

The Estates at Stone Ridge Owners Association, Inc.

Policy Regarding Enforcement of Covenants and Rules

Effective: May 18, 2020.

I. Policy Purpose

This policy sets forth the procedures for enforcement of covenants and rules, including notice and hearing procedures and the schedule of fines.

II. Filing a Complaint

- A. Without limiting or otherwise affecting any remedy found in the Association Documents, a complaint which alleges a violation of the Association Documents or any of its Rules, Regulations or Policies may be initiated by any Owner in good standing or the Board.
- B. Any complaint which alleges a violation of the Association Documents shall be made in writing to the Board. No oral complaints will be accepted. Complaints should be made as soon as possible after the alleged violation has occurred. The complaint shall include the following:
 - 1. The name, address, telephone number, and e-mail address of the complainant.
 - 2. The Owner's name and the address of the property against whom the complaint is being filed.
 - 3. The specific details or description of the alleged violation, including the date, time, and location of the alleged violation.
 - 4. If possible, photographs showing the alleged violation.
 - 5. The signature of the complainant and the date on which the complaint is made.

- C. The filing of a false complaint or complaints under this Policy, the repeated filing of frivolous complaints, or the use of this Policy in a manner deemed to be a harassment of other Owners shall be deemed a violation of this Policy and subject to the enforcement provisions herein.
- D. Harassment of, or retaliation against any complainant by the alleged violator or any person associated with the alleged violator shall be deemed a violation of this Policy and subject to the enforcement provisions herein.

III. Notice of Violation

- A. The Owner is ultimately liable for any violation of the Association Documents committed by a resident, guest, tenant, service person, or other person or animal associated with the property.
- B. Upon the Board's receipt of a complaint or observation of a violation, the Board will notify the Owner of the violation in writing at the address of the Owner as reflected in the records of the Association. An additional notice by electronic mail may also be sent if the Owner has provided the Board with an electronic mail address.
- C. The notice of violation may include a copy of the written complaint or otherwise provide specific details of the alleged violation as deemed appropriate by the Board.
- D. The notice of violation will include information on any applicable fine or other charge that may be levied and the date by which the levied fine or charge must be paid if no hearing is requested. Further, if relevant, the notice of violation will set a date by which the violation must be remedied.
- E. The notice of violation will include information on how the alleged violator may request a hearing before the Board concerning the violation and, or, charge or fine. The notice will also contain the last date by which a request for hearing must be received by the Board. This date will be no less than ten (10) days from the date the notice is mailed

by certified mail; return receipt requested, or hand delivered, whichever occurs first.

IV. Fine Schedule

- A. Except as otherwise provided in this Policy, the following schedule of fines will apply to violations of the Association Documents or a direct order of the Board.
- First Violation: Written Warning
Second Violation: \$100.00
Third Violation: \$250.00
Fourth Violation: \$250.00, plus, at the option of the Board, the institution of litigation to obtain an injunction or other order to prevent future violations.
- B. In addition to, or in place of the above schedule, certain safety violations provide for the institution of an immediate fine.
- C. Blatant disregard of the Association Documents or a direct order of the Board will result in an immediate fine of \$100.00.
- D. Violations will accumulate on a calendar year basis. Once a violation of a rule has occurred, any subsequent violation of any rule may initiate a fine, not just a second violation of the same rule.
- E. In addition to any fine assessed, the Owner will be responsible for any costs or expenses associated with the violation, including but not limited to repair of damaged property and any attorney fees or other fee incurred by the Association which may be associated with the violation or collection of the fine, costs, or expenses.
- F. Fines and assessments for costs, expenses, and damages associated with the violation will be levied immediately and the Association's Treasurer or management company will mail the Owner an invoice for the fines and assessments, which must be paid by the Owner within thirty (30) days following the issuance of the statement levy of the fine

or assessment for costs, expenses, and damages associated with the violation.

V. Hearing Procedures

- A. Owners may request a hearing before the Board at the next scheduled meeting or at any meeting set by the Board for such purpose.
- B. As a part of the notice of violation, a date is specified by which a hearing must be requested. The Owner must prepare a request for a hearing and mail the request to the Association in sufficient time to arrive no later than the last date stipulated in the notice of violation.
- C. Upon timely receipt of the request for a hearing, the President of the Association or his designee will schedule a hearing before the Board at the next regularly scheduled Board meeting or a special meeting called for such purpose. The goal in scheduling of the hearing shall be to promptly resolve all complaints provided that reasonable notice of the hearing can be given to the alleged violator and complainant.
- D. Once the President has determined when the hearing will be conducted, the Association or its duly authorized agent will notify the alleged violator and the complainant of the date, time and place of the meeting during which the hearing will be conducted. The hearing will be conducted at a regular or special meeting of the Board.
- E. At the hearing, the Board will hear and consider arguments, evidence, or statements regarding the alleged violation and any defense thereof. The complainant will be required to provide evidence and or testimony related to the violation. Following the hearing and due consideration, the Board will issue its determination regarding the alleged violation. The decision of the Board will be binding on the alleged violator and complainant.
- F. Any fine or other charges that may be levied for which a hearing has been requested will not become due until the Board has held a hearing and determined whether a violation has occurred and whether a fine or other charges shall be levied or assessed. However, the request for

a hearing shall be without prejudice to other legal or equitable remedies that may be pursued by the Board during this time, pursuant to Colorado law or the Association Documents. Generally, the Board will make its determination immediately following the hearing and advise the alleged violator and the complainant of its decision at that time. However, if additional information or an opinion from the Association's attorney is needed by the Board, the determination will be made at a later date and the alleged violator and complainant will be notified of the determination at a later date in writing.

- G. If no request for a hearing is filed within the prescribed period of time, the right to a hearing will be deemed waived and the allegations contained in the Notice of Violation will be deemed admitted and any prescribed remedy will be instituted.
- H. Failure of an alleged violator to attend a requested hearing without an advance request to continue the hearing date for good cause will be deemed a waiver of the right to a hearing and the allegations contained in the notice of violation will be deemed admitted and any prescribed remedy will be instituted.
- I. Failure of the complainant to attend a requested hearing without an advance request to continue the hearing date for good cause will be deemed a withdrawal of the Complaint and dismissal of the hearing.