

Dear Members,

It is among the powers and duties of the Board of Directors to adopt and publish rules as per our By-laws. The inability to respect and follow these rules unfortunately can result not only in unsafe situations, but can result in disruptive or chaotic situations within the HOA. Due to this, it is unfortunate but necessary to have a structure of consequences in place in case rules are not followed.

Please take notice that at the Board meeting held on April 14, 2012 the Lake Joseph HOA Board of Directors ("BOD") passed an amendment to its rules that:

- (a) increased the fine for a violation of HOA rules to \$250 for the first offense and to \$500 for each and every subsequent offense;
- (b) defined more particularly the process by which alleged violations will be considered by the BOD and the BOD's general preference for providing a warning for a violation prior to imposing a fine;
- (c) provided that the members will be fined for any violations committed by their guests, family members or tenants, as well as by the members, individually.

Please take notice that it will be the current Board of Director policy, in view of its obligations to the Association as a whole, and pursuant to the powers and duties conferred upon it by Lake Joseph's Declaration of Covenants, Restrictions, Easements, Charges and Liens, its By-laws, its Certificate of Incorporation and its Rules and Regulations, to pursue collection of all fines imposed by every lawful means available.

Member:

Address:

Rule Violated:

_____ First Offense-Warning

_____ Second Offense-\$250 Fine

_____ Subsequent Offenses-\$500 Fine