



MEMORANDUM

Subject: Direct Debit Payments

Attached you will find an Agreement for Pre-Authorized Payments (Direct Debit) application. This is a convenient way to pay your assessments. It is cost effective, reduces errors, and more importantly saves you time and money. Direct Debit ensures that your payment is applied to your account on time.

Below are our most frequently asked questions regarding Direct Debit:

Q – Does my banking institution participate in Direct Debit?

A – Cardinal Management will verify electronically that your bank participates.

Q – When will I be debited? How much are you going to debit?

A – All direct debits are done on the 10th of the month, unless the 10th falls on a weekend or holiday. In that case it would be withdrawn on the following business day. We will only debit the amount of your assessment. Quarterly and Semi-Annual assessments also will be debited on the 10th day of the month in which it is due. Example: January 1, 2008 was debited January 10, 2008.

Q – How long till it takes effect?

A – As long as your application is received properly filled out and accompanied by a voided check by the 10th of the month, and the account is current in status, the direct debit will begin the following month.

Q – If I want to stop the direct debit what do I do?

A – Upon receiving your written request before the 1st of the month we will stop your Direct Debit.

Q- How do I change the bank account that is debited?

A - A new form is not required. All that is needed is a short note stating that you want to change your account information and a voided check of the new account.

Q - What if I forget that I am on Direct Debit and still send checks?

A – Credit balances will only be refunded upon request.

Q – What if my account does not sufficient funds to cover the Direct Debit?

A – You will be subject to a minimum of \$35.00 return check fee. The payment that is returned must be paid with check or money order. We will not attempt another Direct Debit for that month.

Q - *Will I need to notify my bank of increases in my assessments?*

A – No, we will automatically debit the increased amount.

We hope this has answered most of your questions about our Direct Debit, but if it hasn't please contact our office and someone will gladly assist you with any further questions or concerns.

Thank you,
Cardinal Management Group, Inc.