

ACH Transfer Agreement and Disclosure Statement For Automatic Assessment Payments

This Agreement and Disclosure Statement only applies if you have Automated Clearing House (ACH) transfers from any of your accounts by CMSI, Inc., on behalf of Spirit Ridge Homeowners Association.

A. Assessment Payment Services

CMSI, for itself or as agent for your Association, will originate authorized debits to the checking account designated by you on the Spirit Ridge Homeowners Association Authorization Agreement for Direct Payments (ACH Debits) form. Authorized debits may only be charged to accounts at other participating depository financial institutions; therefore, CMSI cannot guarantee that your bank will support this service.

B. Changes to Preauthorized Payment Amount of Due Date

It is the Association's responsibility to advise CMSI and the subscriber homeowner of the periodic assessment payment amount as well as changes thereto. The Association must mail or deliver written notice of changes in the amounts (other than the normal dues plus late fees) of preauthorized debits to CMSI and to you at least ten (10) days before the scheduled date of transfer. CMSI is entitled to rely solely on the information, representations and warranties provided by the Association, or its authorized representatives, and to act thereon. Further, CMSI may rely on the representations and warranties of the Association's governing documents and any applicable statutes, including notification requirements of the ACH rules. For itself, or as agent for the Association, CMSI assumes no responsibility to pre-notify or otherwise communicate to you of the ACH service, changes initiated by the Association, its managing agent or authorized representative.

C. In case of error or questions about your ACH

All questions about entries made under this agreement must be directed to CMSI and not to the bank or other financial institution where you have an account. We are responsible for the origination of ACH authorized debits and for resolving any errors in such transactions. You may write to us at CMSI, Inc. 10940 S. Parker Rd #403, Parker, CO 80134. We will **not** send you a periodic statement or other notice of transactions that originated under this Agreement. The transactions will appear only on the statement issued by your bank or other financial institution. All transactions will take place before the 9th of the month.

D. Our Business Days & Hours

Our business days are Monday through Friday, excluding bank holidays, from 9 a.m. to 5 p.m.

E. How to Stop Preauthorized Payments

If you have authorized us to make regular automatic payments from your account, you may terminate the Authorization Agreement for Direct Payments to stop these payments. To terminate, you must call or write to us in time for us to receive the request which is at least three (3) business days or more before the payments is scheduled to be made. If you call, we may also require that you put your request in writing within 14 days of your call.

F. Notice of Varying Payment Amount

If the regular payment that you have authorized varies in amount (other than a standard late fee and the next months current dues if the transaction fails to process due to lack of funds), we will notify you in writing 10 business days before each variable payment is made informing you when it will be made and how much it will be.

G. Transfer Failures

If we do not complete a transfer from your account on time or in the correct amount according to our Authorization Agreement with you, we will be liable for the economic losses or damages that you suffered that were reasonably foreseeable to us at the time of the transfer. However, we are not liable:

- If, through no fault of ours, you do not have enough money in your account to make the transfer, or
- If, through no fault of ours, the information for preauthorized payment transfer is not received as scheduled.
- You will be charged the normal fees and standard late fee on the 10th of the month.

H. Privacy

We may disclose information to third parties about your account or transfers:

- When it is necessary for the completion of transfers, or
- In order to verify the existence and condition of your account for a third party, such as credit bureau or merchant, or
- In order to comply with the legal or regulatory processes, or
- If you give us written permission.

I. Other agreements and Regulations

Preauthorized transfers are subject to all changes, rules and regulations governing deposits and all other agreements and disclosures for checking accounts and are subject to any future changes. CMSI will give you at least 21 days notice of any changes that increase your ACH service expenses or limit your use of the ACH service. Any costs attributable to your account, such as NSF or closed account charges, shall be assessed to your CMSI or Association homeowner assessment account at CMSI's discretion and will be withdrawn on the next processing date.

J. Termination

CMSI reserves the right to make changes to this Agreement at any time. CMSI may cancel any preauthorized transfer services without cause, and you can terminate this Agreement at any time by giving sufficient notice as set forth in paragraph E herein above.