

The Pointe at Lacey Homeowners Association
FINE AND DUE PROCESS POLICY

A. Responsibility of Owners

All Owners are fully responsible for compliance with the governing documents by their animals, guests, tenants, invitees or other occupants of their lots. Except to the extent covered by insurance, Owners are responsible for damage to the property caused by themselves their animals, guests, tenants, invitees or other occupants of their lots.

This Fine and Due Process Policy supersedes all previous enforcement policies or procedures and any other rules to the extent that they are inconsistent herewith.

B. Violation Complaints

Since many individuals are not aware that their actions are in violation of the governing documents or a concern to their neighbors, residents are encouraged to first contact the parties involved to request resolution of the violation prior to submitting a written complaint.

All violation complaints must be submitted in writing (e-mail accepted) to the association's management company (or the board of directors, if no management company has been retained), and shall include the specifics of the violation (date, time, persons involved, location or lot, etc.) and the identification of the person making the complaint.

C. Fines

1. An Owner may be assessed a fine for a violation of the Association's governing documents. The fines shall be assessed against the lot and collected as delinquent assessments if not paid by the due date. Any provision of a governing document that is violated shall be subject to the following fine schedule:

Fine Violation	Fine Amount and/or Ongoing Amount
1 st Violation	Courtesy Notice
2 nd Violation or Ongoing	\$35.00
3 rd or Ongoing Violation	\$50.00
Subsequent and Daily Fine Violations	Up to \$100.00 per Day

2. An Owner shall be assessed a fine for any violation of Section 11.1(c) of the Association's CC&R's as follows:

Fine Violation	Fine Amount and/or Ongoing Amount
1 st Violation	\$50.00
2 nd Violation or Ongoing	\$200.00
3 rd or Ongoing Violation	\$300.00
Subsequent and Daily Fine Violations	Up to \$400.00 per Day

3. Any violation by an Owner, animals, guests, tenants, invitees or other occupants of a lot shall be treated as a violation by the Owner and any fine or common expense resulting from that violation shall be assessed against the lot.

4. Failure of the Association to take action on any violation shall not constitute a waiver on the part of the Association to take action for such violation or future similar violations as the Board deems appropriate.

5. In order to regulate the number of violations, the Board has instituted the following fine schedule for repeat or unresolved violations. Except as otherwise provided in the governing documents, the following actions will be taken in the event of a violation:

First Violation: A violation notice will be sent to the Owner along with an applicable fine amount that will be levied (if applicable). The violation notice will state the required measures to be taken by the Owner in order to resolve the violation and the date by which the measures must be completed in order to avoid a fine (if applicable). The violation will also give the Owner an opportunity to contest the violation if a fine has been levied.

Second Violation: If the Owner does not resolve or contest the violation by the deadline given in the first violation notice or if the violation is repeated, a fine as set forth in Section C.1. of this policy or in the Association's other governing documents may be assessed against the lot and a second violation notice shall be mailed to the Owner, advising of the amount of the fine and the Owner's opportunity to contest the violation. The notice will again state the required measures to be taken by the Owner to resolve the violation and the date by which the measures must be completed to avoid additional fines.

Third or Ongoing Violations: If the Owner does not resolve or contest the violation by the deadline given in the second violation notice or if the violation is repeated, a fine as set forth in Section C.1. of this policy or in the Association's other governing documents may be assessed against the lot.

Subsequent and Ongoing Violations: Repeat and unresolved violations are subject to additional fines of up to \$100.00 per occurrence or per day as set

forth in Section C.1. of this policy or in the Association's other governing documents and legal action against the Owner, as determined by the Board in its sole discretion.

6. If a fine is not paid with the next regular monthly assessment after the fine is assessed, it will be treated as a delinquent assessment and will be subject to all of the collection remedies detailed in the Association's governing documents.

7. Owners who receive violation notices may respond in writing to the Board or Association manager. The Board will consider the responses and justifications of the Owner before taking subsequent action.

8. In addition to fines, pursuant to Section 11.9(a) of the Association's CC&R's, Owners shall be responsible for any maintenance and repair costs undertaken by the board of directors in order to remedy an Owner violation.

D. Due Process Procedure

In accordance with RCW 64.38.020(11), the following procedures allow members of the Association and the Board to review issues and evidence of a contested violation or proposed enforcement action:

1. All Owners have the right to be "heard" before a panel of his/her peers ("Hearing Panel") if the Owner contests the violation or proposed enforcement action.

2. To obtain a hearing, the Owners shall request a hearing from the Board, in writing, within ten (10) days of the initial notice of violation.

3. The Board or Association Manager will respond to the hearing request within thirty (30) days following receipt of the written request. Once the hearing is scheduled, if any party desires to reschedule the hearing, the other party shall be notified at least ten (10) days prior to the scheduled date of the hearing.

4. The Hearing Panel will consist of three (3) Owners one of whom shall be a Board Member and the other two may be Board Members. The Board shall determine who is on the Hearing Panel. None of the Hearing Panel members shall be a party to the complaint. The hearing participants will consist of:

- a. The Hearing Panel members;
- b. The party bringing the complaint;
- c. The party requesting the hearing (who shall be an Owner);
- d. Witnesses, if not included in above; and
- e. Any other Owner who has an interest or concern related to the complaint.

5. The hearing will be informal with a Hearing Panel member acting as chair. All sides will present evidence, witnesses and testimony regarding the validity, non-validity or other issues relevant to the complaint. The time allowed for such evidence, witnesses and testimony may be limited by the Hearing Panel. Minutes of the hearing will be kept by the Hearing Panel or person designated by the Hearing Panel. All evidence presented at the hearing shall become the property of the Association.

6. If a hearing is requested and any of the parties fail to appear at the hearing, the Hearing Panel will base its findings on information presented at the hearing.

7. Within five (5) working days of the hearing, the Hearing Panel shall prepare written findings and recommendations to Board (if the Hearing Panel is comprised of members other than Board members). At the next regular Board meeting, or special meeting called for that purpose, the Board will consider the findings and recommendations and accept, reject, or modify the recommendations or take other appropriate action.

8. Notice of the Board's determination shall be provided to the parties.

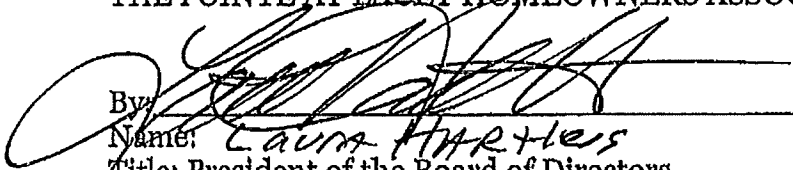
9. Disagreement with a Board's determination may be subject to mandatory arbitration as set forth in Section 19.2 of the Association's CC&R's.

10. Nothing contained herein shall prevent the Association from taking any action to recover the cost of damages or injunctive relief, or both. Furthermore, the failure of the Association to take action on any violation shall not constitute a waiver on the part of the Association to take action for such violation, as it deems appropriate. In the event the Association commences a lawsuit or undertakes other legal action, it shall be entitled to reasonable attorneys' fees, expenses, and costs incurred for such action if it is the substantially prevailing party.

11. This policy was adopted by resolution of the Board of Directors on September 7, 2019 and has an effective date of October 31, 2019, 2019.

12. A copy of this policy was mailed to all Owners via regular US Mail on October 7, 2019.

THE POINTE AT LACEY HOMEOWNERS ASSOCIATION

By: 
Name: Laura Hartley
Title: President of the Board of Directors