

GRAEAGLE MEADOWS HOMEOWNERS' ASSOCIATION

GOVERNING DOCUMENT ENFORCEMENT POLICY

Disciplinary proceedings may be initiated upon the receipt of a written complaint ("Complaint") from any Member or resident ("Complainant") to the Board or its designated managing agent. Anonymous Complaints will not be acted upon unless such Complaints can be independently verified, such as by a visual inspection of a Member's property. The Complaint should contain as many specific and supporting facts as are available, such as time, date, location, person(s) involved, and other relevant details so that the Complaint may be evaluated and investigated by the Board. Complaints initiated by a member of the Board of Directors or management may be in any form.

The purpose of this policy and all other rules of the Association are to maintain and enhance the quality, value, and quiet enjoyment at Graeagle Meadows. Accordingly everyone must adhere to the rules. Owners are responsible for their tenant's, contractor's, agent's and guest's conduct. The Association may enforce this policy and the rules by legal action if necessary.

Notwithstanding the terms of this Enforcement Policy, in the event the Board determines that action not set forth in this Enforcement Policy or action that varies from this Enforcement Policy is necessary, the Board may take such action and shall not be bound by this Enforcement Policy. The purpose of this Enforcement Policy is to provide the Board of Directors with guidance in consistent and uniform enforcement of the Association's governing documents, but is not intended to limit the Board's authority to enforce the governing documents as permitted under California law. If the sending of notices, imposition of fines, suspension of membership privileges or towing of vehicles does not or would not result in corrective action by the non-compliant resident, or if immediate enforcement action by the Board is required, the Board may proceed with requesting alternative dispute resolution and/or proceeding with filing a lawsuit in small claims or superior court without taking all of the steps set forth in this Enforcement Policy. In taking any enforcement action, whether under this Enforcement Policy or otherwise, the Board shall comply with all applicable laws and the terms of the Association's governing documents.

First Notice

Upon the submission of the Complaint, to the extent the Board deems appropriate, the Board shall send a written warning letter ("First Notice") to the allegedly non-complaint Member ("Respondent"), summarizing the Complaint and requesting compliance with the Association's governing documents. Such First Notice shall be sent by first-class mail to the Respondent. No penalty shall be assessed to the Respondent in this First Notice. If compliance occurs as a result of sending this First Notice, the Board need take no further action on the Complaint. The Respondent shall have the right to provide information and/or evidence denying the existence of a violation and, if the Board agrees, the notice will be withdrawn.

Second Notice

If the violation described in the First Notice is not corrected within a reasonable time (as determined by the Board), or if the violation is repeated, a second notification letter will be sent to the Respondent ("Second Notice"). The Second Notice will advise the Respondent that a hearing before the Board of Directors will be held. The Second Notice will provide a general summary of the allegations in the Complaint, including the applicable section(s) of the Association's governing documents allegedly being violated; the date, time, and location of the hearing; a statement that the Respondent may attend the hearing and address the Board; and may also contain the penalties that may be assessed at the hearing. The Board shall fix a hearing date and mail the Second Notice to the Respondent at least ten (10) days prior to the date of the hearing. The Second Notice shall be sent by first-class mail.

Whether or not the Respondent wishes to attend the hearing, he or she may deliver to the Board a written statement, setting forth the Respondent's answer to the allegations in the Complaint, at least seventy-two (72) hours prior to the hearing.

Hearing

All hearings shall be held in executive session in order to protect the privacy of the Respondent, but may be held in an open meeting at the request of the Respondent. If held in executive session, the Respondent and the Complainant shall be permitted to attend. The Board is entitled to exercise its discretion as to the specific manner in which the hearing will be conducted.

Should the Respondent fail to appear at the hearing and fail to submit a written statement in defense of the allegations, the Board may hold the hearing in his or her absence and make a decision based upon the evidence before it.

Decision

After all evidence and/or representations have been presented to the Board, the Board shall vote upon the matter. The decision may be made at the conclusion of the hearing, or may be postponed to no later than fifteen (15) days thereafter. A written decision shall be mailed to the Respondent as soon as practicable thereafter, but in no event more than fifteen (15) days after the hearing. Disciplinary action, if any is imposed, and unless otherwise ordered by the Board, shall become effective no fewer than five (5) days after the Board's decision is mailed to the Respondent by first-class mail. All decisions of the Board shall be final unless the Board, in its sole discretion, agrees to rehear the matter due to the availability of new evidence or information of an overriding nature. All requests for rehearing must be made by the Respondent and received by the Board within thirty (30) days of the date of the notice of the Board's decision, and must include a summary of the new evidence to be presented or the reasons why the Board's previous decision should be overturned.

Fine Schedule, Suspension of Privileges and Towing of Vehicles

The following fine schedule shall apply where the Board finds a violation has occurred and, in its sole discretion, determines to assess a fine:

1st Offense	Up to a \$250.00 maximum fine
2nd Offense	Up to a \$500.00 maximum fine
3rd & Subsequent Offenses	Up to a \$750.00 maximum fine

Violations of an ongoing nature may be fined on a daily basis. If daily fines are imposed, they shall not exceed \$100.00 per day.

The fines listed above are maximum amounts per violation, and are in addition to any actual costs, damages, or expenses, including attorneys' fees, incurred by the Association in obtaining compliance with the Association's governing documents. If circumstances warrant, the Board may suspend imposition of all or any portion of a fine for up to one (1) year from the date of the hearing.

In addition to assessment of a fine, the Board may suspend the Respondent's voting rights and membership privileges, and may tow vehicles for parking violations as outlined in the Association's governing documents.

Violations that Require Maintenance

There are violations which may result in the Association performing maintenance or repairs. In the case of violations which create an imminent health or safety hazard, the Association may send a notice of violation to the Member requesting that the Member correct the violation immediately. Otherwise, the Association may send a notice of violation to the Member requesting that the Member correct the violation within thirty (30) days. If the Member fails to correct the violation within thirty (30) days, the Association may call the Member to a hearing upon at least fifteen (15) days written notice and after such hearing:

- a. Perform the maintenance or repairs;
- b. Charge the Member for the maintenance or repair cost; and
- c. Impose fines and costs of maintenance as set forth above or other discipline as set forth in the Association's governing documents.

In the event of an emergency, the Association may immediately perform the maintenance or repairs, and then call the Member to a hearing to impose fines and costs.

Rules Committee

Any of the rights, duties, and actions outlined in this policy permitted or required to be performed by the Board, may, at the discretion of the Board, be delegated to a rules committee, or other authorized agent.

Certificate of Adoption

I hereby certify that:

A. I am the Secretary of Graeagle Meadows Homeowners' Association.

B. The foregoing Enforcement Policy was adopted by the majority vote of the Board of Directors on 5.16.15, 2015.

Dated: 5.16.15



SUSAN E. WIESE, Secretary

[print name]