

**SUNSET SANDS COMMUNITY ASSOCIATION
FINE PROCEDURES AND SCHEDULE**

1. **General.** This Fine Procedures and Schedule (these “Procedures and Schedule”) establishes the procedures that the Sunset Sands Community Association (the “Association”) will use in determining whether to impose a fine for violations of the Association’s Articles of Incorporation, Bylaws, Protective Covenants, Rules and Regulations and other similar documents of the Association (collectively the “Association Documents”).

2. **Other Enforcement Mechanisms.** The Association Documents and applicable law provide a variety of ways for the Association and the members of the Association (the “Members”) to enforce the Association Documents. All such enforcement mechanisms are fully preserved, and the imposition and collection of a fine in no way eliminates, limits or otherwise affects the right of the Association and the Members to pursue any other enforcement mechanism provided in the Association Documents and/or by applicable law.

3. **Members Responsible for Others.** Each Member is responsible for compliance with the Association Documents by each person residing in, visiting, coming to and/or working on that Member’s property within the jurisdiction of the Association (the Member and all such persons being referred to in these Procedures and Schedule in the singular as “Person” and in the plural as “Persons”).

4. **Violations Subject to Fines.** The failure of any Person to strictly and completely comply with any provision of any of the Association Documents is subject to imposition of a fine if that failure to comply is either intermittent but of such a nature that it is reasonable to believe that it is likely to recur or if that failure to comply is ongoing, and in either case will be referred these Procedures and Schedule as a “Violation”.

5. **Reporting Violations and Initial Investigation.** Any Person may report an alleged Violation, but such reporting must either be in writing or in electronic form and either sent to a member of the Board of Directors of the Association (the “Board”) or to the Director of Development of the Association. The Board will designate an individual [either a member of the Board, an employee of the Association or another individual] to investigate the alleged Violation. If the individual conducting this investigation determines that there is not reasonable grounds to believe that there is a Violation, then that individual will make a note of the same in files maintained by the Association and take no further action, except that this individual may, but is not required to, communicate the results of this initial investigation to the Person filing the alleged Violation or any other Person. A determination that no Violation for which a fine can be imposed has occurred or failure of the Association to pursue a Violation does not, in any way, limit the other enforcement power of the Association or the Members. If the individual conducting this initial investigation determines that there is reasonable grounds to believe that a Violation is ongoing, then that individual may, but is not required to, attempt to informally resolve the situation before proceeding with sending the First Letter (defined below). These informal attempts may include, among other steps, communicating with the Person responsible for the Violation and attempting to get that Person to voluntarily cease the Violation.

6. Initiation of Formal Enforcement. If the individual conducting the initial investigation under numbered section 5 of these Policies and Schedule determines that there is reason to believe that a Violation exists or has occurred [and following unsuccessful attempts to informally resolve an ongoing Violation if the individual attempts those informal means] then that individual shall send a report of the matter to the President of the Association (the “President”), including the initial report of the alleged Violation; information regarding the investigation of the alleged Violation; information regarding informal resolution attempts, if any; and any other information which the individual conducting this initial investigation determines to be relevant. The President, on behalf of the Association, shall cause a letter (the “First Letter”) to be sent to the Member potentially responsible for the alleged Violation. The First Letter shall be sent by both regular mail and certified or registered mail, return receipt requested, to the Member at the address shown in the records of the Association. The First Letter shall include the following information:

6.1 A description of the alleged Violation.

6.2 The time and place of a meeting (the “Determination Meeting”) when the Board, or a designee of the Board, will consider written and oral information about the alleged Violation, and that the Member may submit written information and/or appear personally or through a representative to present information at the meeting.

6.3 A statement that if the Board or the designee of the Board determines that a Violation exists or has occurred and that the Member is responsible for the Violation then a fine may be imposed.

6.4 The applicable fine schedule.

7. Determination Meeting. At the Determination Meeting, the Board or the designee of the Board will consider all information submitted regarding the alleged Violation. The Member to whom the First Letter is directed may appear personally or through a representative to present oral information, and may also submit written information, regarding the alleged Violation and the Member’s responsibility for the alleged Violation. The Board or its designee shall also consider other written and oral information presented at the Determination Meeting. At or after the Determination Meeting, the Board, or its designee, shall determine whether a Violation occurred or exists and if the Member to whom the First Letter was directed is responsible for that Violation. The decision of the Board, or its designee, on the matter will be final and will be put in writing, but no specific format or formalities are required. If the Board, or its designee, determines that there was or is a Violation and the Member to whom the First Letter was directed is, in whole or in part, responsible for that Violation, then the Board, or its designee, may impose a fine consistent with the schedule contained in numbered section 8 of these Procedures and Schedule. In that event, the Board, or its designee, shall send that Member a Letter (the “Second Letter”). The Second Letter shall be sent by both regular mail and certified or registered mail, return receipt requested, to the Member at the address shown in the records of the Association. The Second Letter shall include the following information, as relevant and include a copy of the written decision:

7.1 That a Violation occurred or exists and that the Member is responsible for that Violation.

7.2 That, as appropriate, either: 1) a fine is imposed on the Member for a non-ongoing Violation; or 2) a fine will be imposed on the Member for an ongoing Violation if that Violation is not completely corrected and discontinued by the date (the "Compliance Date") which is at least ten days after the date the Second Letter is mailed.

7.3 The applicable fine schedule.

8. **Fine Schedule.** The Board hereby adopts the following schedule of fines:

8.1 for non-ongoing Violations, the fine is \$25.00 per Violation for each of the first 5 Violations and thereafter \$50.00 per Violation;

8.2 for ongoing Violations, the fine is \$15.00 per day, starting on the day after the Violation Date, for 15 days and thereafter \$30.00 per day until the Violation is completely corrected and discontinued.

9. **Collection of Fines.** Any fine imposed by the Association shall constitute a lien on the property in Sunset Sands of the Member or whom the fine is imposed. In addition, the Association may collect a fine in any way provided in the Governing Documents and/or allowed by applicable law.

10. **Compliance Agreement.** The Board may authorize the Association to enter into Compliance Agreement with Members, which may include, among other things, the partial or total waiver of fines, but only under circumstances where ongoing Violations are completely corrected and discontinued.