

1. <u>General.</u> The violation of provisions of the Condominium Documents including any duly adopted rules and regulations by any Co-owner, occupant, tenant or any guest of, shall be grounds for assessment by the Association of monetary fines against the involved Co-owner. Such Co-owner shall be deemed responsible for such violations whether they occur as a result of his or her personal actions or the actions of his or her family, guests, tenants or any other person admitted through such Co-owner to the Condominium Premises.

2. **Procedures.** Upon any such violation being alleged by the Association, the following procedures will be followed:

2.1 Notice. Notice of the violation, including the Condominium Document provision violated, together with a description of the factual nature of the alleged offense set forth with such reasonable specificity as will place the Co-owner on notice as to the violation, shall be sent by first class mail, postage prepaid, or personally delivered to the representative of said Co-owner at the unit address of the Co-Owner.

2.2 **Hearing.** The offending Co-owner shall be scheduled for a hearing before the Board of Directors, at which time the Co-owner shall have an opportunity to offer evidence in defense of the alleged violation. The appearance before the Board shall be at its next scheduled meeting or the Board's earliest convenience, but in no event shall the Co-owner be required to appear less than 10 days from the date of the notice.

2.3 **Default.** Failure to appear at the hearing or respond to the notice of violation by the date set for the hearing constitutes a default.

2.4 **Hearing and Decision.** Upon appearance by the Co-owner before the Association and presentation of evidence of defense, or, in the event of the Co-owner's default, the Association shall, by majority vote of a quorum of the board, decide whether a violation has occurred. The Association's decision is final.

3. <u>Amounts.</u> Upon violation of any of the provisions of the Condominium Documents and after default of the offending Co-owner or on the decision of the Association as recited above, the following fines shall be levied:

- 3.1 **First Violation**, No fine shall be levied.
- 3.2 Second Violation. One Hundred Fifty Dollar (\$150.00) fine shall be levied.
- 3.3 **Third Violation.** Three Hundred Dollar (\$300.00) fine shall be levied.
- 3.4 **Fourth Violation and Subsequent Violations.** Four Hundred Fifty Dollar (\$450.00) fine shall be levied.

The Board of Directors, without the necessity of an amendment to this Policy, may make changes in said fines or adopt alternative fines, including the indexing of such fines to the rate of inflation, in accordance with duly

adopted Rules and Regulations promulgated in accordance with the Michigan Condominium Act. For purposes of this Section, the number of the violation (ie. first, second etc.) is determined with respect to the number of times that a Co-owner violates the same provision of the Condominium Documents, as long as that Co-owner may be an owner of a Unit or occupant of the Project, and is not based upon time or violations of entirely different provisions. In the case of continuing violations, a new violation will be deemed to occur each successive seven day period into which a violation continues. Nothing in this Policy shall be construed as to prevent the Association from pursuing any other remedy under the Condominium Documents and/or the Act for such violations, or from combining a fine with any other remedy or requirement to redress any violation.

4. <u>Collection</u>. The fines levied pursuant to Section 3 above shall be assessed against the Co-owner and shall be due and payable together with the regular Condominium assessment installment on the first of the next following month. Failure to pay the fine will subject the Co-owner to all liabilities set forth in the Condominium Documents.