RULES and REGULATIONS

The Deed of Dedication (DoD) authorizes the Board of Directors to periodically adopt and publish rules and regulations to aid in the enforcement of all covenants and conditions and restrictions contained in the Deed of Dedication ($\S V$, (C)(3)(i)); see also Amended Bylaws (Art. VII, $\S 1(A)$).

The Board adopts and publishes the following Rules and Regulations:

I. <u>FINES</u>

The DoD authorizes the imposition of Violation Assessments upon written notice of violation to the owner, rejection of appeal, if any, and upon expiration of time to remedy the issue. The fine amount and frequency is discretionary, and shall be assessed until the violation is corrected ($\S V$, (D)(1)(iii), (5) and (10)); see also Amended Bylaws (Art. VII, $\S 1$ (F), Art. XI, $\S 1$).

1.1 <u>Fine Schedule</u>

Class A Violation - Not more than \$500.00;

Class B Violation - Not more than \$250.00;

Class C Violation - Not more than \$100.00.

1.2 Violations

1.2.1 Class A Violations:

- (A) Failure to Obtain Approval of Architectural Committee prior to construction, installation, or renovation of any feature (DoD) §VI, (A)(1)-(3));
- (B) Architectural Restrictions Use of Lots (DoD §VI, (B)(1)-(11), and (14)-(16)).

1.2.2 Class B Violations:

Restrictions - (DoD §VI, (B)(19), (20), (26), and (31)).

1.2.3 Class C Violations:

- (A) Restrictions (DoD §VI, (B)(12), (13), (17), (18), (21)-(25), (27)-(30), and (32)-(36));
- (B) Owner Lot Maintenance Responsibilities (DoD §VI, (C)(1)-(7)).

II. INTEREST ON DUES, SPECIAL ASSESSMENTS AND FINES

The DoD authorizes the Board to levy up to 12% interest per annum on (1) annual maintenance assessments, (2) special assessments, and (3) violation assessments (DoD §V, (D)(1), (5), and (10)).

2.1 <u>Interest Accrual</u>

At the Board's discretion, interest of up to 12% per annum may be imposed on annual maintenance assessments, special assessments, and violation assessments in default (90 days in arrears) AND for which a lien has been filed.