

### **III. COVENANT AND RULE ENFORCEMENT**

A. **Reporting Violations.** Complaints regarding alleged violations may be reported by an Owner or resident within the community; the Association's Managing Agent, if any; or Board or committee member(s).

B. **Complaints.**

1. **Owner.** Complaints by Owners or residents shall be in writing and submitted to the Board of Directors. Each written complaint shall: identify the individual making the complaint (the "Complainant"); identify the alleged violator ("Violator"), if known; set forth a statement describing the alleged violation, including the specific provisions of the Governing Documents which are alleged to have been violated; when the violation was observed; and any other appropriate information. Non-written complaints, or written complaints failing to include any information required by this provision, may not be investigated or prosecuted at the discretion of the Association, and may be returned to the Complainant for revision and/or clarification.
2. **Management.** Complaints by a member of the Board of Directors, a committee member, or the Managing Agent may be made in writing or by any other means deemed appropriate by the Board if such violation was observed by a committee member, Director or the Managing Agent.

C. **Investigation.** Upon receipt of a complaint, the Board of Directors may investigate the alleged violation either in person, or by appointing a designated individual or committee. The Board shall have sole discretion in appointing an individual or committee to investigate the matter.

D. **Initial Warning Letter.** If an alleged violation is found to exist, a warning letter shall be sent to the Violator explaining the nature of the violation. Such letter shall be personally delivered, mailed to the Member at the Member's last known address by certified, return receipt requested mail or sent by e-mail to an Owner who has registered an e-mail address if the Owner confirms receipt of such e-mail notice. The Violator will have 10 days from the date of the letter to come into compliance.

E. **Continued Violation After Initial Warning Letter.** If the alleged Violator does not come into compliance within 10 days of the first warning letter, this will be considered a second violation for which a fine may be imposed following notice and opportunity for a hearing. A second letter shall then be sent to the alleged Violator as provided in Section D above, providing notice and an opportunity for a hearing, and explaining if a violation is found to exist, a fine may be imposed pursuant to this Policy. The letter shall further state that the alleged Violator is entitled to a hearing on the merits of the matter provided that such hearing is requested in writing within 10 days of the date on the second violation letter.

F. Notice of Hearing. If a hearing is requested by the alleged Violator, the Board, committee or other person conducting such hearing, as may be determined in the sole discretion of the Board, shall serve a written notice of the hearing to all parties involved at least 10 days prior to the hearing date. At a minimum, the notice shall be served upon the Complainant, the Violator, and the Board of Directors, if the Board of Directors is not conducting the hearing.

G. Hearing. At the beginning of each hearing, the presiding officer shall introduce the case by describing the alleged violation and the procedure to be followed during the hearing. Each party or designated representative may, but is not required to, make an opening statement, present evidence and testimony, present witnesses, and make a closing statement. The presiding officer may also impose such other rules of conduct as may be appropriate under the circumstances. Neither the Complainant nor the alleged Violator is required to be in attendance at the hearing. The Board shall base its decision solely on the matters set forth in the Complaint, results of the investigation and such other credible evidence as may be presented at the hearing. Unless otherwise determined by the Board, all hearings shall be open to attendance by all Owners. After all testimony and other evidence has been presented at a hearing, the Board shall, within a reasonable time, not to exceed 10 days, render its written findings and decision, and impose a fine, if applicable. A decision, either a finding for or against the Owner, shall be by a majority of the Board Members present at the hearing. Failure to strictly follow the hearing procedure set forth above shall not constitute grounds for appeal of the hearing committee's decision absent a showing of denial of due process.

H. Failure to Timely Request Hearing. If the alleged Violator fails to request a hearing within 10 days of the second letter, or fails to appear at the hearing, the Board may make a decision with respect to the alleged violation based on the Complaint, results of the investigation, and any other available information without the necessity of holding a formal hearing. If a violation is found to exist, the alleged Violator may be assessed a fine pursuant to these policies and procedures.

I. Notification of Decision. The decision of the Board, committee or other person, shall be in writing and provided to the Violator and Complainant within 10 days of the hearing, or if no hearing is requested, within 10 days of the final decision.

J. Appeals. The Violator may file a written appeal to the Board of Directors of any adverse decision of a hearing committee or individual within 10 days of the decision.

K. Fine Schedule. The following fine schedule has been adopted for all recurring covenant violations:

First violation	Warning letter
Second violation	\$250.00
(of same covenant or rule)	

Third violation

(of same covenant or rule)                      \$500.00

Fourth and subsequent covenant violations may be turned over to the Association's attorney to take appropriate legal action. Any Owner committing four or more violations in a six month period (whether such violation are of the same covenant or different covenants) may be immediately turned over to the Association's attorney for appropriate legal action.

L.     Continuous Violations. Continuous violations are defined as violations of Owners obligations that are uninterrupted by time. Each day of non-compliance with such violations constitutes a separate violation. *For example: failure to have plans and specifications approved by the Architectural Control Committee prior to commencement of construction of improvements on a Building Site or the continuous parking in a fire lane.*

If an Owner is determined as having a continuous violation, in accordance with the terms of this Policy, such Owner may be subject to a daily fine of \$100.00 for each day the violation, up to a maximum of 30 days, following a notice and opportunity for a hearing as set forth above. The Board need not issue a separate notice or have a separate hearing for each day of a continuous violation.

M.     Waiver of Fines. The Board may waive all, or any portion, of the fines if, in its sole discretion, such waiver is appropriate under the circumstances. Additionally, the Board may condition waiver of the entire fine, or any portion thereof, upon the Violator coming into and staying in compliance with the Association Documents.

N.     Other Enforcement Means. This fine schedule and enforcement process is adopted in addition to all other enforcement means which are available to the Association through the Governing Documents and Colorado law. The use of this process does not preclude the Association from using any other enforcement means.

O.     Attorney Fees. A member will be responsible for reasonable attorney's fees and costs incurred by the Association incident to the violation of any provision of the Governing Documents by the Member or any occupant in a Member's Single Family Residence.