monthly installments over a period of twelve (12) months.
3. Members owing Delinquent Payments to the Association totaling **\$1201 or more** shall be entitled to pay all Delinquent Payments and any "Payment Plan Administrative Charges" owed in equal monthly installments over a period of eighteen (18) months.

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Administrative Charges. Under any Payment Plan, in addition to the Delinquent Payments due and payable thereunder, the Association shall also be entitled to recover all interest due and payable on the member's Delinquent Payments (which interest shall continue to accrue on all Delinquent Payments in accordance with applicable provisions of the Association's governing documents), as well as the Association's reasonable costs associated with administering the Payment Plan (collectively, the "Payment Plan Administrative Charges").

Application of Payments. In accordance with the terms of Section 209.0063 of the Code, except for payments made to the Association by members who are in default under a Payment Plan with the Association, any payment received by the Association from a member shall be applied to the member's debt in the following order of priority:

1. Delinquent Assessments
2. Current Assessments
3. Attorney's fees or third-party collection costs incurred by the Association associated solely with assessments or any other charge that could provide the basis for foreclosure.
4. Attorney's fees incurred by the Association that are not subject to subparagraph (3).
5. Fines assessed by the Association.
6. Any other reasonable amounts owed to the Association.

Any payments received by the Association from a member of the Association *who is in default under a Payment Plan* with the Association shall be applied to the member's debt in the following alternative order of priority:

1. Attorney's fees or third-party collection costs incurred by the Association in connection with collection of the member's debt.
2. Any other fees and expenses reimbursable to the Association in connection with collection of the member's debt.
3. Late charges and interest due by the member
4. Delinquent Assessments
5. Current Assessment
6. Any other amount owed to the Association (excluding fines)
7. Fines assessed by the Association

Amendments. This policy may be amended from time to time by the Board.