STONE RIDGE AT MISSION VIEJO ASSOCIATION ENFORCEMENT POLICY

- A. Any Violation that is an alleged violation of the Management Documents, Architectural Guidelines or Rules and Regulations of the will be processed according to the procedures outlined herein.
- B. In the event one or more Members of the Association or Board of Directors file a Violation Report (Exhibit D) the Board would act as follows:
 - 1. Send a letter to the homeowner stating the alleged violation and date needed to cure said violation.
 - 2. Upon expiration of the cure date, if the violation still exists, a second letter will be sent stating that the failure to abide by the Association's Architectural Guidelines has imposed a hardship on the Association and the Owner will be asked to attend a hearing with the Board of Directors.
 - 3. The Owner will be notified as to the decision rendered by the Board of Directors as to the result of the hearing. If the Owner is found to be in violation of the Association's documents, the Board will either a) seek remedy by use of alternative dispute resolution such as mediation or arbitration, b) levy a Special Assessment, c) suspend or condition the Owner's right to use any Common Area Improvements the Association owns, d) enter upon a Lot to make necessary repairs or perform maintenance which is the responsibility of the respondent, e) suspend the respondent's voting privileges as a Member, f) record a Notice of Noncompliance encumbering the respondent's Lot, or g) a combination thereof.
 - 4. If the decision is to pursue a monetary fine system, the Stoneridge at Mission Viejo Fine Schedule will apply.

A violation is defined as an act in conflict with the CC&Rs, Bylaws, Rules and Regulations and Architectural Guidelines of the Association. Please be sure to read the CC&Rs carefully.

Exhibit D

STONE RIDGE AT MISSION VIEJO ASSOCIATION

There must be two **Owners** representing two separate Residences of the Association to pursue violations that can not be viewed during an inspection of the community. (i.e., barking dog, noise nuisance, garage storage, etc.). Please be as specific as possible to allow the Board to expedite the process in a timely manner. All alleged violations will be evaluated to ensure they are considered an infraction as defined by the Association's legal documents.

| Report Filed By: | |
|---|---|
| Name: | Name: |
| Address: | Address: |
| Phone: | Phone: |
| Signature: | Signature: |
| Name: | Name: |
| Address: | Address: |
| Phone: | Phone: |
| Signature: | Signature: |
| Violation Information: | |
| Name: (Alleged violator's name) | Address: |
| Phone (if known): | |
| Description of alleged violation: | |
| | |
| | |
| If additional spa | ace is needed, please use reverse side of form. |
| Dates and times alleged violation occurs? _ | |
| How often does the alleged violation occur? | |

FINE SCHEDULE

The Board of Directors may impose a monetary fine against an Owner for violation of any of the Association's Governing Documents (including the Association's Declaration of Covenants, Conditions and Restrictions, Articles of Incorporation, Bylaws, Architectural Guidelines, and Rules and Regulations) in accordance with the schedule set forth below. Provided, however, the Board in its discretion may determine to impose up to the maximum fine amount for a first violation if the Board determines the facts and circumstances of the violation merit a fine amount greater than the initial \$50.00 fine. The Board shall afford the Owner an opportunity for a hearing before levying a fine against the Owner and the fine shall not become effective until at least five (5) days after the hearing date.

First Violation: \$50.00

Second Violation: \$100.00

Third Violation: \$200.00

Fourth Violation: \$400.00

Garage/Private Sale Violation \$250.00

If an Owner continues the same violation after receiving a Fourth Violation fine, the Board, in its discretion, may determine to levy additional fines or refer the matter to the Association's legal counsel for further action in accordance with the Association's Enforcement Policy.

NOTE: Should a violation occur which imposes a financial obligation on the Association, the party responsible for said violation shall reimburse, by way of a Special Assessment, the Association for the financial obligation, in addition to paying any fine that may be levied against the Owner. If, for example, a party damages a fence, tree or any other Common Property, repair and replacement costs will be charged to that party.

Adopted by the Board of Directors 9/14/09