Resolution A -001

RESOLUTION OF THE BOARD OF DIRECTORS OF THE ROYAL KUNIA COMMUNITY ASSOCIATION

ADOPTING A SCHEDULE OF FINES FOR VIOLATIONS FOR THE DECLARATION OF COVENANTS, CONDITIONS, & RESTRICTIONS

DATED: Wednesday, October 11, 2000

WHEREAS, Article 4, Section 402 (h), Section 504 (j), Article 5, Section 505 (f), and Article 7, Section 705 (a),(b),(c),(d)&(e) of the Declaration of Covenants, Conditions, and Restrictions ("DCC&R's") of the Royal Kunia Community Association gives the Association's Board of Directors the power to impose monetary fines upon unit violations of the DCC&R's; and

RESOLVED, the Board adopts the following schedule of fines for any violation of the Association's DCC&R's (the "project documents") by owners, their tenants, family members, guests, agents, employees, or anyone else using the project;

RESOLVED FURTHER, the Board deems owners to be responsible for payment of any fines imposed with respect to their unit, or as a result of the actions of the owners' tenants, family members, guests, agents, or employees.

I. Amount of Fines

* First Notice:

A written notice given or sent to the owner. 30 days

to comply.

* Second Notice:

A written notice given or sent to the owner. 15 days

to comply.

* Third Notice:

A written notice given or sent to the owner and a

\$50.00 fine assessed against the owner and the

owner has 15 days to comply.

* Final and

Subsequent

Notices: A written notice given or sent to the owner and a

\$100.00 fine assessed against the owner for each offense and file sent to the Association's attorney.

Royal Kunia Community Association Adopting a Schedule of Fines for Violations of the DCC&R's Page two

Second, Third, Final and Subsequent violations need be for a violation of the same provision. A \$50.00 fine will be assessed for a third violation of the DCC&R's and a \$100.00 fine will be assessed for a Fourth and Subsequent violations of the DCC&R's.

The Board may delegate its authority to impose fines to the General Manager or Managing Agent.

II. Violations

Each violation issued shall briefly describe the nature of the violation; date of the violation; house number; and name of parties involved, if known. The original citation shall be sent to the owner who shall be responsible for payment of any applicable fine(s).

III. Payment of Fines and Liability

Owners shall be liable for their own fines and for fines assessed against their tenants, guests, family members, agents, etc. Unless appealed, as permitted below, a fine must be paid by the owner to the Association within thirty (30) days of the assessment of the fine. If the owner fails to pay or appeal a fine within thirty (30) days after the fine is assessed, the fine shall be deemed a common expense chargeable against the owner's unit. The Association may file a lien against the owner's unit for the unpaid fines and may collect the unpaid fines under the procedures provided in Article 6 Section 6.07, (a), (b), (c), & (d), of the DCC&R's for collection of delinquent assessments. The owner shall also be assessed a late fee of \$10.00 for each month the fine remains unpaid, unless the Board votes to suspend or cancel the fine.

IV. Appeal of Fines

Any violation or fine may be appealed as provided in this subsection.

- * Within thirty (30) days of the date of a citation or fine, an owner, tenant, or other offenders may appeal to the Board by mailing or delivering written notice of appeal to the Board or the Managing Agent.
- * If an appeal is made to the Board, the notice of appeal must contain a copy of the violation, a statement of the facts of the offense, the reason for appeal, the names and addresses of any witnesses, and copies of any proposed exhibits. The owner, tenant, or other offender may appear at a

Royal Kunia Community Association

Board meeting to provide additional information or the Board may ask the person to appeal.

- * The Board may reduce, suspend, or cancel any citation or fine after consideration of the appeal. The Board will mail or deliver a written decision to the person making the appeal within sixty (60) days of the receipt of the notice of appeal.
- * Pending an appeal to the Board, an owner need not pay a fine and no lien shall be imposed on an owner's unit. Filing a notice of appeal shall not halt the accrual of any ongoing late fees imposed for the offense which is the subject of the appeal.

V. Miscellaneous

This schedule of fines shall be sent to all owners and residents of the Royal Kunia Community Association and shall be filed in the Association's Book of Resolutions. The Board reserves the right to establish a new schedule of fines at any time after notice to owners.

NOTHING CONTAINED IN THIS RESOLUTION SHALL BE INTERPRETED TO PREVENT OR DELAY THE BOARD, GENERAL MANAGER, OR MANAGING AGENT FROM ENJOINING, ABATING, REMOVING OR REMEDYING ANY VIOLATION OR BREACH WHICH MAY IMPAIR OR IN ANY WAY AFFECT THE VALUE OR SAFETY OF THE PROJECT OR THE USE, ENJOYMENT, SAFETY OR HEALTH OF ANY OWNER OR RESIDENT.

File: c503\fines