

**POLICY FOR THE APPLICATION OF FUNDS
OF HOLLY GLEN CONDOMINIUM OWNERS ASSOCIATION, INC.**

The Board of Directors of Holly Glen Condominium Owners Association, Inc. (the "Association") has adopted a policy regarding the application of funds received from owners of units within the Association. The purpose of the policy is to promote clarity and understanding as to how the payments are applied.

If an Owner is current: With respect to those owners who are current in their dues, their payments will be applied to their regular monthly dues.

If an Owner has an unpaid balance: Regarding any payment received by the Association from an owner whose account reflects an unpaid balance, such payment shall be applied to the outstanding balance in the following order:

- First – Costs of Collection, including Attorneys' Fees;
- Second – Violation Fines;
- Third - Late Charges;
- Fourth – Special Assessments; and
- Fifth – Regular Assessments.

This policy shall be effective as of March 11, 2011.