

ASSOCIATES AT CHAPMAN LAKE, INC

Delinquent Account Policy

Effective: August 7, 2018

I. PURPOSE

The purpose of this policy is to define account delinquency and set forth the actions that will be taken by the Associates at Chapman Lake, Inc. ("AACL") when a lake resident's account becomes past due.

II. BACKGROUND

In 2007 the Associates at Chapman Lake, Inc. ("AACL") acquired ownership of the majority of Chapman Lake. In 2012 the AACL purchased the two remaining portions of the lake.

Since 2007 the AACL has provided financial support for Chapman Lake maintenance and expenses such as insurance, property taxes, fish stocking, etc. In order to do this, AACL relies primarily on the income provided by lake residents in the form of annual lake fee payments.

In 2013 Lackawanna County Court of Common Pleas Judge Carmen M. Minora ruled that the AACL is the owner of Chapman Lake and has the right to require residents to pay a fee to use the waters of the lake for recreational purposes.

Each spring, AACL sends written requests for payment to lake residents. A due date is provided (typically June 1st of each calendar year, subject to change). The amount of the fee is determined by the AACL based on current and projected expenses. The AACL has made every effort to keep the fee stable from year to year.

Good business practices demand that residents utilizing the lake for recreational purposes remit the fee in a timely manner. The AACL views nonpayment to be a fairness issue as most residents pay the annual lake fee promptly when it is due. As a result it is necessary for AACL to maintain a delinquent account policy applicable to those lake residents who do not pay.

III. POLICY

- A. An account will be considered delinquent when it is thirty days past due. AACL will send written communication to the delinquent account owner informing them of their account status, and requesting payment within thirty (30) days.

- B. If payment is not received within thirty (30) days, the delinquent account owner will, without further notice, be barred from using and enjoying Chapman Lake for any recreational purpose. This includes, but is not limited to, swimming, boating, fishing, ice skating, placement of a dock, and use of personal watercraft, snowmobiles or other vehicles on the waters of Chapman Lake.
- C. A delinquent account owner who has been barred from using and enjoying Chapman Lake will not be solicited for payment of lake fees in future years, nor will they be permitted to use and enjoy the lake in future years. Any future recreational use of Chapman Lake will be deemed trespassing. Those who trespass on Chapman Lake will be considered a defiant trespasser pursuant to 18 Pa.C.S. § 3503. Reinstatement of lake usage rights is at the sole discretion of AACL.

IV. USAGE AT OWN RISK; INDEMNIFICATION

- A. **Any resident, guest, or other person who participates in lake activities shall do so at his or her own risk and shall indemnify, defend, release, hold harmless, and forever discharge AACL, its contractors, and the present, former, and future supervisors, staff, officers, employees, representatives, agents, and contractors of each (together, "Indemnitees"), for any and all liability, claims, lawsuits, actions, suits or demands, whether known or unknown, in law or equity, by any individual of any age, or any corporation or other entity, for any and all loss, injury, damage, theft, real or personal property damage, expenses (including attorney's fees, costs and other expenses for investigation and defense and in connection with, among other proceedings, alternative dispute resolution, trial court, and appellate proceedings), and harm of any kind or nature arising out of, or in connection with, the participation in lake activities, by said lake resident, guest, or other person, and any of his or her guests and any members of his or her family. Should any resident, guest, or other person bring suit against the Indemnitees in connection with lake activities or relating in any way to the AACL, and fail to obtain judgment therein against the Indemnitees, said resident, guest, or other person shall be liable to the AACL for all attorney's fees, costs, and other expenses for investigation and defense and in connection with, among other proceedings, alternative dispute resolution, trial court, and appellate proceedings. The waiver of liability contained herein does not apply to any act of intentional, willful or wanton misconduct by the Indemnitees.**