

Nepenthe Association

Fine Schedule and Governing Document Enforcement Policy

(Adopted January 25, 2010, pursuant to the CC&Rs, Article XIII, Section 13.06)

The Association may impose fines and enforce the Governing Documents as follows.

1. Fine Schedule

- a. Up to \$100 per day (not to exceed \$1,000) for violation for the first offenses or pursuant to the attached fee schedule.
- b. Up to \$200 per day (not to exceed \$1,000) for violation for repeat offenses or pursuant to the attached fee schedule.
- c. As set forth on Attachment A hereto.

Homeowners must pay fines within fifteen days of the Association imposing the fines. If a Homeowner fails to timely pay a fine, the delinquent Homeowner will be liable for all collection costs, including additional attorney's fees.

2. Violations which require maintenance.

These are violations which may result in the Association performing maintenance or repairs. Upon a violation, the Association may send a "Notice of Violation" to the Owner requesting that the Owner correct the violation immediately in the case of violations which create an imminent health or safety hazard, or within seven days. If the Owner fails to timely correct the violation, the Association may:

- a. perform the maintenance or repairs;
- b. deliver to the Owner a "Notice of Board Hearing" as set forth below; and
- c. after a Board Hearing, impose fines as set forth above or other discipline as set forth in the Governing Documents, and impose a Special Individual Assessment against the Owner for the maintenance or repair costs.

The Association may impose against a violating Homeowner a Special Individual Assessment for the costs, including attorney's fees, that the Association incurs to perform the maintenance or repairs.

3. General Violations

These are violations which do not require maintenance or repairs. One example of such a violation is an Owner playing music unreasonably loud so that it disturbs neighbors during the late night hours. Upon a violation, the Association may send a "Notice of Violation" to the Owner requesting that the Owner correct the violation immediately in the case of violations which create an imminent health or safety hazard, or within seven days. If the Owner fails to timely correct the violation, the Association may:

- a. Send the Owner a "Notice of Board Hearing" as set forth below; and
- b. After a Board Hearing, impose fines as set forth above or other discipline as set forth in the Governing Documents.

The Association may impose against a violating Homeowner a Special Individual Assessment for the costs, including attorney's fees, that the Association incurs in its attempts to compel the Homeowner to comply. If a Homeowner fails to timely pay a Special Individual Assessment, the delinquent Homeowner will be liable for all collection costs, including additional attorney's fees.

4. The "Notice of Board Hearing"

The Notice of Board Hearing will set forth the date, time, and place for the hearing, a brief description of the action or inaction constituting the alleged violation of the Governing Documents, a reference to the specific Governing Document provision alleged to have been violated, and a statement that the Owner has a right to attend and may address the Board or committee at the hearing. The notice must be delivered by either personal delivery or first-class mail to the Homeowner at least ten (10) days prior to the hearing. If the Board or committee decides to discipline the Owner, the Association must notify the Owner of the disciplinary action by either personal delivery or first-class mail within fifteen (15) days following the decision. The discipline will not be effective until five (5) days after the notification of the decision. If the Board's decision imposes a fine and the problem is not corrected after the five-day period following such notification, the fine may be applied per day to the maximum set forth in the Fine Schedule above until it is corrected.

The purpose of this schedule and policy and all other rules of the Association is to maintain and enhance the quality of life and value of the homes at Nepenthe. Accordingly, everyone should adhere to the rules. Owners are responsible for their tenants' conduct. The Association may enforce this schedule and policy and the rules by legal action.

Attachment A

1. Excessive Noise	\$50 per day
2. Property Alterations/Additions If alteration/addition is not in compliance with rules and appropriate CC&Rs.	\$100 per day
3. Nuisance	\$50 per day
4. Vehicles	\$50 per day
5. Pets	\$50 per day
6. Trash / Yard Waste	\$50 per day