

RULE ON FINES

The Board of Directors may levy reasonable fines against a Member for any violation of the Bylaws; the Declaration of Protective Covenants, the Rules and Regulations; or the North Star Owner's Association Architectural Design Guidelines, committed by such Member or any occupant of the Lot owned by the Member.

1. **Notice and Hearing:** In the event of a violation, the Association shall provide the Member a written notice of said violation. The Member shall be given a reasonable opportunity, under the circumstances, to correct the violation or, if a first-time and unintentional offense, to assure the Board to the latter's satisfaction that the violation will not be repeated. The Member shall be entitled, upon request, to a hearing before the Board of Directors or any designated committee to contest the violation and/or fine. At such hearing, the Member shall have the right to be represented by legal counsel and to have a reasonable amount of time to produce any statement, evidence, and witness on his or her behalf. The minutes of the hearing shall contain a written statement of the results of the hearing and the fine, if any, that is imposed. The Association is not required to provide such notice and opportunity to be heard for recurring or continuous violations unless no fewer than three (3) months have passed from the time of the previous violation.
2. **Continuing Violations:** In the case of a continuing or persistent violation: 1) Each day the violation continues after written notice thereof shall be deemed a separate and distinct violation and, hence, subject to a separate daily fine, up to a maximum of thirty (30) daily fines per violation; and 2) The Board may require the Member to post a bond or other form of security in order to ensure future compliance. For any such violation that cannot be cured immediately, no further fines shall be levied after such time as the Member begins a good-faith cure of the same.
3. **Lien Against Lot:** Any such fine shall constitute a personal obligation of the Member, as well as a lien upon the lot, which lien may be foreclosed in the same manner as a lien for unpaid association assessments.
4. **Fees and Costs:** The Member and his agents and employees shall be jointly and severally liable for all attorney's fees and costs incurred by the Association incident to the violation, levy and collection of the fine, including court proceedings.
5. **Crediting Payments:** The Association shall apply all partial payments by the Member to the Member's outstanding balance in the following order:
 - Attorney's fees and costs;
 - Late fees and interest;
 - Fines;
 - Special Assessments; and
 - Regular Assessments, with payment being applied to the oldest balance first.

No partial payments will waive the Association's right to pursue full payment and/or enforce its bylaws, declaration, and rules and regulations.

able to function in a disinterested fashion. If such member is incapable of objective consideration in the case, he or she shall disclose such to the committee and remove himself or herself from the proceedings and have it so recorded in the minutes.

- vi. Hearing. The hearing will not be conducted according to technical rule relating to evidence and witnesses. Generally, any relevant evidence may be admitted if it is the sort of evidence on which responsible persons are accustomed to rely in the conduct of serious affairs, regardless of the existence over objection in civil actions. Decisions of the Rules Committee may be made “under advisement,” i.e. at a later date and time. All decisions of the Rules Committee are effective three days after written notice is sent to the Owner (via regular, first class mail); provided, however, should the Owner desire to appeal the decision of the Rules Committee to the Board, he or she shall deliver written request to the Board by sending or delivering same to the Manager no later than fifteen days after the date of the letter to the Owner. The Board shall hear any such appeal at its next regular meeting.
- vii. Owner’s Right to Privacy. At the request of any Owner, any hearing shall be conducted in executive session. If the accusing party fails to attend, or if the accused fails to attend, the hearing shall continue.

2.2 Fines. Upon the finding of a Violation following the procedures outlined above, the Board shall levy the following fines:

- i. [You will want the dollars to be reflective of what sort of penalties may be borne by an Owner in the community]
- ii. All fines shall be collectible as Assessments and paid as provided in Rule 1 above.

2.3 Additional Enforcement Procedures. If a third Violation occurs, the Association shall deem said third Violation as constituting obnoxious or offensive conduct pursuant to Section 6.14 of the Declaration and a judicial proceeding may be brought to abate the conduct for the third or subsequent Violation. If the Association is forced to bring legal action to abate the conduct the Owner and/or Related User shall be liable for all the costs, expert witness fees and attorney’s fees incurred by the Association, in accordance with Rule 13.4 below.

2.4 Joint and Several Liability. The Owner and Related User shall be jointly and severally liable for any fine or other monetary penalty imposed upon a Related User pursuant to the enforcement of the Governing Documents, including but not limited to, all attorney’s fees, expert witness fees and costs incurred by the Association resulting from or in any way related to the Violation or the collection of fines.

2.5 Violation. Every act or omission whereby any provision of the Rules is violated, in whole or in part, is considered a nuisance, and may be enjoined or abated, whether or not the relief sought is for negative or affirmative action by the Association or any Owner. Any violation of any state municipal or local law, ordinance or regulation pertaining to the ownership, occupation or use of any of the Lots is hereby declared to be a Violation and subject to any and all of the enforcement procedures set forth herein.

2.6 Remedy. Each remedy set forth in the Rules shall be in addition to all other remedies, whether available at law or in equity, and all such remedies, whether or not set forth in the Rules, shall be cumulative and nonexclusive.

II. OTHER CONSIDERATIONS WHEN DRAFTING RULES

A. Use formal rule-making procedures.

_____ Using formal rule-making procedures ensures that the association doesn't adopt needless, illegal, or unenforceable rules.

B. Create an outline of rules, draft and redraft and revise annually.