Park River West Condominium Association, Inc.
ELECTRONICS PAYMENTS POLICY

The following Electronics Payments Policies and Procedures ("Policy") governing electronics payments to Park River West Condominium Association, Inc. is adopted by the Association Board of Directors pursuant to C.R.S. 38-33.3-302(1)(a) and C.R.S. 33.3-303(1) at a meeting of the Board of Directors.

1. **Purpose.** This policy establishes the guidelines and procedures governing the use of Automated Clearing House (ACH) electronic payment transactions for the collection of assessments, fees, and other amounts owed to the Association. The purpose is to ensure timely, accurate, and secure processing of electronic payments while protecting the financial interests of the Association and its members.

2. **Scope.** This policy applies to: (1) All Unit Owners and residents subject to ASSOCIATION assessments; (2) any management company hired by ASSOCIATION; (3) the Board of Directors and any authorized financial personnel; and (4) All ACH debit and credit transactions processed on behalf of the ASSOCIATION.

3. **Definitions.** As used in this policy, the following terms shall have the meanings set forth below:

3.1 **ACH (Automated Clearing House):** A nationwide electronic funds transfer network that enables direct bank-to-bank transactions.

3.2 **ACH Debit:** A transaction where funds are pulled from a Unit Owner's bank account and deposited into the Association's account.

3.3 **ACH Credit:** A transaction where the Association initiates a payment from its account to another party.

3.4 **Association:** Means the Park River West Condominium Association, Inc., a Colorado non-profit corporation, its successors, and assigns.

3.5 **Authorization Agreement:** A signed form from a Unit Owner authorizing the Association to initiate ACH debits from their designated bank account.

3.6 **NACHA:** The National Automated Clearing House Association, which governs ACH rules and regulations.

3.7 **Originating Depository Financial Institution (ODFI):** The Association's bank that initiates ACH transactions.

3.8 **Receiving Depository Financial Institution (RDFI):** The Unit Owner's bank that receives the ACH transaction.

3.9 **Return Item:** An ACH transaction that is rejected or returned by the Unit Owner's financial institution.

4. Enrollment And Authorization.

4.1 **Voluntary Enrollment.** Participation in the ACH payment program is voluntary. Unit Owners who wish to pay assessments via ACH must complete and sign an ACH Authorization Agreement form provided by the Association or its authorized management company and provide proof of the institution routing and owner's account number, such as a deposit slip or voided check.

4.2 **Required Information.** To enroll, Unit Owners must provide:

- Full legal name of account holder(s)
- Bank name and routing number (ABA/transit number)
- Bank account number
- Account type (checking or savings)
- Signature(s) of all account holders, if required by the financial institution
- Confirmation of the quarterly draft date on the first day of each calendar quarter

4.3 **Authorization Agreement.** The signed ACH Authorization Agreement constitutes the Unit Owner's express written consent for the Association to initiate recurring or one-time ACH debit entries from the designated account. The agreement must be retained on file for a minimum of two (2) years following the termination of the authorization.

4.4 **Changes to Banking Information.** Unit Owners must notify the Association in writing at least ten (10) business days prior to the next scheduled draft date if they wish to change their bank account information or draft date. Changes submitted after this deadline will take effect on the following draft cycle.

5. Payment Schedule And Processing

5.1 **Draft Dates.** The Association will process ACH debits quarterly typically the 1st of day of each calendar quarter unless otherwise communicated to Unit Owners in writing or otherwise specified Association governing documents.

5.2 **Assessment Amounts.** ACH drafts will reflect the current assessment amount as approved by the Board of Directors and Unit Owners in the annual budget of Association. Unit Owners will be notified in writing at least thirty (30) days in advance of any change in the assessment amount that will affect their ACH draft.

5.3 **Special Assessments.** Special assessments are not automatically included in the standard ACH draft unless the Unit Owner provides updated written authorization specifically covering the special assessment amount and payment schedule.

5.4 **Processing Timeline.** ACH transactions typically settle within one (1) to three (3) business days. The effective date of payment is the scheduled draft date, provided the transaction is not returned.

6. RETURNED PAYMENTS AND INSUFFICIENT FUNDS

6.1 **Returned Item Fee.** If an ACH transaction is returned for any reason (including but not limited to insufficient funds, account closed, invalid account number, or stop payment), the Unit Owner will be assessed a returned item fee as established in the Association's current fee schedule. Although the Association does not currently charge a fee, the Association may charge and adjust fees annually should the Board of Directors determine it is necessary to recover unnecessary costs.

6.2 **Late Charges.** A returned ACH payment does not constitute timely payment of an assessment. If the returned payment results in the assessment being unpaid past the due date, applicable late charges will be assessed in accordance with the Association's Collection Policy.

6.3 **Notification.** The Association will notify the Unit Owner of a returned ACH transaction by email or telephone within five (5) business days of receiving notice of the return from the financial institution.

6.4 **Resubmission.** The Association is not obligated to resubmit a returned ACH transaction. Unit Owners are responsible for remitting payment by check within ten (10) days of notification of the returned item.

~~6.5~~ **Suspension of ACH Privileges.** An account that experiences two (2) or more returned ACH transactions within any rolling twelve (12)-month period may be terminated from the ACH program. Reinstatement is at the discretion of the Board of Directors.

7. Cancellation And Revocation

7.1 **Cancellation by Unit Owner.** A Unit Owner may cancel their ACH authorization at any time by submitting written notice to the Association or its management company. Cancellation requests must be received at least ten (10) business days prior to the next scheduled draft date to take effect for that cycle.

7.2 **Cancellation by the Association.** The Association reserves the right to cancel a Unit Owner's ACH authorization with written notice for reasons including, but not limited to: repeated returned items, delinquency, account dispute, or sale/transfer of the property.

7.3 **Effect of Property Transfer.** ACH authorization is tied to the Unit Owner and the specific property. Upon sale or transfer of the property, the authorization is automatically terminated. The new owner must submit a new ACH Authorization Agreement if they wish to participate in the program.

8. Data Security and Confidentiality.

8.1 **Compliance.** The Association and its management company, if any, shall handle all ACH-related banking information in compliance with applicable federal and state laws, NACHA Operating Rules, and industry best practices for data security.

8.2 **Storage and Access.** All ACH Authorization Agreements and associated banking information will be stored securely. Access is restricted to authorized personnel with a legitimate business need. Physical documents will be stored in locked files; electronic records will be protected by appropriate access controls.

8.3 **Data Retention.** ACH authorization records will be retained for a minimum of two (2) years after the cancellation or expiration of the authorization, in accordance with NACHA requirements.

8.4 **No Third-Party Disclosure.** Unit Owner banking information will not be sold, leased, or disclosed to any third party except as required for the processing of ACH transactions (e.g., the Association's financial institution) or as required by law.

9. Unit Owner Rights And Dispute Resolution

9.1 **Right to Dispute.** Unit Owners have the right to dispute any ACH transaction they believe was processed in error. Disputes must be submitted in writing to the Association within sixty (60) days of the transaction date.

9.2 **Investigation.** The Association will investigate all disputes in good faith and respond in writing within thirty (30) days of receiving the written dispute.

9.3 **NACHA Rights.** Nothing in this policy limits a Unit Owner's rights under NACHA Operating Rules or applicable federal law, including the right to contact their financial institution regarding unauthorized transactions.

10. **<u>Board Oversight and Policy Review</u>**

10.1 **Administrative Responsibility.** The Treasurer, or designee, is responsible for overseeing the ACH program, ensuring compliance with this policy, and maintaining accurate records of all ACH authorizations and transactions.

10.2 **Annual Review.** This policy shall be reviewed annually by the Board of Directors and updated as necessary to reflect changes in law, NACHA rules, banking practices, or Association needs.

10.3 **Amendments.** Amendments to this policy require approval by a majority vote of the Board of Directors at a duly noticed board meeting.

11. **<u>Compliance With Applicable Law And Governing Documents.</u>**

11.1 **Legal Compliance.** This policy is intended to comply with all applicable federal and state laws governing electronic funds transfers, including the Electronic Fund Transfer Act (EFTA), Regulation E, and NACHA Operating Rules. In the event of a conflict between this policy and applicable law or NACHA rules, applicable law and NACHA rules shall control.

11.2 **Governing Documents.** This policy does not supersede any provisions of the Association's governing documents (Declaration, Bylaws, or Rules and Regulations). In the event of a conflict between this policy and the governing documents, the governing documents shall control, unless applicable law would otherwise control.

12. **<u>Limitation of Liability</u>.** The Association shall not be liable for any fees, penalties, or damages incurred by a Unit Owner as a result of a returned ACH transaction caused by insufficient funds, incorrect banking information provided by the Unit Owner, or actions of the Unit Owner's financial institution.

<u>EFFECTIVE DATE</u>. This Policy shall become effective on July 27, 2026.

Park River West Condominium Association, Inc.

By: Carol Primdahl
Carol Primdahl, President

Attest: Faye Bellman-Yohe
Faye Bellman-Yohe, Secretary

This Policy was adopted by the Board of Directors at a regular meeting held on July 27, 2026, and is attested to by the Secretary of the Park River West Condominium Association, Inc.

APPENDIX

PARK RIVER WEST CONDOMINIUM ASSOCIATION, INC.

ELECTRONIC PAYMENT AUTHORIZATION AGREEMENT

I/We hereby authorize Park River West Homeowner's Association ("the Association") to initiate recurring ACH debit entries to my/our account at the financial institution named below for the purpose of paying Unit Owner assessments and related charges. This authorization shall remain in effect until cancelled in accordance with the terms described below.

Unit Owner Information

Unit Owner Name(s): ____

____

Property Address: ____

Estes Park, Colorado 80517

Unit / Lot Number: ____

Banking Information

Financial Institution Name:___________________________________

Bank Routing Number (ABA):________________________________

Bank Account Number:______________________________________

Account Type: ☐ Checking ☐ Savings

Date: 1st Day of Each Calendar Quarter in January, April, July and October

I/We have attached a deposit slip or cancelled check from the account showing the bank routing number and account number from with Electronic Payments will be withdrawn. We understand that this authorization will remain in effect until I/we provide written notice of cancellation with at least ten (10) business days' notice prior to the next draft date. I/We certify that the banking information provided above is accurate and that I/we are authorized signatory/signatories on the designated account. I/We further acknowledge that returned ACH transactions may result in fees and that I/we remain responsible for timely payment of all assessments.

Signatures:

Printed Name: __________________________ Printed Name:_____________________________

Signature:______________________________ Signature:________________________________

Unit Number:___________________________ Unit Number:______________________________

Date:__________________________________ Date:____________________________________

ATTACH DEPOSIT SLIP OR CANCELLED CHECK FROM BANK ACCOUNT USED FOR ELECTRONIC PAYMENTS.