

HARBOR OAKS CONDOMINIUM RULE INCREASING SCHEDULE OF FINES

The Harbor Oaks Condominium Association Board of Directors (the Association") adopts this Rule Increasing Schedule of Fines on July 23, 2014, effective September 1, 2014.

BACKGROUND

- A. The Association is responsible for governance, maintenance and administration of Harbor Oaks Condominium (the "Condominium").
- B. Article VI, Section 11 of the Condominium Bylaws authorizes the Association to adopt and enforce reasonable rules and regulations in the interest of the Condominium.
- C. Article X of the Condominium Bylaws permits the Association to impose fines for violations of the Condominium Documents, and establishes a schedule of fines that the Association may levy. Article X, Section 3 permits the Board of Directors to change the schedule of fines through the adoption of rules.

The Association adopts the following Rule increasing the schedule of fines for violations of the Condominium Documents, which shall supersede the schedule of fines set forth in Article X, Section 3 of the Condominium Bylaws and any previously adopted rules on the same subject matter:

1. In accordance with Article X of the Condominium Bylaws, upon violation of any of the provisions of the Condominium Documents and upon the Board's determination that a violation has occurred, the Board may levy the following fines:

First Violation: The Association will not levy any fine.

Second Violation: The Association will levy a \$50.00 fine plus any costs incurred by the Association in addressing the violation.

Third Violation: The Association will levy a \$100.00 fine plus any costs incurred by the Association in addressing the violation.

Fourth Violation and Each Subsequent Violation: The Association will levy a \$150.00 fine plus any costs incurred by the Association in addressing the violation.

2. Except as set forth above, this Rule does not modify or alter the provisions of Article X or any other provision of the Condominium Documents.

Respectfully submitted,

Board of Directors, Harbor Oaks Condominium Association