HILLER HIGHLANDS II ASSOCIATION

FINE SCHEDULE AND PROCEDURE FOR VIOLATIONS OF THE GOVERNING DOCUMENTS

Members of the association in violation of Hiller Highland II Association's governing documents [Declaration of Covenants, Conditions & Restrictions (CC&Rs), By Laws, Articles of Incorporation, Rules, Regulations and Design Code for Firestorm Reconstruction] shall be subject to fines of up to \$500.00 per incident, or per day, depending upon the circumstances, and based upon the reasonable business judgment of the Board of Directors.

The first offense shall result in a written warning to the offending member. The warning shall specify the offending nature of the offensive conduct, date and time. It shall also advise the member of the proposed penalty if the violation reoccurs.

If the violation reoccurs the member is sent a (20 day) notice advising them that the Board is proposing to, for example, impose a fine of \$500.00, and the member has a right to appear at the next board meeting to present evidence as to why the penalty should not be imposed for this offense and any subsequent offense. The hearing is held and the board will then notify the member of its decision in writing within 5 days of the hearing.

If the fine is imposed it is added to the members assessment account. If the member refuses to pay the fine, it is turned over to the association's attorney for collection (there is an attorneys fee provision in our CC&Rs that would pass the cost of collection back on to the member who violated the governing documents) at the board's discretion. If violation(s) continue, the association reserves the right to other enforcement actions including but not limited to, injunctive or declarative relief from the Alameda County Superior Court.