

**SUMMER MEADOWS
HOMEOWNERS ASSOCIATION, INC.
FINE POLICY AND APPEAL PROCESS
Effective February 20, 2008**

FINE POLICY

The following Fine Policy and Appeal Process shall be followed for Summer Meadows Homeowners Association, Inc.:

FIRST NOTICE: An initial notice of the violation shall be mailed to the Owner requesting compliance within ten (10) days - **NO FINE**.

SECOND NOTICE: If violation still exists, a second notice requesting compliance within ten (10) days shall be mailed to the Owner, via certified mail, return receipt requested. A **\$25.00 FINE** will be assessed with the second notice and is due within thirty (30) days following imposition.

THIRD NOTICE: If violation still exists, a third notice requesting compliance within ten (10) days shall be mailed to the Owner, via certified mail, return receipt requested. A **\$50.00 FINE** will be assessed with the third notice and is due within thirty (30) days following imposition.

FOURTH NOTICE: If violation still exists, a fourth notice requesting compliance within ten (10) days shall be mailed to the Owner, via certified mail, return receipt requested. A **\$100.00 FINE** will be assessed with the fourth notice and is due within thirty (30) days following imposition.

CONTINUING VIOLATIONS: If the violation continues without resolution after the fourth notice, a **FINE of \$100.00** shall be assessed **every ten (10) days** until the violation is resolved. In addition, the Board of Directors shall have the right to remedy the violation and/or take legal action, the cost of which shall be billed to the Owner and collected in the same manner as assessments.

POOL DRAINING: Pools must be drained/backwashed into the sewer clean-out, located on your property, in lieu of discharge to the street, gutter or common grounds. Any violators will be fined **\$50.00 plus the costs of any repairs to common area, due to damages**. In addition, there may be fines from the Town of Gilbert ranging from **\$250.00 to \$500.00**.

FINES: No fine shall be imposed without first providing a written warning to the Owner describing the violation and stating that failure to correct the violation within ten (10) days or ***another recurrence of the same violation within six (6) months*** of the original violation shall make the Owner ***subject to imposition of a fine***. Failure to pay any fine shall subject the Owner to the same potential penalties and enforcement as failure to pay any assessments under the Declaration.

SELF HELP: Pursuant to Section 5.13 of the Declaration, in the event any portion of any Lot is maintained so as to present a public or private nuisance, substantially detracts from the appearance or quality of the surrounding Lots or other areas of the Community, is being used in a manner which violates the Declaration; or should any Owner fail to perform any of its obligations under the Association Documents, the Board may make a finding to such effect, give notice to the offending Owner that unless corrective action is taken within ten (10) days, the Board may cause such action to be taken at said Owner's cost. If at the expiration of said ten (10) day period the corrective action has not been taken, the Board shall be authorized and empowered to cause such corrective action "Self Help" to be taken with the cost paid by the Owner to the Association upon demand with such amount secured by the Assessment Lien.

Notwithstanding the foregoing, the Board of Directors reserves the right to seek Injunctive Relief at anytime regardless of the presence or absence of notices hereunder, for any violation that the Board of Directors determines in its sole and absolute discretion constitutes a material danger to persons or property or requires immediate action for any other substantial reason.

The Board of Directors reserves the right to take any action permitted by law or the Declaration, in addition to the above mentioned fine policy.

APPEAL PROCESS

- When a violation notice is sent to an Owner, such notice shall include a statement notifying the Owner that he/she has the "RIGHT OF APPEAL".
- When an Owner desires to appeal a violation, he/she must so notify the Management Company in writing within ten (10) days after the date of the violation notice.
- Appeals shall demonstrate **extenuating circumstances** which require deviation from the Declaration and/or guidelines.
- Appeal shall include all pertinent backup information to support the existence of the **extenuating circumstance**.
- All decisions of the Board of Directors are final and may not be further appealed.
- Any appeal that does not meet the above requirements shall not be heard by the Board of Directors and shall be considered **DENIED**.
- The Owner appealing the violation will be given written notice that a hearing on the appeal is scheduled.
- The appeal shall be heard in Executive Session.
- The Board President will introduce all parties.
- Lengthy discussions are not a part of an appeal process.
- The Owner who is appealing will be asked to state their case and present any applicable documentation.
- Each Board Member will have the opportunity to ask the Owner specific questions regarding the appeal.
- Upon completion of the question and answer period, the Board President will state that the appeal has been heard and the Board of Directors will make their decision in closed session. Written Notice of the Board's decision will be delivered to the Owner within seven (7) working days.
- If the appeal is denied, the Owner must bring the violation into compliance within ten (10) days. If the violation still exists after ten (10) days, the Owner will be fined \$100.00 every ten (10) days until the violation is corrected. In addition, the Board of Directors may seek legal action to remedy the violation. All costs of legal action will be billed to the Owner and collected in the same manner as assessments.