

COVES NORTH HOMES ASSOCIATION, INC.

RESOLUTION ADOPTING ENFORCEMENT PROGRAM

THIS RESOLUTION is adopted this 24 day of May 2022, 2022 by the Board of Directors ("Board") of Coves North Homes Association, Inc. ("Association"), at a meeting duly called and a quorum being present.

WHEREAS, The Coves North ("Planned Community") exists by virtue of the "Declaration of Covenants, Conditions and Restrictions" as recorded in Book 604, Page 661 of the records of Platte County, Missouri, as amended ("Declaration"); and

WHEREAS, compliance with the Association's Governing Documents, including its rules and regulations, which all owners agreed to comply with upon acceptance of their deed, is important for harmony within the community; and

WHEREAS, it is vital for enforcement of the Association's Governing Documents be carried out without selectivity or bias through consistent application while preserving the Association's discretion; and

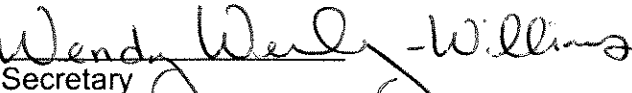
WHEREAS, the Board, with the assistance of counsel, has prepared an "Enforcement Program," which is attached hereto and incorporated herein by reference.

NOW THEREFORE, the Board resolves that the Enforcement Program is adopted by the Board.

The President and Secretary of the Board of Directors of Coves North Homes Association, Inc., by their signatures below, certify that this Resolution has been duly approved by the Board at a meeting duly held on the date and year appearing above.

Board of Directors
Coves North Homes Association, Inc.

By: 
President

By: 
Secretary

COVES NORTH HOMES ASSOCIATION, INC.
ENFORCEMENT PROGRAM

Section 1. Purpose. The purpose of the Enforcement Program ("Program") is to reach an appropriate balance between very strict enforcement and biased or capricious enforcement by incorporating the principles of Uniform Common Interest Owners Act Bill Of Rights, Section 8(b) and its comments ("BOR") as provided under Section 8 below. For convenience, the alleged violator is referred to as "Respondent."

Section 2. Remedies. As one goal of enforcement is to foster compliance moving forward under the individual and unique facts and circumstances of the alleged violation, it is imperative that the Board have flexibility to obtain a voluntary and amicable resolution. Without limiting the Association's remedies at law or equity, the Board may exercise any (or in combination) of the following remedies:

- a. Send a warning letter,
- b. Levy a one-time fine, after notice and opportunity to be heard, including the ability to suspend a fine,
- c. Levy a daily fine, after notice and opportunity to be heard, including the ability to suspend such fines,
- d. Mediation, Arbitration, or Binding Arbitration if agreed upon by the Association and the Respondent,
- e. File a lawsuit to compel compliance and recover any unpaid fines, and
- f. Any other rights and remedies contained in the Association's Governing Documents or at law or equity.

Section 3. Intake. Any person may notify the Association of an alleged infraction of the Association's Governing Documents, and such person has the right to remain anonymous. If the Board determines that a violation is more likely to have occurred than not, the Board may exercise any of its available remedies.

Section 4. Notice of Violation and Intent to Levy Fine. If the Board determines that the alleged infraction warrants a fine, the Association shall provide notice to the Respondent with an opportunity to be heard. The notice shall be substantially similar as the enclosed form.

Section 5. Hearing Procedures. The purpose of a hearing is to provide the Respondent with an opportunity to be heard by presenting facts and witnesses in response to the alleged violation prior to the levy of a fine. *The hearing is not a formal trial and is not necessary unless the Board intends to impose a fine.* Unless otherwise requested by the Respondent, the hearing shall be conducted in executive session.

Any hearing held under this Program shall utilize the following procedures:

- a. The Chair of the meeting shall summarize the alleged violation,
- b. The Respondent shall be given the floor to speak and present facts and

witnesses,

- c. After such presentation by the Respondent, the Board may, but is not required, to ask questions, and
- d. The Respondent shall be provided an opportunity to make a final statement.
- e. The Chair of the meeting shall announce that the hearing has concluded, and that a final decision of the Board shall be provided to the Respondent as provided in Section 6 below.

Section 6. Determination of the Board. The Board shall provide the Respondent a written result of the Board's decision. If a fine is levied, such fine(s) shall be recoverable in the same manner as unpaid assessments under the Association's Governing Documents.

Section 7. Fines. As provided in the Association's Governing Documents, the Association has the authority to levy reasonable fines after notice and opportunity to be heard.

In recognition that treating all violations equally for purposes of fines is inequitable, the Board does not adopt such a schedule; i.e., a violation that threatens the safety of others is not equal to a nominal violation. Instead, the Board shall adopt a fine schedule for the most common violations, which may be increased or changed annually simultaneously with the Association's budget. For all violations not otherwise identified on the schedule, the fine shall be reasonable to obtain compliance and prevent the Respondent from obtaining any monetary benefit, if any, related to the violation.

Section 8. Discretion. As provided in the BOR, the Board may determine to enforce its Governing Documents, but does not have a duty to do so if, under the facts and circumstances presented, that:

- a. The Association's legal position does not justify taking any, or further, enforcement action;
- b. The provision being enforced is, or likely to be construed as, contrary to law;
- c. Although a violation may exist, or have occurred, it is not so material as to be objectionable to a reasonable person or justify expending the resources of the Association; or
- d. Enforcement is not in the best interests of the Association.

The Board's decision to exercise its discretion under this Section does not prevent the Board from taking enforcement action so long as the Board is not doing so for a discriminatory purpose. No decision of the Board shall be considered waiver of any future violations.

Section 9. Owner Enforcement. Independent of this Enforcement Program, each Owner has the right to enforce the Association's Governing Documents in any particular instance; provided, however, an owner shall not have the authority

to levy fines.

Section 10. Material Omission. Absent a material omission or intentional failure to comply with this Program, such omission or failure shall not invalidate or excuse enforcement.

Section 11. Forms & Notice. Enclosed are forms for the Association's administration of this Program, which are incorporated herein by reference. Any notices shall be provided in writing and sent to the Respondent's residence within the community unless the Respondent has provided a different mailing address.

Section 12. Attorneys' Fees and Costs. Any attorneys' fees and costs incurred by the Association shall be levied against the Respondent's residence and shall be the responsibility of the Respondent unless otherwise determined by a court.

COVES NORTH HOMES ASSOCIATION, INC.

ENFORCEMENT PROGRAM-FINE SCHEDULE

This Fine Schedule lists the most common violations within the community, and, pursuant to the enforcement program, the Board has adopted this fine schedule. We trust you recognize that not all violations are equal. For example, a violation that results threatens the safety of others or property is not the same as a technical violation. All fines shall be levied after notice and opportunity to be heard is provided in the Enforcement Program.

Description of Violation	Minimum Fine for First Offense
Pets-Failure to Pickup Waste	\$50.00
Trash-Littering	\$100.00
Trash—Improper Disposal of Items that are fixed to a Lot or impacts another Lot or Lakes	\$500.00 one-time fine with a minimum \$50.00 daily fine plus costs of restoration
Parking—Impermissible Vehicle	\$100.00; with a minimum daily fine of \$20.00
Parking—Impermissible Location; blocking driveway	\$100.00
Unauthorized Alterations to Lot or Common Ground	\$1,000.00 one time fine with a minimum \$100.00 daily fine plus costs of restoration

[Date Adopted/ 05/24/2022]