

BUCKHORN RANCH ASSOCIATION, INC.

AMENDED POLICY ON ENFORCEMENT OF GOVERNING DOCUMENTS

The Board of Directors of Buckhorn Ranch Association, Inc., hereby approves and adopts the following Amended Policy on Enforcement of Governing Documents. Any previous policy or policies on enforcement, including the imposition of fines, is hereby superseded and replaced in its entirety with the following policy.

1. Governing Documents Defined. "Governing Documents" shall mean and include the Association's Declaration, Bylaws, Articles of Incorporation, Design Review Guidelines, Rules and Regulations, Policies or Resolutions duly adopted by the Board of Directors (Board). Governing Documents also includes any amendments to the foregoing.

2. Compliance with Governing Documents. All enforcement procedures shall comply with the Governing Documents and any applicable law. Violations for failure to pay dues shall be subject to the Policy for Collections of Unpaid Dues and Imposition of Fines.

3. Initiation of Complaint. Complaints of alleged violations of any of the terms or provisions of the Governing Documents may be initiated by the Board, by any committee of the Board, or by the management company. Complaints of alleged violations can also be initiated by any Owner or resident by forwarding such complaint in writing to the Board in care of the management company. Such complaint shall clearly indicate the nature, date, time and location (include address) of the alleged violation, and the name(s) of the alleged violator(s)/and/or address, if known.

4. Notice and Hearing Procedure. The Association may, as a courtesy, send a notice of violation to the Owner allegedly responsible for the violation. If the matter is not resolved to the satisfaction of the Association through this written contact, the Association shall send written notice to the Owner that a violation has been alleged, and that a fine may be imposed. If a violation is not capable of being cured, the Association may send written notice to the Owner that includes the allegation of the violation, a deadline for compliance, and that a fine may be imposed. Any such violation letter shall inform the Owner that if he or she disputes the allegation, he or she may request a hearing, provided that such a hearing is requested in writing within fourteen (14) days of the date on the violation letter. The notice shall contain sufficient information so that the Owner may determine the nature of the alleged violation. The deadline for compliance shall be reasonable under the circumstances and depend upon the nature of the alleged violation.

If the Owner does not request a hearing, the right to such hearing shall be deemed waived. If a hearing is requested, the Owner allegedly responsible for the violation shall be provided written notice of the time, date and location of the hearing. Such notices of hearing shall be mailed no less than 14 days in advance. At that hearing the Owner shall have an opportunity to appear in person, or through a representative, and to present any witnesses, testimony, explanation, or documentation regarding the alleged violation. An Owner may also submit a written statement, documentary evidence, photographs or other similar documentation without being present at the hearing. Such evidence or documentation shall be submitted to the management company at least 48 before the scheduled hearing.

The hearing shall be before a panel of impartial decision makers who do not have a *direct* personal or financial interest in the outcome of the hearing. An impartial decision maker shall be an individual who has authority to make a decision on the claimed violation and does not have a

direct personal or financial interest in the outcome. A person does not have a direct personal or financial interest in the outcome if the decision maker will not, as a result of the outcome, receive any greater benefit or detriment than will the general membership of the Association. The Board of Directors shall serve as the impartial decision maker, subject to any members of the Board who may be disqualified because he or she is not an impartial decision maker. If the Board determines that no member of the Board can serve as an impartial decision maker, the Board may appoint a person or persons to the panel fill the vacancy by the disqualified director. The panel shall contain an odd number of persons.

At that hearing, the panel shall make a determination, based on a preponderance of the evidence, as to:

- (a) whether a violation has occurred;
- (b) whether the accused Owner is responsible for the violation; and
- (c) if applicable, the imposition of the appropriate fine, pursuant to the Association's fine schedule, if a violation does exist.

If the Owner does not request a hearing within fourteen (14) days of the date of the violation letter, or if the Owner fails to appear for the hearing, the opportunity to be heard and to present evidence shall be deemed to have been forever waived by the Owner and the panel shall make a determination on the basis of the information available.

4. Decision of Panel. The hearing panel may issue its ruling orally after its deliberation at the conclusion of the hearing or by written notice within 15 days after the hearing. A decision on the validity of the allegations shall be determined by a majority vote of the panel members.

5. Fines. Fines are immediately due and payable when incurred. Fines not paid within 30 days shall incur interest at 18% per annum. Failure to pay may result in a Notice of Lien being recorded, as well as the Association taking other collection action.

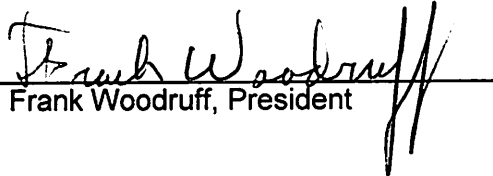
6. Continuing Violations. Violations that are not corrected and are continuing in nature shall incur the daily fine rate as set forth the Association's fine schedule. A violation is continuing if the violation is capable of being stopped or remedied by the Owner.

7. Correction by the Association. If the Owner fails to correct the violation, the management company may authorize correction to be made by the appropriate entity and assess the Owner for any cost incurred.

8. Additional Remedies. The Association will make every reasonable effort to treat similar cases in a similar manner, however the Board reserves the right to consider the unique facts and circumstances of each case, and to act as it deems appropriate in any given case. The failure of the Association to enforce any provision of the Governing Documents or applicable law shall not be deemed a waiver to enforce for any subsequent violations. In addition, the Association may take legal action and pursue other available remedies at the same time as the imposition of fines.

9. Owner Responsibility. The Owner of any lot within Buckhorn Ranch shall be responsible for any noncompliance or any violations of the Governing Documents committed by any family member, guest, tenant, invitee or licensee of the Owner.

The undersigned, as President of Buckhorn Ranch Association, Inc., hereby certifies that the foregoing was approved and adopted by the Board of Directors at a meeting of the Board held on June 26, 2018.

By: 
Frank Woodruff, President