NOTICE OF ADOPTION OF SVHOA FINE SCHEDULE

Adopted: September 28, 2023 Published: November 1, 2023

The Board of Directors of the Secluded Valley Homeowner's Association ("SVHOA") adopted the following Fine Schedule on September 28, 2023, at a duly noticed regularly scheduled meetings of the Board.

The Rules to which the fines apply were previously adopted by the Board and most recently published to Members on September 29, 2022. <u>The Procedures</u> that apply before a fine is imposed, and which are intended to avoid the <u>assessment of most fines</u>, were adopted on January 27, 2022. Those procedures are set forth below the Fine Schedule.

FINE SCHEDULE

IMPORTANT NOTE: IT IS THE BOARD'S <u>INTENTION TO AVOID FINES AND IMPOSE</u> <u>THEM ONLY AS A LAST RESORT WHERE NECESSARY TO GAIN COMPLIANCE WITH</u> <u>APPLICABLE RULES</u>. ACCORDINGLY, NO FINE WILL BE IMPOSED UNTIL AFTER A MEMBER HAS BEEN GIVEN AMPLE NOTICE OF AN ALLEGED VIOLATION AND AN OPPORTUNITY TO DISPUTE OR CORRECT THE VIOLATION. VIOLATIONS THAT ARE CORRECTED IN A TIMELY MANNER WILL NOT BE SUBJECT TO FINE, WITH THE EXCEPTION OF CERTAIN INSTANCES OF INHERENTLY DANGEROUS, DELIBERATE, RECKLESS OR REPEATED VIOLATIONS, AS NOTED BELOW.

<u>All fines are subject to the Procedure for Violations of the Governing Documents adopted by the</u> <u>Board on January 27, 2022, including provisions for notice and an opportunity to dispute or correct</u> <u>any violation. The applicable procedures and notices are set forth below.</u> The Board will also give appropriate consideration to violations committed by children with the primary objective of teaching and gaining compliance.

The Board of Directors of the Secluded Valley Homeowner's Association ("SVHOA") has adopted the following schedule of fines for violations of the stated CC&Rs, Rules or Procedures. These fines are in addition to any other remedies allowed by law for the violations, including, but not limited to, assessment of monetary damages and the suspension of SVHOA Member privileges. Exceptions may be granted only in writing by the Board after written application.

The amount of fines has been determined based on factors including, but not necessarily limited to, the detriment caused, hazard created and an amount intended to deter violations.

Members are responsible for all conduct of family members, guests, renters and invitees.

* * * * *

GENERAL RULES

Prohibited Activities	Notice and Opportunity to Correct ¹	First violation ²	Second violation	Add'l violations
Garage or Estate Sales: Garage or Estate sales are considered to increase security threats and disturb neighborhood quiet enjoyment by inviting non-SVHOA Members into the SVHOA neighborhoods. No "garage or estate sales" may be held. A garage or estate sale is any advertised sale for the purchase and sale or donation of items of personal property that is open to members of the public who are not Members of the SVHOA. (Rule)	Yes	\$100 per day	\$250 per day	\$1000 per day
Architectural Approvals: No alteration of any structure may be made without prior written application to, and written approval by, the Architectural Committee or the SVHOA Board. Alterations subject to this rule include, but are not limited to new, repair or replacement exterior painting, staining, or recoloration, fencing, hardscaping, siding, roofing, windows or any kind. Members have been provided with a set of SVHOA Guideline Application forms to assist with their application process. (CC&R's)	Yes	\$100	\$500	\$1000
<u>Rentals</u> : No Lot, structure, or other real property or any portion of any Lot, structure or other real property, may be rented in whole or in part for a period of less than 90 days, or for any period of time for any social, entertainment or recreational or purpose other than single family residential. Any rental of any property shall in writing expressly prohibit any subrental contrary to this rule. (CC&Rs)	Yes	\$500 per day	\$750 per day	\$1000 per day
Business Uses : No Member property may be used for any business purpose. Use as a home office solely by a Member that does not involve the coming and going of clients or other business invitees will not be considered a violation of this rule. (CC&Rs)	Yes	\$100 per day	\$250 per day	\$500 per day
Offensive or Noxious Activities: No activity may be conducted on a Member property that by noise, light, smell or other sensory perception unreasonably disturbs Members on their property or other users of the Common Area. (CC&Rs)	Yes	\$0	\$0	\$0

¹ Notice and opportunity to correct violations may not apply if the Board, after notice to the member and hearing, determines the violation was deliberate, reckless or repeated.

² A violation fined on a per day basis consists of substantially the same violation occurring on consecutive days. The same or similar violation occurring on nonconsecutive days constitutes a separate violation.

Prohibited Activities	Notice and Opportunity to Correct ³	First violation ⁴	Second violation	Add'l violations
Common Area modifications: Nothing in the Common Area may be altered in any way without prior written approval of the Board of Directors. Prohibited alterations include, but are not limited to, removing, modifying, adding, cutting, spraying, excavating, pruning, sawing, painting, and all other alterations or modifications of any kind whatsoever. (CC&Rs)	Yes	\$50, but \$100 for violations involving trees	\$125, but \$250 for violation involving trees	\$250, but \$500 for violations involving trees
Motorized vehicles: Motorized vehicles of all types are prohibited in the Common Areas at all times. (Rule)	Yes	\$100	\$250	\$500
Wheeled vehicles: Wheeled vehicles, including, but not limited to, bicycles, roller skates, or skateboards off the pathways, are prohibited anywhere in the Common Area except on paved pathways and established dirt extensions of existing paved pathways. This rule includes, but is not limited to, the tennis courts and playground. (Rule)	Yes	\$50	\$100	\$250
Wheeled vehicles - operation: Wheeled vehicles, including, but not limited to, bicycles, roller skates, or skateboards may not be operated in the Common Area at speeds or in proximity to users or animals that presents a foreseeable risk of injury to persons, animals or property. In no event may wheeled vehicles be operated in excess of ten (10) miles per hour. Violation of this rule is a separate violation from operation of wheeled vehicles in prohibited areas of the Common Area (CC&R and Rule)	Yes	\$50	\$100	\$250
Substances: Use of smoking (including vaping), alcohol and illegal drugs in the Common Area is strictly prohibited. Possession or secreting of illegal drugs or substances is strictly prohibited. (Rule)	No. Inherently dangerous.	\$250	\$500	\$1000
<u>Fires and fireworks</u> : Fires, barbecues and fireworks in the Common Area are strictly prohibited. (Rule)	No. Inherently dangerous.	\$500	\$1000	\$1000
<u>Animals</u> : All animals in the Common Area must be leashed and under control or subject to effective electronic control. No animal may attack any person or other animal. (Rule)	Yes	\$25, but \$50 for violations involving attacks	\$50, but \$100 for violations involving attacks	\$125, but \$250 for violation involving attacks
Littering (including pet waste): Littering in the Common Area is prohibited. All pet waste shall be immediately removed by the person with supervision of the pet(s). (Trash containers are	Yes	\$50	\$100	\$250

³ Notice and opportunity to correct violations may not apply if the Board, after notice to the member and hearing, determines the violation was deliberate, reckless or repeated.

⁴ A violation fined on a per day basis consists of substantially the same violation occurring on consecutive days. The same or similar violation occurring on nonconsecutive days constitutes a separate violation.

Prohibited Activities	Notice and Opportunity to Correct ³	First violation ⁴	Second violation	Add'l violations
available at the tennis courts, as well as at each Member's home). (Rule)				
Tennis courts - key entry only: No one may enter the tennis courts except by using an authorized key issued by the SVHOA. (Rule)	Yes	\$50	\$100	\$250
Tennis courts - gate: The tennis court gate may not be propped open or prevented from fully latched closure. The gate must be fully latched and locked after passing through the gate. (Rule)	Yes	\$50	\$100	\$250
Tennis courts - shoe soles: All black-soled shoes and all other footwear that may mark the surface of the tennis court, are prohibited in the tennis courts. (Rule)	Yes	\$50	\$100	\$250
Tennis courts and playground - glass containers: Glass containers are prohibited in the tennis court and playground. (Rule)	Yes	\$25, but \$50 for broken glass	\$50, but \$100 for broken glass	\$125, but \$250 for broken glass
Tennis courts and playgrounds - pets: Pets are prohibited in the tennis courts and playgrounds (for sanitary and safety reasons). (Rule)	Yes	\$25	\$50	\$125
Tennis courts and playground - fences: Climbing on or over fences surrounding the tennis courts and playground is prohibited. (Rule)	Yes	\$100	\$250	\$500
No for-profit activities : The tennis court and all other Common Areas may not be used for for-profit business or activities. Payment by a Member to a third person for lessons (e.g., tennis lessons provided to the Member) are not considered for-profit business or activities. (Rule)	Yes	\$100	\$250	\$500
Adult supervision of children: Children under the age of eight (8) in the tennis courts and playground must be accompanied by a responsible adult. Parents, even if not present, are responsible for their children's, guests' or tenants' actions. (Rule)	Yes	\$25	\$50	\$125
Offensive or Noxious Activities: No activity may be conducted within the Common Area that by noise, light, smell or other sensory perception unreasonably disturbs Members on their property or other users of the Common Area. (CC&Rs)	Yes	\$100	\$250	\$500

Authority

California Civil Code section 5850, 5865; SVHOA By Laws Article VIII, Section 1(a).

Secluded Valley Homeowner's Association Procedure (and Schedule) for Violations of the Governing Documents, the CC&Rs, By-Laws, Rules, Regulations and Procedures

(Approved January 27, 2022)

The Secluded Valley Homeowner's Association ("SVHOA") Board of Directors ("Board"), in accordance with the California Davis-Stirling Act and SVHOA By Laws, has adopted the following Procedures and Schedules with respect to violations ("Violation") of the SVHOA Declarations of Conditions, Covenants and Restrictions ("CC&Rs"), By Laws and/or duly adopted Rules, Regulations and Procedures.⁵

SVHOA Members are reminded that they are responsible for compliance and may be subject to fines or other remedies for Violations, by tenants, family members and guests with respect to all CC&Rs, By Laws, Rules, Regulations and Procedures.

Except in cases that the Board reasonably determines to be deliberate, reckless or repeated Violation(s) of the CC&Rs, By Laws, Rules, Regulations and Procedures, or in circumstances requiring immediate correction or remediation of the Violation, the following procedures will apply:

- These procedures may be initiated upon receipt by the President (and/or the Board) of notice, whether in writing or otherwise, of any actual or potential Violation. The SVHOA Office Manager ("Office Manager") shall promptly notify, in writing, the President, with copies to all Board Members, any complaint concerning any actual or potential Violation received by the Office Manager.
- Before any written notice set forth herein is sent to a Member, the President or a member of the Board of Directors as the President's designee, shall make a good faith attempt to contact any Member suspected of a Violation to discuss the matter with them in person or by telephone and, if possible, reach a resolution of the suspected Violation.
- The President shall notify in writing any Member suspected of a Violation, through the Office Manager of a suspected violation along with a description of their suspected Violation. The Member will have ten (10) days from the date of notice to cease, rectify, correct or contest the noticed Violation. The notice shall be in the form of, or contain substantially the same information as, Exhibit A Notice Letter attached hereto.
- If the Violation is not ceased, rectified, corrected or contested within the ten (10) day period, a Violation Letter will be sent by the President through the Office Manager stating:
 - the Violation;
 - a demand that the Violation be ceased, rectified or corrected within five (5) days of the letter. To avoid uncertainty, the deadline date will be specifically stated in the letter (e.g., "April 30, 2021");

⁵ Rules, Regulations and Procedures include Common Area (Tennis Courts, Playground, and Pathways) posted signs and notices.

- notice that a fine will be levied against the Member if the Violation is not ceased, rectified or corrected by the stated deadline; and,
- The Violation Letter shall be in the form of, or contain substantially the same information as, Exhibit B Violation Letter attached hereto.
- If the Violation is not ceased or corrected by the deadline set forth in the Violation Letter, or if the Violation is affirmed after being contested, the President through the Office Manager shall send a letter notifying the Member that by decision of the Board_they are subject to fine. The notice shall be in the form of, or contain substantially the same information as, Exhibit C – Fine Letter attached hereto.

In cases that the Board reasonably determines to be deliberate, reckless or repeated Violations, the Board may by motion impose an immediate fine(s) without following the procedures and issuing the Notice and Violation Letters set forth above. Notice to the Member of the Fine shall be provided in the form of, or contain substantially the same information as, Exhibit D – Immediate Fine Letter attached hereto. After a hearing by the Board, the Member will be notified of the Board's decision. If the fine is affirmed, the notice will be in the form of, or contain substantially the same information as Exhibit C – Fine Letter attached hereto.

Additional procedures:

- All Notice, Violation, Fine and Immediate Fine letters provided for herein may be delivered to the Member by email (except for Members who have not consented to receive email notifications from the SVHOA), first class mail, personal delivery, commercial delivery service or any other delivery method reasonably determined to provide reliable actual delivery. Such letters may be directed to the Member or to any person who has acted on behalf of the Member with respect to SVHOA affairs.
- Any fine may be enforced by any method permissible under law or equity.
- In cases where immediate correction or rectification of the Violation is required (nonexclusive examples may include Violations that threaten injury or damage to persons or property or unduly disturb the quiet enjoyment of other Members), the Board may take such additional action as it deems necessary or convenient to gain compliance with all applicable CC&Rs, By Laws, Rules Regulations and Procedures.
- All disputes concerning Violations and fines shall be finally determined pursuant to the SVHOA Dispute Resolution procedures.
- The Procedures, Fines and Remedies set forth herein are not exclusive. Nothing in these
 procedures prevents the Board from taking such additional action or seeking such remedies as it
 may deem necessary or convenient to enforce the CC&Rs, By-Laws, Rules, Regulations and
 Procedures, and/or obtain compensation or reimbursement for damage, including, but not
 limited to, invoking the SVHOA Dispute Resolution Procedures, bringing an action in court for
 legal and/or equitable relief, and suspending Member voting rights and privileges.

* * * *

Exhibit A – Notice Letter

Italics and brackets are instructions for preparation of the letter and should not appear in it.

[Member name] [Member registered street address] [Member registered city, state, zip]

Dear _____,

This letter is provided to you at the direction of the Board of Directors of the Secluded Valley Homeowner's Association ("Board" and "SVHOA").

All members of the SVHOA are responsible for compliance, including compliance by family members, tenants, business and personal guests present within the SVHOA neighborhoods, with the SVHOA Declarations of Conditions, Covenants and Restrictions, By Laws and/or duly adopted rules, regulations and procedures (separately and collectively, the "Controlling Documents").

It has come to the attention of the Board that the following item or actions have occurred that do not comply with the Controlling Documents:

Violation:	
Date(s):	
Action Required:	
Required Compliance Date:	

The Board provides this notice in an effort to avoid further action. The Board requires that you take the Action Required <u>on or before the Required Compliance Date</u>. If you dispute that a violation has occurred, you must provide written notice, including a detailed statement of facts supporting your position, <u>on or before the Required Compliance Date</u> by email or letter delivered to the Board at <u>svhoa.board@gmail.com</u> and/or P.O. Box 1441, Lafayette, CA 94549. If the Action Required is timely completed no further action will be taken. If you provide timely notice that you dispute the violation, the Board will review the information that you provide and determine further steps to resolve the dispute.

Please be advised that if the Action Required is not completed, or the violation is not disputed, on or before the Required Compliance Date, you will be subject to further action, including, but not limited to, fines in the amount of \$_[include applicable fine amount]_____, suspension of Member privileges and /or voting rights, or further legal or equitable action.

The Board looks forward to your cooperation and a quick and amicable resolution of this concern. Thank you in advance.

Very truly yours,

President, Secluded Valley Homeowner's Association

* * * *

Exhibit B – Violation Letter

Italics and brackets are instructions for preparation of the letter and should not appear in it.

[Member name] [Member registered street address] [Member registered city, state, zip]

Dear _____,

This letter is provided to you at the direction of the Board of Directors of the Secluded Valley Homeowner's Association ("Board" and "SVHOA"). On ____ [date of Notice Letter] ____ you were sent a letter at the direction of the Board advising you of the following violation of the Controlling Documents of the SVHOA.⁶

Violation:	
Date(s):	
Action Required:	_
Required Compliance Date:	

The above-referenced letter advised that you were required to take the Action Required, or contest (in writing), the violation on or before the Required Compliance Date. The Board is advised that you did not do so. Accordingly, please be advised that if the Action Required is not completed within five (5) days of the date of this letter, the following fine will be levied against you in accordance with the Controlling Documents.

Fine: \$_____ Five (5) day deadline for rectification: __[date]_____

The Board looks forward to your cooperation. Thank you in advance.

Very truly yours,

President, Secluded Valley Homeowner's Association

[fn. 1] "Controlling Documents" refers to the SVHOA Declarations of Conditions, Covenants and Restrictions, By Laws and/or duly adopted rules, regulations and procedures.

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Exhibit C – Fine Letter

Dear _____,

This letter is provided to you at the direction of the Board of Directors of the Secluded Valley Homeowner's Association ("Board" and "SVHOA"). On ____ [*date of Notice Letter*] ____ you were sent a letter at the direction of the Board advising you of the following violation of the Controlling

Documents of the SVHOA.⁷

Violation:	
Date(s):	
Action Required:	
Required Compliance Date:	

[ALTERNATIVE A – FOR USE IF NOT CONTESTED OR CORRECTED. The above-referenced letter advised that you were required to take the Action Required, or contest (in writing), the violation on or before the Required Compliance Date. The Board was advised that you did not do so.

On _____ [*date of Violation Letter*] _____ you were sent a letter at the direction of the Board advising that you would be subject to the following fine if the Action Required was not completed by the deadline indicated below.

Fine: \$_____ Five (5) day deadline for rectification: __[*date*]______

The Board is advised that you did not do so. The Fine was imposed at a meeting of the Board of Directors on [date].]

[ALTERNATIVE B – IF CONTESTED BUT VIOLATION AFFIRMED: The above-referenced letter advised that you were required to take the Action Required, or contest (in writing), the violation on or before the Required Compliance Date. The letter also advised that failure to take the Action Required by the Required Compliance Date would subject you to, among other things, a fine in the amount of \$[amount of fine] ______. You contested the violation within the required time. After consideration of your position and the information submitted in support of it, after a hearing on [date] the Board affirmed that the violation occurred and that you are responsible for it. Accordingly, in compliance with the Controlling Documents, a fine in the following amount is levied against you.

Fine: \$_____]

[IF THE VIOLATION IS ONGOING AND SUBJECT TO REQUIRED FURTHER ACTION, INCLUDE THIS

PARAGRAPH AS APPLICABLE]. Please also note that the violation is continuing and still must be corrected. You are required to do so as soon as possible. [*INCLUDE IF APPLICABLE*: Additionally, please note that the fine amount is continuing to accrue so long as the violation continues.]}

The Board requests that to avoid further collection action you promptly remit payment of the fine to the Board at the mailing address shown in the footer of this letter.

The Board fully reserves all rights to take further action with respect to the violation including, but not limited to, seeking such remedies as the Board may deem necessary or convenient to enforce the Controlling Documents, obtaining compensation or reimbursement for damage, invoking the SVHOA Dispute Resolution procedures, bringing an action in court for legal and/or equitable relief, and suspending Member privileges and/or voting rights.

⁷ "Controlling Documents" refers to the SVHOA Declarations of Conditions, Covenants and Restrictions, By Laws and/or duly adopted rules, regulations and procedures.

The Board looks forward to your cooperation. Thank you in advance.

Very truly yours,

* * * *

Exhibit D – Immediate Fine Letter

[Member name] [Member registered street address] [Member registered city, state, zip]

Dear _____,

This letter is provided to you at the direction of the Board of Directors of the Secluded Valley Homeowner's Association ("Board" and "SVHOA").

All members of the SVHOA are responsible for compliance, including compliance by family members, tenants, business and personal guests present within the SVHOA neighborhoods, with the SVHOA Declarations of Conditions, Covenants and Restrictions, By Laws and/or duly adopted rules, regulations and procedures (separately and collectively, the "Controlling Documents").

It has come to the attention of the Board that the following item or actions have occurred that do not comply with the Controlling Documents:

Violation: ______ [ADD IF APPLICABLE: Plus the cost of damage to Common Areas and Facilities: ______] Date(s): ______

Under the Controlling Documents, this violation is subject to the following fine as well as any costs for the damage and/or replacement:

Fine: \$_____

It appears to the Board that due to the deliberate, reckless or repeated nature of this violation the immediate imposition of a fine [*ADD IF APPLICABLE*: And monetary charges for damage] may be appropriate.

ACCORDINGLY, NOTICE IS HEREBY PROVIDED THAT THE BOARD WILL CONSIDER THE IMMEDIATE IMPOSITION OF A FINE [*ADD IF APPLICABLE:*, IMPOSING A MONETARY CHARGE TO REIMBURSE THE SHVOA FOR COSTS INCURRED IN THE REPAIR OR DAMAGE TO COMMON AREAS AND FACILITIES] AND OTHER DISCIPLINARY ACTION AT A MEETING THAT WILL OCCUR AS FOLLOWS [*NOTE: THIS MAY BE THE NEXT REGULARLY SCHEDULED MEETING OR MAY BE A DULY NOTICED SPECIAL MEETING*]:

DATE:	_ [NOTE: UNDER CIVIL CODE SECTION 5855, THE DATE MUST BE AT
LEAST 10 DAYS AFTER DELIV	ERY OF THIS LETTER]
TIME:	
LOCATION:	

YOU HAVE A RIGHT TO ATTEND AND MAY ADDRESS THE BOARD AT THE MEETING. AT YOUR REQUEST, THE BOARD WILL MEET IN EXECUTIVE SESSION TO ADDRESS THIS MATTER. YOU WILL BE PROVIDED WITH A WRITTEN NOTIFICATION OF THE BOARD'S DECISION.

[*IF THE VIOLATION IS ONGOING AND SUBJECT TO REQUIRED FURTHER ACTION:* The Board has been made aware the violation is continuing and must be corrected. The Board requires that the following actions be taken to cease and/or correct to violation.

Action Required: _____

Additionally, the fine amount is continuing so long as the violation is continuing. The Board demands that it be immediately corrected.]

The Board fully reserves all rights to take further action with respect to the violation including, but not limited to, seeking such remedies as the Board may deem necessary or convenient to enforce the Controlling Documents, obtaining compensation or reimbursement for damage, invoking the SVHOA Dispute Resolution procedures, bringing an action in court for legal and/or equitable relief, and suspending privileges and/or voting rights.

The Board looks forward to your cooperation. Thank you in advance.

Very truly yours,

President, Secluded Valley Homeowner's Association