

Thunder Mountain Ranch Property Owners Association
Enforcement Procedures
Monetary Penalties for Rules Violations
ADOPTED: MARCH 9, 2013 EFFECTIVE: MARCH, 9 2013

ENFORCEMENT PROCEDURES

In the event a member of the Association feels that another member or his family, tenants or guests is in violation of any provision of the governing documents of the Association (the "Association Documents"), the member should contact the other member and attempt to mutually resolve the problem. However, if the member does not wish to contact his or her neighbor or such informal resolution process is unsuccessful, the member may report the violation to the Board.

Any member, Board member or agent of the Association may file a Complaint against another member for violation of any provision of the Association Documents by the member, his family, tenants or guests. A Complaint must be in writing, must be signed (unless submitted via email) and dated and must include a description of the alleged violation and the identity of the alleged violator, if known. A Complaint from a member is considered filed when the written Complaint is received by a Board member. A copy or record of all Complaints shall be provided to all of the Board members.

Upon its receipt of a Complaint, the Board shall conduct an investigation of the Complaint to confirm that there is a reason to believe that the conditions complained of actually exist.

MONETARY PENALTIES FOR RULES VIOLATIONS

Monetary penalties for violations of the CC&R's, Bylaws, and Rules, of the Association shall be imposed according to the procedures set forth as follows:

INITIAL VIOLATION NOTICE (Courtesy Notice):

In the event the Board or its agent determines that a violation of the Association's governing documents exists, a written notice will be sent to the member at the mailing address as it appears on the records of the Association at the time of notice. The initial Violation Notice shall include at a minimum the following information:

- The provisions of the documents that have been violated;
- The date of the violation or the date the violation was observed;
- The date by which the violation must be corrected; and
- The process the owner must follow to contest the notice, including any extenuating circumstances.

SECOND VIOLATION NOTICE:

If the violation is not corrected within the period set forth in the initial Violation Notice, a second Violation Notice will be sent. The second Violation Notice shall include at a minimum the following information:

- The nature and date of the violation and the date of the first notice;
- The date by which the violation must be corrected;

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- The fact that a monetary penalty to be determined by the Board of Directors may be imposed for failure to correct the violation by the required deadline; and
- The right of the member to appeal the Board's decision that a violation has occurred and the manner in which such appeal must be requested or it will be deemed waived.

FINE NOTICE:

If the violation has not been corrected by the date set forth in the second Violation Notice and either (i) the member has waived the member's right to appeal the Board's decision that a violation has occurred or (ii) a hearing has been held and the Board has upheld its decision that a violation has occurred, the Board may impose a fine pursuant to the then effective Fine Schedule and send the member a Fine Notice which shall include the following information:

- The nature and date of the violation;
- The dates the first and second Violation Notices were sent to the member;
- A statement that the Board of Directors has imposed a monetary penalty for failure to correct the violation by the required deadline;
- If applicable, any requirements or special instructions for compliance;
- A statement that fines will continue to be imposed and will increase without further Notice every fifteen (15) days as set forth in the Fine Schedule until the violation is corrected;
- A statement informing the owner of the Association's right to seek legal and/or equitable action to collect the fine and/or to remedy the noticed violation of the Association governing documents.

APPEAL PROCESS:

Any member who has received a second Violation Notice shall have the opportunity to appear before the Board to appeal the Board's decision that a violation exists. Such appeal right shall be deemed waived if not timely exercised by the member. The appeal process shall be as follows:

- Within ten (10) calendar days following the date of the second Violation Notice, the member may appeal the violation decision in writing to the Board and request a hearing on the matter. If the written hearing request is not received within such ten (10) day period, member's right of appeal shall terminate as of the end of the tenth day member shall have the right to appear at the hearing in person or by a representative and to present all pertinent supporting information.
- A member who timely exercises his or her appeal right shall be provided a written notice of the time, date and place of scheduled appeal hearing which shall be conducted in an Executive Session meeting of the Board. In the event the member fails to appear in person or by representative at such scheduled hearing, his or her appeal right shall be deemed waived.

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- After completion of the appeal hearing, the Board will make its decision. The member will be informed in writing of such decision within seven (7) days from the date of the appeal hearing.
- In the event the appeal is denied, unless otherwise stated in the Board's written decision, the effective date of the fine shall be the date set forth in the Fine Notice.
- All decisions of the Board as to an appeal hearing are final and may not be appealed.

THUNDER MOUNTAIN PROPERTY OWNERS ASSOC. PENALTY SUMMARY:

- A monetary penalty may be assessed in accordance with the then effective Fine Schedule for an uncorrected violation of the governing documents of the Association.
- In the event of a subsequent violation by a member of the same rule within six (6) months of a previous violation of such rule, all fines for each such violation shall be doubled and a fine will be assessed for each violation that has occurred during that period.
- The Board of Directors will determine the period for corrective action of a violation on a case-by-case basis.
- Fines are cumulative and will continue without further written notice until the violation is corrected. The violation will be deemed corrected as of the date the member notifies the Board of the correction thereof unless the Board subsequently determines that such date is not correct.
- The Fine Notice will be mailed certified mail, return receipt requested.
- At any time, the Board may exercise the option to pursue corrective action through legal means.

FINE SCHEDULE:

- The initial fine amount shall be \$25.00
- If the violation has not been corrected within fifteen (15) days after the effective date of imposition of the initial fine and/or if the fine(s) have not been paid, the member shall be assessed an additional fine of \$50.00.
- If the violation has not been corrected within thirty (30) days after the effective date of the imposition of the initial fine and/or if the fine(s) have not been paid, the member shall be assessed an additional fine of \$100.00 and shall be assessed an additional fine of \$100.00 every fifteen (15) days thereafter until the violation is corrected and/or the fine(s) have been paid.
- Notwithstanding the foregoing, where the Board determines that the violation of the governing documents occurs on an ongoing basis such that there is a separate recurring violation for each day that the violation continues, the Board may elect to oppose a daily fine of \$25 for each day that the violation continues.

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VARIANCE:

This Policy is intended as a guideline for the Association. The Board retains the right to vary the enforcement and fine process when it, in its sole discretion, determines that any such variance is appropriate. The Board may amend these procedures at any time and from time to time.

This Complaint Process and the actions of the officers, directors and agents of the Association in compliance herewith are governed by, and subject to, the terms of the Governing Documents of the Association. In the event of any conflict between the terms hereof and the terms of the Governing Documents of the Association, the terms of the Governing Documents of the Association shall govern.