

MAGEE RANCH HOMEOWNERS ASSOCIATION ENFORCEMENT POLICY AND SCHEDULE OF FINES

This Enforcement Policy and Schedule of Fines ("Fine Policy") sets forth the policy of Magee Ranch Homeowners Association ("Association") for imposing monetary fines and/or penalties for violations of the Association's governing documents (defined below) pursuant to California Civil Code section 5855, the Bylaws of the Association ("Bylaws"), and the Declaration of Covenants, Conditions and Restrictions ("CC&Rs"), and as may be amended from time to time.

*When adopted by the Board, this Fine Policy will become part of the Association's rules and regulations, as authorized by the Governing Documents. **This Fine Policy shall replace and supersede any other enforcement and fine policy adopted by the Board.** The capitalized terms in this Fine Policy shall have the meaning set forth in the CC&Rs or Bylaws, unless otherwise clearly indicated.*

1. Member Responsibility. Pursuant to the Association's governing documents which include, but are not limited to, the Bylaws, CC&Rs, and Rules adopted by the Board, and all amendments thereto (collectively, "Governing Documents") and California law, each Owner is a member of the Association and is responsible for complying with the Governing Documents. Owners are required to give their tenants, lessees, or renters, if any, copies of the Governing Documents. Owners are also responsible for compliance by their family members, tenants, lessees, renters, invitees, and guests with the Governing Documents. Any lease or rental agreement entered into by Owner with any tenants, lessees, or renters must be subject to the Governing Documents. In the case of violations by tenants, the Association will send a notice to the Owner of the violation. The Board may, in its sole discretion, send a copy of the notice to the tenant(s), lessee(s), or renter(s) as well. Any fines, penalties, or sanctions for family member, tenant, lessee, renter, invitee, and guest non-compliance will be imposed against the Owner and, as applicable, such Owner's Lot.

2. Courtesy, Warning and Violation Letters. It is the policy of the Association to receive information concerning alleged violations from Board members, committee members, Owners, and residents. Upon receipt of notice of an alleged violation, the Board will investigate the alleged violation within a reasonable time thereafter. The Board may, in its discretion, issue a courtesy warning or violation letter to the Owner alleged to have committed a violation of the Governing Documents. However, notwithstanding any other provision of the Governing Documents, the Board may, in its sole discretion, escalate enforcement and issue a hearing notice without having first issued a courtesy warning or violation letter.

3. Notice and Hearing. The Board will provide the Owner with written notice and an opportunity to be heard at a meeting of the Board before imposing a fine, penalty, or other sanction in accordance with the Governing Documents, California Civil Code section 5855, and California Corporations Code section 7341. The Board may impose one or more sanctions if it determines at this meeting that an Owner or their family member, tenant, lessee, renter, invitee, or guest has violated the Governing Documents. The Owner is entitled to attend the meeting to address the Board. Sanctions may be imposed even if the Owner does not appear at the meeting or does not submit a written explanation to the Board at or before the meeting. Owners are entitled to request to meet and confer with the Board and may find more information in the Association's Internal Dispute Resolution Policy.

4. Sanctions. Sanctions imposed by the Board may include, but are not limited to, a monetary fine or penalty in accordance with the Schedule of Monetary Fines and Penalties set forth in Section 6, below, as well as legal action, including, but not limited to, injunctive relief, or other disciplinary action authorized by the Governing Documents and California law, including suspension of member privileges, such as the use of common area amenities. Additionally, the Association may levy Remedial Charges in accordance with the CC&Rs. Additionally, Owners found to create a consistent or regular nuisance at Board meetings or other meetings of the Association such that they are significantly interfering with Association business may be prohibited from attending meetings.

5. Payment of Fines, Penalties, and Remedial Charges. Fines, penalties, and Remedial Charges are due and payable when levied, unless a later due date is established by the Board. If a Remedial Charge is delinquent, it is subject to a late fee of the greater of ten percent (10%) of the delinquent amount or \$10.00, interest of twelve percent (12%) per annum commencing thirty (30) days after the charge is due and continuing each month on the total delinquent balance until the delinquent Remedial Charge is paid, costs, and attorneys' fees.

6. Schedule of Monetary Fines and Penalties. The Board has adopted the following Schedule of Monetary Fines and Penalties, which will be in effect until changed by the Board:

A. Violations of the Governing Documents

- First Violation: Up to \$500
- Second Violation: Up to \$750
- Subsequent Violations: Up to \$1000 per violation
- Fines of up to \$1000 for continuing violations may be imposed without further hearings before the Board and may be imposed on a periodic basis (i.e., daily, weekly, or monthly fines of up to \$1000)
 - Example: Up to \$1000 per day, week, or month for continuing architectural violation(s)

* Owners are required to notify the Board of correction of any alleged violation so that the correction can be verified.

B. Fines for Violence to Persons or Damage to Property

- Up to \$1000 per occurrence for any violation of the Governing Documents that involves, in the Board's determination: actual or threatened violence to persons; vandalism or intentional damage or destruction of property; or behavior that threatens the health, safety or security of Owners, residents, family, tenants, lessees, renters, invitees, guests, or agents of the Association

7. Disciplinary Action in Addition to Corrective Measures. The imposition of monetary fines, penalties, Remedial Charges, and other measures are not alternatives to compliance with the Governing Documents. Compliance may include, but is not limited to, correcting, repairing, or replacing non-compliant conditions, all at the Owner's expense.

8. Emergency Actions. Nothing in this Policy shall be construed to prevent the Board from making emergency corrections, repairs, or replacements or taking emergency action it deems necessary and subsequently providing notice and a hearing.

9. Violation of Law. The Association may treat any violation of state, municipal, or local law by an Owner or their family, tenant, lessee, renter, invitee, or guest in the same manner as a violation of the Governing Documents if the Owner's violation creates a nuisance to other Owners, residents, and/or the Association.

10. Other Remedies. The Association reserves the right to avail itself of any other remedy permitted by law and the Governing Documents, and to enforce the provisions of the Governing Documents. These remedies include, but are not limited to, bringing an action in Small Claims or Superior Court or requesting that the matter be submitted to a form of dispute resolution. Such remedies may be taken in addition to or in lieu of any action already taken, and commencement of one remedy shall not prevent the Association from electing at a later date to pursue another remedy. In a court action, the Association may seek either, or both, injunctive relief and/or recovery of fines, penalties, or Remedial Charges, if any. In addition, the Association shall be entitled to recover the full amount of all costs, including attorneys' fees and experts' fees, incurred by the Association in responding to a violation and/or in enforcing any provision of the Governing Documents.

11. No Waiver. The failure to enforce a provision of the Governing Documents does not constitute a waiver of the Association's or Board's authority to enforce such provisions or other provisions of the Governing Documents.

This Fine Policy was adopted by the Board of Directors of Magee Ranch Homeowners Association at an open meeting of the Board held on [REDACTED], 2024.

Date: _____
Secretary