

used in lieu of a secret ballot. In such a situation, the proxyholder will fill out the ballot and enclose it in the "secret ballot" envelope. This envelope will then be enclosed in the second (2nd) envelope, as discussed above. In the upper left hand corner of the second (2nd) envelope, the proxyholder will sign his or her name, indicate his or her name and indicate the address or separate interest identifier (Unit number) that entitles the Owner to vote; however, as the "voter", the proxyholder will sign and print his/her name underneath the name and address of the Owner. The proxy must be returned with the ballot, but NOT placed inside the "secret ballot" envelope. If any instruction is given in a proxy issued for an election (or other vote) that directs the manner in which the proxyholder is to cast the vote, such instruction shall be set forth on a separate page of the proxy that can be detached and given to the proxyholder to retain. A proxy may be revoked by the Owner prior to the receipt of the secret ballot by the inspectors of election.

Article 18 - Schedule of Monetary Penalties for Violations of Governing Documents

These are examples of fines, others may exist:

Fine Based on Frequency of Offense

<u>Type of Violation</u>	<u>Fine for Each Occurrence</u>
Parking with no Permit displayed	\$25
Misuse of Sticker	\$50
Auto Maintenance or Car Washing	\$25
Parking in red zone or a prohibited area	\$75 or TOW
Vehicles that leak fluid	\$50
Exceeding 15 MPH limit	\$100

Fine Based on Frequency of Offense

<u>Type of Violation</u>	<u>1st Offense</u>	<u>2nd Offense</u>	<u>3rd Offense</u>
Open or Unlocked Garage Door	\$10	\$25	\$50

Fine Based on Duration of Offense			
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Type of Violation	1st Month	2nd Month	3rd Month, (plus \$50 additional per month up to a maximum of \$500 per month.)
Animal	\$25	\$75	\$125
Garage Storage	\$25	\$75	\$125
Lease Regulations	\$25	\$75	\$125

NOTE: After the 2nd month of continued violation, the matter may be turned over to the Association's attorney.

Other Offenses

<u>Type of Violation</u>	<u>Fine</u>
Landscaping	\$100 plus replacement cost
Noxious Activities	Board to determine on a case by case basis
Altering Common Areas	Board to determine on a case by case basis
Disposal of Large Items	\$50 per item
Satellite Dish/Antenna	\$150 (plus \$10/day if not removed in a reasonable time determined by the Board)

Article 19 - Imposition of Monetary Penalties

Monetary penalties for violations of the Association's Governing Documents, including the rules contained in this Handbook, shall be imposed against an Owner as follows

Section 19.1 Delegation to Executive Committee. The Board shall delegate the authority to hold a hearing and impose monetary penalties to an executive committee composed of two (2) or more directors. This executive committee shall be referred to as the "Enforcement Committee." Decisions by the Enforcement Committee are subject to a right of appeal to the Board as provided in Section 19.4, below. Only directors may serve on the Enforcement Committee.

Section 19.2 Damage Violations. If a Resident and/or a Resident's Guest(s) causes damage to the common area, the following procedures will be followed:

- (a) Notice of Hearing. The Association will send a written notice to the Owner of the Unit in question, identifying the nature of the damage, stating that the Enforcement Committee will hold a hearing to consider whether to impose a monetary penalty against the Owner, and stating the date, time and location of the hearing. The hearing date will be at least fifteen (15) days after the date of notice.

(b) Hearing. The Owner (i) has the right to attend the hearing; (ii) may but need not be represented by counsel; (iii) may submit a statement of defense to the Enforcement Committee in advance of the hearing, or present a statement of defense and supporting witnesses at the hearing; and, (iv) may confront and cross-examine adverse witnesses. If an Owner fails to attend the hearing or to submit any written evidence on his/her behalf to the Enforcement Committee at the hearing, the foregoing rights will be waived.

(c) Penalties. After the hearing (whether or not the Owner attends the hearing), if the Enforcement Committee determines that the Owner is responsible for the damage as alleged, a monetary penalty in the amount of the cost to repair the damage will be imposed against the Owner as provided in the Governing Documents. The Enforcement Committee will provide the Owner notice of its decision within fifteen (15) days after the decision.

Section 19.3 Non-Damage Violations. If a Resident and/or a Resident's Guest(s) is responsible for a "non-damage" violation, the following procedures will be followed:

(a) First Violation.

(i) First Notice of Non-Compliance. The Association will send a written notice to the Owner of the Unit in question, identifying the violation, and, if appropriate, a time frame for correcting the violation.

(ii) Second Notice of Non-Compliance.

(A) Notice of Hearing. The Association will send a written notice to the Owner of the Unit in question, reiterating the violation and stating that the Enforcement Committee will hold a hearing to consider whether to impose a monetary penalty against the Owner. The notice will state the date, time and location of the hearing concerning such violation. The hearing date will be at least fifteen (15) days after the date of notice.

(B) Hearing. The Owner (i) has the right to attend the hearing; (ii) may but need not be represented by counsel; (iii) may submit a statement of defense to the Enforcement Committee in advance of the hearing, or present a statement of defense and supporting witnesses at the hearing; and, (iv) may confront and cross-examine adverse witnesses. If an Owner fails to attend the hearing or to submit any written evidence on his/her behalf to the Enforcement Committee at the hearing, the foregoing rights will be waived.

(C) Penalties. After the hearing (whether or not the Owner attends the hearing), if the Enforcement Committee determines that the violation(s) occurred, a monetary penalty in an amount not less than Twenty-Five Dollars (\$25.00) nor more than Five Hundred Dollars (\$500.00), unless otherwise specified in Article 18, will then be imposed against the Owner. The Enforcement Committee will provide the Owner notice of its decision within fifteen (15) days after its decision.

(b) On-Going Violation. If a violation continues past the hearing and the first penalty stage, the penalty will automatically increase by Fifty Dollars (\$50.00) every thirty (30) days without further hearing until the violation is corrected. For example, if the initial fine is One Hundred Twenty-Five Dollars (\$125.00), the fine would be One Hundred Seventy-Five Dollars (\$175.00) after thirty (30) days, and Two Hundred Twenty-Five Dollars (\$225.00) after sixty (60) days, etc. In addition, after the first sixty (60) days of the violation (or sooner if deemed necessary by the Enforcement Committee), the matter may be referred to the Association's legal counsel for enforcement and the Owner shall be liable for all costs, expenses and attorneys' fees incurred by the Association in such enforcement.

(c) Repeat Violation.

(i) Notice of Hearing. If the same violation is committed again within a twelve (12) month period, the Association will send a written notice to the Owner of the Unit in question, identifying the nature of the violation, and stating that the Enforcement Committee will hold a hearing to consider whether to impose a monetary penalty against the Owner. The notice will state the date, time and location of the hearing concerning such violation. The hearing date will be at least fifteen (15) days after the date of notice.

(ii) Hearing. The Owner (i) has the right to attend the hearing; (ii) may but need not be represented by counsel; (iii) may submit a statement of defense to the Enforcement Committee in advance of the hearing, or present a statement of defense and supporting witnesses at the hearing; and (iv) may confront and cross-examine adverse witnesses. If an Owner fails to attend the hearing or to submit any written evidence on his/her behalf to the Enforcement Committee at the hearing, the foregoing rights will be waived.

(iii) Penalties. After the hearing (whether or not the Owner attends the hearing), if the Enforcement Committee determines that the violation(s) occurred, a monetary penalty in the amount not less than Twenty-Five Dollars (\$25.00) nor more than Five Hundred Dollars (\$500.00), unless otherwise specified in Article 18, will be imposed against the owner (the "First Violation Penalty") for the first repeat violation; (ii) the First Violation Penalty plus Twenty-Five Dollars (\$25.00) (collectively, the "Second Violation Penalty") for the second repeat violation; and (iii) the Second Violation Penalty plus Twenty-Five Dollars (\$25.00) (collectively, the "Third Violation Penalty") for the third repeat violation and (iv) the Third Violation Penalty plus Fifty Dollars (\$50.00) for each subsequent repeat violation. The Enforcement Committee will provide the Owner notice of its decision within fifteen (15) days after its decision. After the second repeat violation (or sooner if deemed necessary by the Enforcement Committee), the matter may be referred to the Association's legal counsel for enforcement and the Owner shall be liable for all costs, expenses and attorneys' fees incurred by the Association in such enforcement.

Section 19.4 Right of Appeal to Board. All decisions by the Enforcement Committee are final unless timely appealed to the Board. Any Owner against whom a monetary penalty is imposed may appeal a decision by the Enforcement Committee to the Board of Directors by submitting a written appeal to the Association within 15 days after service of the written decision by the Enforcement Committee. The Board shall hear the appeal within 30 days after receipt of the appeal and shall notify the appealing Owner in writing of the date set for hearing of the appeal at least fifteen (15) days before the hearing. The Board shall notify the appealing Owner in writing of its decision within fifteen (15) days after the decision. The decision by the Board shall be final.

Section 19.5 Enforcement of Violation of Satellite Dish/Antenna Rules. In addition to the other remedies available to the Association as set forth in this Article, if a Resident violates the Rules set forth in Article 11 above, the Association may bring an action for declaratory relief with the FCC or any court of competent jurisdiction after notice and an opportunity to be heard. If the court or FCC determines that the Association's Rule(s) is enforceable, a fine of One Hundred and Fifty Dollars (\$150.00) shall be imposed by the Association for the first violation. If the violation is not corrected within a reasonable length of time, additional fines of Ten Dollars (\$10.00) per day will be imposed for each day that the violation continues. To the extent permitted by law, the Association shall be entitled to reasonable attorneys' fees, costs, and expenses incurred in the enforcement of this policy. In addition, if antenna installation poses a serious immediate safety hazard, the Association may seek injunctive relief to prohibit or seek removal of the installation.

Section 19.6 Payment of Assessments, Monetary Penalties, Costs, Expenses and Attorneys' Fees. All assessments, monetary penalties, costs, expenses, and attorneys' fees assessed/imposed in accordance with the Association's Rules and Regulations are due and payable as provided in the Association's written notice to the Owner informing him/her of the disciplinary action taken against him/her.

Section 19.7 Severability. If any provision of these Rules and Regulations is ruled invalid, the remainder of these Rules and Regulations shall remain in full force and effect.