

**Sunlight Waters Country Club, Inc.**  
**FINE AND DUE PROCESS POLICY**

**A. Responsibility of Owners**

All Owners are fully responsible for compliance with the governing documents by their animals, guests, tenants, invitees or other occupants of their lots. Except to the extent covered by insurance, Owners are responsible for damage to the property caused by themselves their animals, guests, tenants, invitees or other occupants of their lots.

This Fine and Due Process Policy supersedes all previous enforcement policies or procedures and any other rules to the extent that they are inconsistent herewith.

**B. Violation Complaints**

Since many individuals are not aware that their actions are in violation of the governing documents or a concern to their neighbors, residents are encouraged to first contact the parties involved to request resolution of the violation prior to submitting a written complaint.

All violation complaints must be submitted in writing (e-mail accepted) to the association's management company (or the board of directors, if no management company has been retained), and shall include the specifics of the violation (date, time, persons involved, location or lot, etc.) and the identification of the person making the complaint.

The Board does not have a duty to take enforcement action if it determines that, under the facts and circumstances presented:

1. The Association's legal position does not justify taking any or further enforcement action;
2. The covenant, restriction, or rule being enforced is, or is likely to be construed as inconsistent with law;
3. Although a violation may exist or may have occurred, it is not so material as to be objectionable to a reasonable person or to justify expending the Association's resources; or
4. It is not in the Association's best interests to pursue an enforcement action.

The Board's decision to not pursue enforcement under one set of circumstances does not prevent the Board from taking enforcement action under another set of circumstances, but the Board may not be arbitrary or capricious in taking enforcement action.

**C. Fines**

1. An Owner may be assessed a fine for a violation of the Association’s governing documents. The fines shall be assessed against the lot and collected as delinquent assessments if not paid by the due date. Any provision of a governing document that is violated shall be subject to the following fine schedule:

<b>Fine Violation</b>	<b>Fine Amount and/or Ongoing Amount</b>
1 <sup>st</sup> Violation	Warning
2 <sup>nd</sup> Violation or Ongoing	\$50.00
3 <sup>rd</sup> or Ongoing Violation	\$100.00
Subsequent Ongoing and Daily Fine Violations	Up to \$100.00 per Day

To the extent the Association’s Declaration, Bylaws, or a schedule that has been adopted but not repealed/superseded or may be adopted by the board of directors in the future which specifically sets forth a fine amount, the fine amount in that governing document shall supersede the above fine schedule. Additional fines for specific violations can be found in the Sunlight Waters Country Club, Inc. Covenant and Restrictions Violation Penalty Code, attached hereto as Appendix A.

2. Any violation by an Owner, animals, guests, tenants, invitees or other occupants of a lot shall be treated as a violation by the Owner and any fine or common expense resulting from that violation shall be assessed against the lot.

3. The same type of violation occurring within a 12-month period shall be deemed an ongoing violation subject to the next fine amount set forth in Section C.1.

4. Failure of the Association to take action on any violation shall not constitute a waiver on the part of the Association to take action for such violation or future similar violations as the Board deems appropriate.

5. An Owner’s failure to resolve a violation within a reasonable time set forth in any notice shall be deemed an ongoing violation subject to the next fine amount set forth in Section C.1. When reasonable, the Association will make efforts to reinspect the property before levying an additional violation. The Association shall further have the discretion to levy additional violations without reinspecting any longstanding, unresolved violations.

6. Except as otherwise provided in the governing documents, the following actions will be taken in the event of a violation:

**First Violation:** A violation notice will be sent to the Owner along with a fine amount that will be levied (if applicable). The violation notice will state the required measures to be taken by the Owner in order to resolve the violation and the date by which

the measures must be completed in order to avoid a fine (if applicable). The violation will also give the Owner an opportunity to contest the violation if a fine has been levied.

**Second Violation:** If the Owner does not resolve or contest the violation by the deadline given in the first violation notice or if the violation is repeated, a fine as set forth in Section C.1. of this policy or in the Association's other governing documents may be assessed against the lot and a second violation notice shall be mailed to the Owner, advising of the amount of the fine and the Owner's opportunity to contest the violation. The notice will again state the required measures to be taken by the Owner to resolve the violation and the date by which the measures must be completed to avoid additional fines.

**Third or Ongoing Violations:** If the Owner does not resolve or contest the violation by the deadline given in the second violation notice or if the violation is repeated, a fine as set forth in Section C.1. of this policy or in the Association's other governing documents may be assessed against the lot.

**Subsequent and Ongoing Violations:** Repeat and unresolved violations are subject to additional fines of up to \$100.00 per occurrence or per day as set forth in Section C.1. of this policy or in the Association's other governing documents and legal action against the Owner, as determined by the Board in its sole discretion.

7. If a fine is not paid with the next regular monthly assessment after the fine is assessed, it will be treated as a delinquent assessment and will be subject to all of the collection remedies detailed in the Association's governing documents.

8. Owners who receive violation notices may respond in writing to the Board or Association manager. If the writing does not request a hearing, the Owner will be deemed as having waived its right to a hearing as set forth in Section D. below, and the Board will decide to waive or enforce the fine based on the written material received from the Owner.

#### **D. Due Process Procedure**

In accordance with RCW 64.38.020(11) the following procedures allow members of the Association and the Board to review issues and evidence of a contested violation or proposed enforcement action:

1. All Owners have the right to be "heard" before a panel of his/her peers ("Hearing Panel") if the Owner contests the violation or proposed enforcement action.

2. To obtain a hearing, the Owners shall request a hearing from the Board, in writing, within ten (10) days of the initial notice of violation.

3. The Board or Association Manager will respond to the hearing request within thirty (30) days following receipt of the written request. Once the hearing is scheduled, if any party desires to reschedule the hearing, the other party shall be notified at least ten (10) days prior to the scheduled date of the hearing.

4. The Hearing Panel will consist of three (3) Owners one of whom shall be a Board Member and the other two may be Board Members. The Board shall determine who is on the Hearing Panel. None of the Hearing Panel members shall be a party to the complaint. The hearing participants, subject to availability, will consist of:

- a. The Hearing Panel members;
- b. The party bringing the complaint unless the Board reasonably believes the presence of the complainant might result in harm to them by way of retaliation;
- c. The party requesting the hearing (who shall be an Owner);
- d. Witnesses; and
- e. Any other Owner who has an interest or concern related to the complaint.

5. The hearing will be informal with a Hearing Panel member acting as chair. All sides will present evidence, witnesses and testimony regarding the validity, non-validity or other issues relevant to the complaint. The time allowed for such evidence, witnesses and testimony may be limited by the Hearing Panel. Minutes of the hearing will be kept by the Hearing Panel or person designated by the Hearing Panel and maintained as an Association record as part of its file for each affected individual unit/lot. All evidence presented at the hearing shall become the property of the Association.

6. If a hearing is requested and any of the parties fail to appear at the hearing, the Hearing Panel will base its findings on information presented at the hearing and any written information received ahead of time.

7. Within five (5) working days of the hearing, the Hearing Panel shall prepare written findings and recommendations to the Board (if the Hearing Panel is comprised of members other than Board members). At the next regular Board meeting, or special meeting called for that purpose, the Board will consider the findings and recommendations and accept, reject, or modify the recommendations or take other appropriate action.

8. Notice of the Board's determination shall be provided to the parties.

9. Nothing contained herein shall prevent the Association from taking any action to recover the cost of damages or injunctive relief, or both. Furthermore, the failure of the Association to take action on any violation shall not constitute a waiver on the part of the Association to take action for such violation, as it deems appropriate. In the event the Association commences a lawsuit or undertakes other legal action, it shall be entitled

to reasonable attorneys' fees, expenses, and costs incurred for such action if it is the substantially prevailing party.

**E. Notice of Intervention**


As permitted under Article II, Section 11 of the Declaration, the Association and its agents may, after 1) four (4) violation notices, 2) an additional notice of intent to enter onto the Owner's unit/lot after a period of not less than thirty (30) days if the violation is not cured, and 3) continued non-compliance by an Owner, enter onto the violating unit/lot to perform all acts necessary to cure the violation. The costs for entering and curing the violation shall be assessed against the Owner and the unit/lot as permitted under Article II, Section 11 of the Declaration. Once the violation is cured, no future fines shall be levied. The Association may retain legal counsel to assist with correcting the violation, and all such reasonable attorneys' fees and costs shall be levied against the Owner and the unit/lot. Deviations from this policy may be made under emergency circumstances.

**F. Notice and Effective Date**

This policy was adopted by resolution of the Board of Directors on September 18th, 2023 and has an effective date of September 18th, 2023.

A copy of this policy was mailed to all Owners via regular US Mail on September 29th, 2023.

Sunlight Waters Country Club, Inc.

By:  09/26/23

Name: Dave Korpi

Title: President of the Board of Directors