

MAKING AND ENFORCING RULES AND REGULATIONS

SECTION 1. SCOPE OF RULES AND REGULATIONS

The Board of Directors may from time to time enact rules and regulations as hereinafter provided. Such rules and regulations shall govern the use of the Common Area and facilities, the conduct of members and their guests, compliance with restrictions and covenants filed of record and relating to the use of land or improvements within the Properties, the control of Architecture within the Properties, and other matters necessary to insuring the health, safety and welfare of residents and value of properties: common, residential and commercial.

SECTION 2. ENACTMENT OF RULES AND REGULATIONS

An affirmative vote of two-thirds of the members of the Board of Directors may enact rules and regulations at a regular or special meeting at which such rules and regulations are first introduced for consideration. If such rules and regulations are not enacted by a two-thirds vote, then rules and regulations may be enacted by a two-thirds (2/3) vote of the duly elected members of the Board of Directors at a regular meeting of the Board of Directors at least ten (10) days subsequent to the meeting at which the rules and regulations were initially introduced for passage. Within sixty (60) days of the vote the Board of Directors enacting new rules and regulations, the secretary shall cause notice thereof, consisting of the full text of such rules and regulations to be mailed to all member of the Association, postage prepaid, at the last known address of each such member.

SECTION 3. EFFECTIVE DATE OF RULES AND REGULATIONS

Rules and regulations shall become effective ten (10) days after notification in the *Shoreline* of the enactment thereof.

SECTION 4. FINES, SUSPENSIONS AND OTHER SANCTIONS

Members violating duly enacted rules and regulations shall be subject to sanctions in accordance with the terms and provisions of such rules and regulations. Such sanctions may include, but shall not necessarily be limited to:

- a) Suspension from the privileges of membership, to include the right to vote and the right to use and enjoy all or part of the Common Area, for a period not to exceed ninety (90) days for each such violation.
- b) The assessment of reasonable fines, not to exceed five hundred dollars (\$500.00) for the first violation. Such fines, as well as costs and attorney's fees expended in collecting fines or enforcing suspensions pursuant to Section 4(a), above and may become a lien against any lot, unit or other land owned or occupied by any violator. Correction of the violation must be made within ten (10) days or additional fines may be levied.
- c) Reasonable directives of a mandatory or prohibiting nature concerning courses of conduct or material, equipment, structures or property, including but not limited to:
 - 1) Prohibitions on the use of specified equipment, vehicles, watercraft or devices in or around the Common Area (e.g. requiring a boat which has frequently been involved in violations of rules and regulations to be removed from the lake.)
 - 2) The removal of structures failing to conform with the architectural control guidelines, or vehicles or watercraft parked or stored on lots or land within the properties in violation of restrictive covenants, rules and regulations.
 - 3) The imposition of reimbursement charges to pay the costs of removing, and if necessary storing, unauthorized vehicles, boats or structures from lots or other land.

- 4) Prohibitions on certain members for engaging in specified activities, authorizing the use of the Common Area by specified guests, or otherwise exercising privilege within the Properties which may have previously jeopardized the health, safety or welfare of the members.
- d) Other reasonable actions by the Board of Directors which are specified in the rules and regulations enacted by the Board and which bear a reasonable relationship to the violation for which the sanction is imposed.

SECTION 5. PROCEDURE FOR IMPOSING SANCTIONS

Whenever violations of rules and enacted by the Board of Directors justify the imposition of sanctions pursuant to Section 4 above, such sanctions shall be imposed only in accordance with the following procedure.

- a) When a member has committed an offense justifying the imposition of sanctions, he or she shall be given written notice of the alleged offense(s), and the sanction to be imposed, by the Board Designee.
- b) The member shall have ten (10) days following date of the notice required by Section 5(a) to request a hearing in front of the Appeals Committee. Such request shall be made in writing to the Board Designee. If such a hearing is not requested, ALL SANCTIONS SPECIFIED IN THE NOTICE SHALL BE EFFECTIVE UPON THE EXPIRATION OF THE TEN (10) DAY PERIOD.
- c) If a hearing before the Appeals Committee is requested, it shall be held at the next scheduled meeting of the Committee from the receipt of the request from the Board Designee. At the hearing, the member(s) shall be allowed to be present and represented by counsel.
- d) After the appellate hearing, the Appeals Committee shall make a decision to uphold or dismiss the alleged violation(s) and the appropriate sanctions to be imposed. This decision shall be in writing and forwarded to the member, by certified mail, within five (5) days of the hearing. The decision shall specify the rules and regulations which have been violated, the acts constituting such violations and the sanction or sanctions imposed or dismissal of the case.
- e) The member shall have ten (10) days, following date of the notice of the Appeals Committee decision, in which to request a hearing before the Board of Directors. Such requests shall be made in writing to the Board Designee. If a hearing before the Board of Directors is requested, the Appeals Committee decision shall be stayed. If no hearing is requested, the Appeals Committee decision shall become final and the sanctions recommended therein shall be effective ten (10) days after the date of the Appeals Committee notice to member(s).
- f) If a hearing is requested before the Board of Directors, it shall be held at the next regular meeting of the Board, or at a special meeting called before the next regular Board meeting. At such hearing, the Board of Directors shall receive and consider the decision of the Appeals Committee and any testimony or other evidence which the member(s) desire to present.
- g) Within five (5) days of the hearing, the Board of Directors shall render a written and final decision and cause it to be served on the member(s) by certified mail. The decision shall specify the rules and regulations, which have been violated, the acts constituting such violations and the sanctions imposed, or dismissal of the case.

SECTION 6. ENFORCEMENT OF SANCTIONS

Failure to abide by sanctions may result in:

- a) A civil action in any Court of competent jurisdiction, and the recovery of costs and reasonable attorney's fees from the non-complying member(s).
- b) Criminal prosecution for trespass or other appropriate offenses.
- c) The use of reasonable and lawful action by member of Raintree Patrol to insure compliance.

SECTION 7. PENALTY FOR DISREGARDING SANCTIONS

In addition to the methods enumerated in Section 6 above for enforcing sanctions, for each ten (10) day period from the date the sanction is initially imposed, the sanction or fine will be doubled up to a maximum one thousand dollar (\$1,000.00) fine. This fine must be paid within ten (10) days or a lien will be imposed upon the property.