

# **Breakwater Village Rules & Regulations**

Adopted on January 21, 2016:

## Introduction

Breakwater Village Homeowners Association (the "**Association**") is a California nonprofit mutual benefit corporation formed to administer, manage and operate the common interest development condominium project known as Breakwater Village (the "**Development**"). The Association and the Development are subject to certain governing documents (collectively, the "**Governing Documents**"), including, but not limited to, the Declaration of Covenants, Conditions and Restrictions for Breakwater Village Homeowners Association (Tract No. 60638), A Senior Housing Development recorded on November 8, 2008 as Instrument No. 08-63812 in the official records of Los Angeles County, California (as may be amended from time to time, the "**CC&Rs**") and the bylaws of the Association. These Rules and Regulations (these "**Rules**") are also a Governing Document of the Association.

The Association's Board of Directors (the "*Board*") has adopted these Rules to provide certain standards for behavior and conduct within the Development and to reiterate certain rights and responsibilities of Owners, Residents and their guests under the Governing Documents. These Rules are intended to be consistent with both the Governing Documents and applicable state and federal laws. To the extent there is any conflict between these Rules and the Governing Documents and/or applicable law will control.

The use and enjoyment of the Development by Owners, Residents and their guests shall be subject to the provisions of these Rules and the Association's other Governing Documents. Each person residing in or visiting the Development shall be required to comply with the provisions of these Rules. An Owner who violates these Rules, or whose family members, cohabitants, tenants, visitors, guests or invitees violate these Rules, shall be subject to enforcement action in the event of such violation.

# Senior Citizen Housing Development

Breakwater Village has been developed to provide housing to persons 55 years of age and older, in accordance with California Civil Code Section 51.3. The occupancy of all units within the Development is required to comply with the provisions of Article III of the CC&Rs, entitled "Age Restrictions on Occupancy", as well as applicable senior housing laws. All owners and residents should familiarize themselves with the qualifications for occupancy of units as described in the CC&Rs.

# Code of Conduct

All owners and residents, and their guests, are expected to conduct themselves in a civil and courteous manner at all times while in the Development, and must not jeopardize or interfere with the rights and privileges of others.

The following general standards of conduct should be observed at all times:

- Loud, profane, indecent or abusive language is prohibited.
- Threatening language or actions against another person is prohibited.
- No person's actions should compromise the safety or privacy of another person.
- All persons using the facilities and amenities in the common area shall obey all posted signs and placards.
- Abuse of equipment, furniture, fixtures or any other property located in the common areas is prohibited.

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#### 1. SCHEDULE OF MONETARY PENALTIES / FINES

1.1 Violation of the Rules and the Governing Documents may result in the imposition of a monetary penalty and/or fine, as the Board may determine to be appropriate to the situation.

1.2 The following schedule will be used to levy monetary penalties and/or fines for Rules and Governing Document violations, after a properly noticed hearing is held:

- 1st violation: Fine up to \$100
- 2nd violation, same offense: \$300
- 3rd violation, same offense: \$500
- Continuing violations, same offense: fine up to \$750
- Health and safety violations, first offense: Fine up to \$2,000
- Continuing health and safety violations: Fines up to \$500 per day may accrue until the violation is cured

1.3 A same offense fine results from a violation in which the Owner has been directed to take corrective action and has taken complete corrective action, but then repeats the same violation again at a later date.

1.4 A continuing violation is one wherein the Board has notified the Owner that specific corrective action(s) must be taken by a specific date or within a specified number of days and the Owner has failed to take full and complete corrective action as directed by the Board.

1.5 In addition to or instead of imposing monetary penalties and/or fines, the Board may pursue other remedies described in these Rules and Regulations.

## 2. GENERAL RULES & REGULATIONS

2.1 Violations of these Rules can be reported to the Association's management company, and may result in disciplinary action by the Board in accordance with these Rules and the other Governing Documents.

2.2 Displaying of any commercial signs, posters, flags or banners (except for those noted in 1.2.1 and 1.2.2 below) in the Development is prohibited. Noncommercial signs, posters, flags and banners may not be posted or displayed in the common area. Noncommercial signs, posters, flags or banners may only be displayed on or in a unit to the extent permitted by state or federal statute.

2.2.1 One alarm/monitoring company decal may be placed on the interior surface of a unit window of a size no larger than 4" x 4".

2.2.2 An Owner or his or her agent may display or have displayed on or in the Owner's unit "for sale" signs, so long as such signs are reasonably located, in plain view of the public, of reasonable dimensions and design, and do not adversely affect public safety (including traffic safety), advertising the following: (a) that the Unit is for sale, lease, or exchange by the Owner or his or her agent; (b) directions to the Unit; (c) the Owner's or agent's name; and/or (d) the Owner's or agent's physical address, email address, and telephone number. "For sale" signs may not be posted on or in the Common Area, except for the designated sign post at the Artesia driveway.

2.3 Smoking is prohibited in all common areas, including, but not limited to, garages, elevators, walkways and roofs.

2.4 The Association is not responsible for damage or theft to any vehicle, bicycle or personal items stored or located in any common area(s).

2.5 Feeding of wild birds and other animals (except service animals and/or pets) is prohibited, except for free standing hummingbird feeders.

2.6 Sound system loudspeakers shall not be rigidly attached to ceilings, walls, shelves or cabinets in a manner that will allow vibrational energy into other units. Such loudspeakers may be placed on the floor of a unit, so long as they are placed on material that does not introduce vibrational energy into other units and are not in direct contact with the floor surface. Vibrating items may not be in direct contact with the floor of a unit.

2.7 No Owner or Resident is permitted on the roof at any time.

2.8 No commercial solicitation is permitted.

2.9 At least one Resident of each unit must be a "Qualifying Resident", as defined in Article III of the CC&Rs. All other occupants of a unit must meet the definition and qualifications for a "Qualified Permanent Resident", a "Qualified Disabled Resident" or a "Permitted Health Care Resident", as described in Article III of the CC&Rs.

2.10 A guest of a "Qualifying Resident" or "Qualified Permanent Resident" who is less than fifty-five (55) years of age shall be permitted to temporarily reside in such Resident's unit for a maximum duration of sixty (60) days in any consecutive twelve (12) month period, as described in Article III of the CC&Rs.

2.11 Each unit is to be used as a single family residence, and no unit may be used for any business, commercial, manufacturing, mercantile, storing, vending or other non-residential purposes; provided, however, home office use is permitted, as described in Article VIII, Paragraph 1 of the CC&Rs.

2.12 Each Owner is required to maintain the interior of his or her unit in good repair, and no Owner shall allow a hazardous or dangerous condition to exist in his or her unit.

2.13 The Redondo Beach Municipal Code restrictions against noise and nuisances establishes limits on sound levels for exteriors and interiors, and defines public nuisances. No Owner, Resident or other person shall permit or suffer anything to be done or kept within the Development which obstructs or interferes with the rights of other Owners or any Residents of the Development, or which may cause an unreasonable noise, disturbance or other nuisance.

2.13.1 An unreasonable noise or disturbance means one or more persons who are causing an inordinate amount of noise or commotion or behaving in such a manner which constitutes a threat to the public peace, health, safety or general welfare.

2.14 The Association shall have the right of entry into any unit to perform its common area inspection, maintenance and repair obligations under the CC&Rs, as well as the right to abate an emergency threatening damage to persons or property within the Development. Notice of such entry shall be given at least 24 hours in advance to the Owner of the unit; provided, however, in the event of an emergency, such advance notice shall not be required.

2.15 An owner may be held liable for injuries to other persons and damage to the property of others attributable to their unit. Therefore, the HOA urges its owners and residents to maintain an insurance policy against such liability.

#### 3. ARCHITECTURAL MODIFICATIONS

3.1 No Owner, Resident or other person shall interfere with or damage the structural integrity of any building and no structural alterations to the interior of any unit or other portion of a building shall be made without prior written consent of the Board.

3.2 No alterations, painting or changes readily visible from the exterior of a unit, shall be made without the prior written consent of the Board.

3.3 An Owner desiring to make an architectural or design change to his or her unit must submit a completed, dated, and signed Architectural Review Request Form, including plans, drawings, and specifications for the proposed change, completed neighbor awareness form, owner's insurance information, contractor's workers' compensation and liability insurance information, evidence of current contractor's license, and a detailed written scope of the proposed changes and/or work to be performed, to the Board or property management company. A copy of the Architectural Review Request Form can be obtained from the property management company.

3.4 No awnings, sunshades, or other installations to the exterior of any unit may be made without the prior written consent of the Board except exact replacement for screens on sliding glass doors.

3.4.1 Units with a 36" x 80" standard door for balcony access are permitted to install a retractable or temporary screen door in this opening without written consent of the Board. Only white and bronze colors are permitted. No other type of screen door is permitted.

3.5 No portion of any balcony shall be enclosed in any manner, nor shall any deck covering be installed on any balcony.

3.6 Floor Coverings and Sound Transmission: No change in the floor covering materials as originally installed in the Units shall be permitted except with the consent of the Board. To reduce sound transmission between Units, all Units shall have all floor areas covered with carpet or other material which provides equivalent insulation against sound transmission.

3.6.1 Sound Transmission: No Unit shall be altered in any manner that would increase sound transmission to any adjoining or other Unit, including, but not limited to, the replacement or modification of any flooring, floor covering, bathtub, or the penetration of any wall, floor or ceiling that increases sound transmissions to any other Unit. The sound transmission rating of the floor materials must be Sound Transmission Class (STC) of 65 or higher and a Field Sound Transmission Class (FSTC) of 60 or higher after installation.

3.6.2 Floors: All changes to floors separating Units (tile, hardwood, stone, carpet, etc.) must provide code-compliant sound control properties for airborne and impact sound insulation. In addition, the floor/ceiling assemblies must satisfy the higher sound control requirements established for the Association as set for herein. The impact sound insulation rating of the floor materials before installation must be Impact Insulation Class (IIC) of 65 or higher and a Field Impact Insulation Class (FIIC) of 60 or higher after installation.

3.6.3 Flooring in bathrooms shall be acoustical cushioned as originally installed by Builder, or material with the same or better acoustical quality and rating.

3.7 No owner is permitted to install a video or television antenna, including a satellite dish, without the prior written consent of the board. Any antenna or dish with a diameter or diagonal measurement of more than 36 inches shall be prohibited within the Development.

3.8 All window tinting is prohibited, including the tinting of sliding glass doors.

3.9 Unit Entry Doors – Screen Doors are prohibited, floor mats are permitted but must be kept clean, decorative door items are permitted from November 15th through January 15th yearly.

#### 4. BALCONY/PATIO RULES

4.1 Only natural gas, propane and electric grills are permitted on an Owner's balcony/patio. Wood and charcoal grills, and smokers, are prohibited, as are fire pits, outdoor fireplaces and the like.

4.2 Potted plants are permitted on a balcony/patio, provided they have drainage pans or saucers placed under the pots. Potted plants may not be placed on balcony ledges.

4.3 Outdoor furniture consistent with the architecture of the Development and reasonable residential use shall be permitted on the balconies.

4.4 No balcony/patio may be used for storage of any kind, including bicycles.

4.5 Furniture and grill covers, if used, must be made specifically for the item being covered. Tarps and any other non-specific coverings for outdoor furniture and grills of any kind are prohibited.

4.6 An Owner's balcony/patio must be kept clean, uncluttered, and orderly.

4.7 Cleaning of a balcony/patio is restricted to sweeping, vacuuming, or wet mopping.

4.8 No person may engage in any activity which could result in water, debris and/or liquids from entering into the common areas or scupper drains.

4.9 Cleaning and/or shaking of carpets, dust mops, etc., is not permitted on any balcony/patio.

4.10 No hanging clothes, sheets, blankets, rugs, laundry of any kind or other articles shall be hung out or exposed on any part of the common area or any balconies or patios serving any unit.

4.11 Nothing may be anchored to balcony/patio walls, ceilings, hot water heater doors and/or attached to vents, and no penetration may be made in the balcony deck or the overhang (ceiling) of a balcony or patio.

4.12 Due to the unreasonable risk of damage or injury the following rules <u>MUST</u> be enforced:

4.12.1 Nothing may be placed upon any balcony/patio ledge, or extend beyond or be hung from any part of a balcony/patio or balcony/patio railing.

4.13 Patios facing the interior courtyard are visible to residents, guests, and prospective purchasers. Therefore, specific regulations concerning patios are in the best interest of the Association as follows:

4.13.1 Patio furniture, barbeque grills, plants, floor coverings and all materials visible from the courtyard must be selected and maintained in a condition consistent with the overall appearance of the courtyard.

#### 5. COMMUNITY ROOM RULES

5.1 Hours of operation:

Sunday through Thursday — 8:00 AM to 10:00 PM

Friday and Saturday — 8:00 AM to 11:00 PM

5.2 The community room is available for rental by Owners:

5.3 Rental of the community/theater room requires a rental agreement pursuant to the following:

5.3.1 The Owner renting the community room must be present.

5.3.2 Reservations must be made with the Association's property management company.

5.3.3 A signed rental agreement is required prior to the event.

5.3.4 A non-refundable rental fee of \$75.00 is required. If the non-refundable rental fee is provided by check, the check must clear prior to the event or the Board reserves the right to cancel the event.

5.3.5 A refundable security deposit of \$250.00 is required. The security deposit will be returned upon a satisfactory inspection of the facilities by the property management company or a Board member.

5.3.6 Use of the theater room is included with the community room rental.

5.3.7 Use of the exercise room is EXCLUDED.

5.3.8 Any damage will be the sole responsibility of the renting owner. All costs incurred by the Association to repair such damage will be levied against the Owner as an individual special assessment, after a properly noticed hearing before the Board.

5.4 Maximum occupancy for the community room is eighty (80) persons.

5.5 A Resident must be present with his/her guests in the community and theater rooms at all times.

5.6 The use of community room appliances for personal use is prohibited.

5.7 No pets are permitted in the community room, theater room, or exercise room.

#### 6. EXERCISE ROOM RULES

6.1 Hours of operation

Sunday through Thursday — 6:00 AM to 10:00 PM

Friday and Saturday — 6:00 AM to 11:00 PM

6.2 Exercise equipment is for the use of Residents only. One Certified trainer per resident is allowed for instructional purposes only.

6.3 Windows and doors in the exercise room must be kept closed at all times.

6.4 Tampering with the thermostat is not permitted.

6.5 The Association is not responsible for any injury resulting from the use of any equipment.

6.6 Residents may use the exercise room when a private event is being held in the community room and/or theater room.

6.7 Time on all exercise equipment is limited to thirty (30) minutes if another Resident is waiting to use the equipment.

6.8 The Association is not responsible for damage or theft of personal items.

### 7. THEATER ROOM RULES

7.1 Channel selection in the theater room is on a first come, first served basis. At the conclusion of a selected show, the Residents present should mutually agree on the next channel selection.

7.2 Volume level in the theater room may not be unreasonably loud at any time.

7.3 Only drinks in spill proof closed containers and dry snacks are permitted in the theater room. All Residents must remove their trash.

7.4 No pets are permitted in the theater room.

#### 8. MOVE OUT / MOVE IN PROCEDURES

8.1 All moves and furniture deliveries must take place between the hours of 8:00 a.m. and 8:00 p.m., no exceptions.

8.2 The property management company must be notified in writing by an Owner or Resident prior to a move or furniture delivery.

8.3 Moving blankets must be installed on the elevator walls and will be provided by the property management company or a Board member.

8.4 Moving cartons must be flattened before being placed in the white recycle containers in the trash room.

8.5 Damage to common areas, including, without limitation, the elevator, doors, and hallways, is the responsibility of the applicable unit Owner at the time of move/furniture delivery. The costs incurred by the Association to repair

such damage will be levied against the Owner as an individual special assessment, after a properly noticed hearing before the Board.

8.6 All new Residents must register with the property management company (located in unit 101) within two (2) weeks after move-in. New Residents must bring their driver's license or other form of government issued picture ID and copies of their vehicle registration information.

#### 9. STORAGE ROOM RULES

9.1 The Association is not responsible for damage, loss or theft of items kept in storage rooms.

9.2 In the event any items are found in a storage room outside a locker or inside a locker assigned to another Owner or Resident, the Association may leave a note in the storage room or locker, remove the item(s) and hold them for thirty (30) days, after which time if the items have not been claimed, the Association may donate, discard or deal with the items in the sole discretion of the Board. Any costs of storage or removal incurred by the Association may be levied against the applicable unit Owner as an individual special assessment, after a properly noticed hearing before the Board.

9.3 Flammable, combustible, and/or explosive items may not be stored.

#### 10. PETS

10.1 Only domesticated dogs, cats, fish and birds (in inside bird cages) are permitted to be kept in a unit; such animals may not be bred or raised for commercial purposes.

10.2 A maximum of two (2) pets are permitted per unit (e.g. one (1) dog and one (1) cat, or two (2) dogs, or two (2) cats). No individual pet shall exceed thirty-five (35) pounds.

10.3 Pets must be leashed when in the common areas. A pet shall not be left unattended in the common areas.

10.4 Pet owners are responsible for any injury and/or damage caused by their pet(s).

10.5 Pet owners are responsible for the immediate clean-up, removal, and disposal of their pet's urine and/or waste from all common areas.

10.6 Pets shall not interfere with the rights of Residents to the peaceful and quiet enjoyment of their units. This prohibition includes, without limitation, the maintaining, or permitting the keeping of, any barking dog, by any sound or outcry, resulting in noise levels which are audible for more than five (5) minutes in any hour.

#### 11. TRASH RULES

- 11.1 Trash bags must be used for all rubbish and garbage.
- 11.2 White trash bins are for recyclables only.
- 11.3 Removal of recyclables is prohibited and is against local laws.
- 11.4 Doors must remain closed.

11.5 LARGE ITEMS CANNOT BE LEFT IN THE TRASH ROOM. For removal of large items, i.e. bedding, furniture, etc., contact Athens Services to schedule a pickup at 888-336-6100. NOTE: To prevent child entrapment or serious injury, remove inoperative refrigerators and discarded appliances from public areas and dispose of properly.

11.6 Cardboard cartons must be flattened or used to hold recyclables.

11.7 Trash may not be placed outside of any unit door or on any balcony/patio.

#### 12. POOL RULES

12.1 Hours of operation:

Sunday through Thursday: 8:00 AM until 10:00 PM

Friday and Saturday: 8:00 AM until 11:00 PM

Children under 16 years of age: Daily from 2:00 PM until 5:00 PM

12.2 Use of the pool is at your own risk.

12.3 No pets are permitted.

12.4 No more than four (4) guests per unit are permitted at one time. Residents must remain with their guest(s).

12.5 Swimming is not permitted while the pool is being serviced.

12.6 Glass containers are not permitted in the pool area. No alcohol is permitted in the pool area.

12.7 Sound-generating electronics may only be used with a headset.

12.8 Pool furniture is available on first come, first served basis. No reserving of the pool furniture by placing towels or personal items on such furniture is permitted.

12.9 Persons having currently active diarrhea or who have had active diarrhea within the previous 14 days shall not enter the pool water. Any person, including pool monitors, that have symptoms such as a cough, cold sore, nasal or ear discharge, or wearing bandages are NOT permitted in the pool area.

12.10 Swimwear attire is required.

12.11 All persons using the pool area must comply with posted placards and signs at all times.

#### 13. SALE, LEASING AND RENTING OF UNITS

13.1 "For Sale" and "Open House" signs are prohibited in the common areas, except for the designated sign post at the Artesia driveway.

13.2 Realtor lockboxes are not allowed. All realtor lockboxes must be kept in front of the main entrance.

13.3 Units may not be rented or leased for a period of less than thirty (30) days. Each lease or rental agreement for a unit shall be in writing and subject to the Association's Governing Documents, including, but not limited to, these Rules and the CC&Rs.

13.4 An Owner must provide the Association's property management company with the following information within two weeks of rental or lease:

- Names of all Renters, Lessees, and Occupants
- Contact phone number for all Renters, Lessees, and Occupants
- Emergency contact number for Owner
- Make, model, and license numbers of all vehicles
- Age Verification of the Renters, Lessees, and Occupants

13.5 The Owner is responsible for his/her Renters, Lessees, and Occupants

13.6 Units may only be rented or leased to anyone other than a "Qualifying Resident" fifty-five (55) years of age or older. All age and occupancy requirements applicable to Residents shall apply to all Renters, Lessees, and Occupants

## 14. VEHICLES, GARAGE AND PARKING

14.1 All vehicles must have current registration and license plates.

14.2 Headlights must be on at all times while driving in the garage.

14.3 Residents must exercise extreme caution when driving in the garage, drive slowly, and not exceed 10 mph.

14.4 The Association is not responsible for damage, theft, or vandalism to any vehicle or contents thereof.

14.5 Resident's vehicles are not permitted to use Guest Parking spaces, including Guest Handicap Parking spaces.

14.6 Guests staying for more than seventy-two (72) hours require a Guest Parking Pass; moving a vehicle to and from different parking spots does not extend the allotted time issued to a guest's vehicle. The Guest Parking Pass form can be obtained from the property management company and Guest Parking Passes are valid for up to seven (7) days.

14.7 Residents are required to display a Resident parking permit on the left side glass of their vehicle.

14.8 A Resident's vehicle must be registered with the Association's property management company.

14.9 Oil leaks and stains from vehicles must be promptly cleaned by the Owner or Resident whose vehicle caused such leaks and/or stains.

14.10 Nothing may be placed upon or stored in any parking space, except for an operable motor vehicles.

14.11 Guest parking spaces may only be used as parking for those guests who are physically visiting the Development.

14.12 No servicing or repairing of vehicles is permitted in the garage, except for emergency repairs necessary to remove the vehicle from the garage.

14.13 Parking spaces assigned to a unit are to be used only by the Owner or persons designated by Owner.

14.14 Parking violations may result in an offending vehicle being towed from the premises, in accordance with California Vehicle Code Section 22658.

14.15 Bicycles may not be stored in the common area except in the designated bicycle racks, at an Owner's or Resident's sole risk.

#### 15. HEARING AND ENFORCEMENT PROCEDURES

15.1 The following procedures will be followed whenever the Board meets to consider an alleged Governing Document violation which could result in disciplinary action against an Owner.

15.1.1 **Notice of Violation**. Upon report of a violation of the Governing Documents to the Board, the violating Owner shall be given a written "Notice of Violation". The Notice of Violation shall contain, at a minimum, the following: (i) a description on the violation; (ii) notice that the violation may result in a hearing and possibly a fine or other enforcement measures; and (iii) instructions for the owner to dispute the report of violation (record of which, if and when received by the Association, shall be attached to the Notice of Violation and made a part thereof).

15.1.2 **Notice of Hearing**. Should the Board determine to hold a disciplinary hearing regarding the violation described in the Notice of Violation, a written "Notice of Hearing" will be sent to the owner at least fifteen (15) days prior to the hearing and will be given either personally or by first-class mail, or by another method permitted by law, to the Owner's most recent address shown in the Association's records. The Notice of Hearing shall contain, at a minimum, the following: (i) the date, time, and place of the hearing; (ii) the nature of the alleged violation for which the Owner may be disciplined (including references to the specific provisions of the Governing Documents which are alleged to have been violated); (iii) a statement that the Owner has a right to attend and may address the Board at the hearing; and (iv) a list of disciplinary measures which may be imposed at the hearing.

15.1.3 **Opportunity to Be Heard**. The Owner shall have the right to send a letter, send a representative, or appear in person to present evidence as to why he/she should not be disciplined and/or did not commit the alleged violation. The Owner shall also have the right to bring an attorney with him/her to advise him/her or to speak on his/her behalf. The hearing will be held during an executive session meeting of the Board, unless the owner requests in writing to the Board prior to the hearing that the hearing be held during an open session Board meeting.

15.1.4 **Rescheduled Hearings**. In the event the Owner fails to appear for a hearing, the Board will review the evidence presented to date and make its decision accordingly. Upon timely, written request and for worthy cause, the accused Owner may be granted a continuance to a new hearing date. The Board is under no obligation to reschedule a hearing to accommodate an Owner's schedule.

15.1.5 **Correction of Violation**. In the event the violation is corrected prior to the hearing date, the Board may, if appropriate and in its sole discretion, discontinue the disciplinary proceedings.

15.1.6 **Notice of Decision**. Within fifteen (15) days after the hearing, the Owner will be given written notice by personal delivery or first-class mail of the Board's decision whether to impose disciplinary measures against the owner, and, if so, what disciplinary measures will be imposed, when, and, if applicable, for how long (the "Notice of Decision"). Notwithstanding the foregoing, no disciplinary action against the Owner arising from the alleged violation may take place earlier than five (5) days after the hearing.

15.1.7 **Record of Decision**. A copy of the Notice of Hearing, along with a statement of the date and manner of delivery of the Notice of Hearing entered by the Association representative delivering the Notice of Hearing, along with the Notice of Decision, shall be filed with the minutes of the hearing.

15.1.8 **Conflicts of Interest**. If a member of the Board has a conflict of interest in a disciplinary matter (e.g., the Board member filed the complaint, or the complaint was filed against the Board member), that Board member may not deliberate or vote on the Board's decision whether to impose disciplinary measures with respect to that matter.

15.2 To enforce the Governing Documents, the Board may impose one or more of the remedies described below, as the Board deems appropriate and in its sole discretion. The selection of one of the following remedies does not preclude the Association from pursuing other remedies permitted the Governing Documents, at law and/or in equity.

15.2.1 Warning letters;

15.2.2 Monetary penalties / fines;

15.2.3 Suspension of the right to use common area recreational facilities and amenities;

15.2.4 Suspension of voting rights;

15.2.5 Imposition of an individual special assessment for (1) damage to the common area or (2) costs incurred by the Association to bring the Owner and his or her unit or exclusive use common area into compliance;

15.2.6 Internal dispute resolution ("IDR") or alternative dispute resolution ("ADR"); and/or

15.2.7 Litigation.

15.3 Suspension of membership privileges, as may be applicable, may be imposed for a period of up to thirty (30) days for a single non-continuing violation. Membership privileges may be suspended for so long as a continuing violation exists and remains uncured.

15.4 Failure by an Owner to pay any monetary penalty/fine or individual special assessment imposed within thirty (30) days of the due date thereof may result in legal action against the Owner by the Association to collect such amount. If the Association is forced to retain an attorney to ensure compliance, or collect a monetary penalty/fine or an individual special assessment, the Owner shall be liable for those attorneys' fees and costs and all related expenses, in addition to the amount of the monetary penalty/fine or individual special assessment.

15.5 Monetary penalty/fine amounts are described in Section 15 below.

15.6 In the event a Resident of a unit does not meet the requirements and qualifications for residency described in Article III of the CC&Rs, the Association shall have the right to require and seek the removal of such non-permitted resident from the Development.

15.7 In enforcing the Governing Documents against an Owner, the Association may pursue one or more remedies simultaneously. The selection of one remedy does not preclude the Association's right to pursue others.

15.8 Should the Association bring an enforcement action against an Owner and prevail in such action, the Owner shall be liable to reimburse the Association its reasonable attorneys' fees and costs incurred in such action, unless otherwise ordered by court judgment.

## 16. INTERNAL DISPUTE RESOLUTION

16.1 The Davis-Stirling Act provisions relating to Internal Dispute Resolution ("IDR") can be found in Sections 5900 through 5920 of the California Civil Code. This process is an informal process (often referred to as a "meet and confer") to resolve disputes between an Owner and the Association. The following IDR procedure is intended to provide a fair, reasonable and expeditious process for resolving disputes between the Association and a member involving their rights, duties and/or liabilities under the Davis-Stirling Act, the California Nonprofit Mutual Benefit Corporation Law or the governing documents of the Association. Either the Association or an Owner may invoke this IDR procedure.

16.1.1 The Association or an Owner may request the other party to meet and confer in an effort to resolve the dispute.

16.1.2 A request for IDR shall be in writing and contain a brief description of the dispute between the parties. If sent by the Association to a member of the Association, the request shall be sent by individual delivery pursuant to Civil Code Section 4040. If sent to the Association, the request shall be sent to the person designated in the Association's Annual Policy Statement to receive documents on behalf of the Association, pursuant to Civil Code Sections 4035 and 5310.

16.1.3 A member of the Association may refuse a request to meet and confer. The Association may not refuse a request to meet and confer.

16.1.4 The Association's Board of Directors shall designate one (1) or more directors to meet and confer.

16.1.5 The parties shall meet promptly at a mutually convenient time and place, explain their positions to each other, and confer in good faith in an effort to resolve the dispute.

16.1.6 The parties, at their discretion, may be assisted by an attorney or another person at their own cost.

16.1.7 If a resolution of the dispute is agreed to by the parties, the agreement shall be memorialized in writing and signed by the parties, including the Board designee(s) on behalf of the Association,

16.2 Any agreement reached under this IDR procedure shall bind the parties and be judicially enforceable if both of the following conditions are satisfied: (1) the agreement is not in conflict with law or the governing documents of the Association; and (2) the agreement is either consistent with the authority granted by the Board to its designee(s) or the agreement is ratified by the Board.

16.3 A member of the Association may not be charged a fee to participate in the IDR process.