



PINECREST COMMUNITY ASSOCIATION

MONETARY PENALTY POLICY

This document sets out Pinecrest Community Association's policy for the imposition of disciplinary actions and fines for the violation of the Association's Governing Documents, pursuant to CA Civil Code section 5850 and the Association's Governing Documents and rules.

Each member of the Association is responsible for complying with the rules and regulations of the Association. Members are also responsible for compliance by their guests and tenants.

Where "Member" is used in this document in the context of an activity in violation of the Association's rules, it refers to the activities of Association Members, their invitees, guests, and their tenants.

Where "Member" is used in reference to activities by the Board taken to enforce the Association's rules, it refers to the responsible Association Member.

Members may be disciplined by the Board of Directors for violations of Association rules. Consistent with California statute, the Association provides a process which meets the requirements of due process prior to the imposition of disciplinary penalties, or the levying fines, of reimbursement assessments for expenses caused to the Association, or other sanctions.

The Association's process is outlined below:

1. **Notice.** At least ten days prior to taking any disciplinary action against any Member for compliance violations, that member will be informed by letter to their last known mailing address of:
 - a. The nature of the violation.
 - b. The action or actions to be taken against the Member, including fines or other monetary penalties.
 - c. Corrective actions that must be taken by the Member to cure the violation and prevent the imposition of additional fines and/or sanctions.
 - d. A date by which such actions must be taken.
 - e. Future penalties which may be imposed should the violation not be cured by the specified date.
 - f. The Member will also be given an opportunity to attend a hearing with the Board regarding the alleged violation.
2. **Hearing.** The hearing will be in Executive Session of the Board or conducted as an IDR. Alternatively, a homeowner may choose to have an open hearing. At the hearing, the Board will review the violation, the Member will have an opportunity to address the alleged violation and

provide evidence and/or witnesses on their behalf. The Board may question all witnesses. The Board has the exclusive power and authority to impose disciplinary action.

3. **Imposition of Disciplinary Action.** The Board may impose one or more sanctions if it determines that the Member, their invitees, guests, and/or their tenants violated the Association's Governing Documents.
4. **Schedule of Monetary Penalties and Fines.** The following schedule of fines was adopted by the Board of Directors on August 15, 2013, consistent with the requirements of the California Civil Code, and takes effect on February 1, 2014.

First Level	Second Level	Third Level	Continuing Violations
\$100	\$250	\$500	\$500

Fines may be imposed daily, weekly, monthly or on whatever schedule the Board may determine is appropriate for each violation, without additional notification by the Association until the violation is cured.

NOTE: These Monetary Penalties are in addition to any Association Reimbursement Assessments, legal or administrative cost fees, or other sanctions that may be imposed by the Board.

5. **Notification of Hearing Results.** The Board will notify the Member in writing by regular US Mail to the last known address of the Member of the determination of the Board within 30 days of the hearing. Failure to send such notification will invalidate that decision.
6. **Imposition of Fines and/or Sanctions.** Any fines or other sanctions imposed will take effect no sooner than five days after the date of notification, and monetary sanctions will appear as a charge on the Member's account. The Association may file liens and prosecute lawsuits to recover monies owed.
7. **Failure to Enforce.** Any failure to enforce any provision of the Association's Governing Documents shall in no way be deemed a waiver of the right to do so in the future.
8. **Amendment of this Policy.** This policy may be amended by the Board of Directors from time to time without notification to the membership except insofar as required by law.

SECURITY DISCLAIMER

We hope that our security procedures provide some deterrence to crime. However, the association can never be crime-free. For example, it is possible for someone to enter the property under false pretenses to commit crimes, for residents to commit crimes against their own neighbors, for guests of residents to commit crimes, and for employees or contractors to commit crimes.

As a result, the association cannot guarantee your security. You should NOT rely on the association to protect you from loss or harm. You should provide for your own security by keeping your doors locked; refusing to open your door to strangers; asking workmen for identification; installing a security system; carrying insurance; etc.