

THE DOMINION
HOMEOWNERS ASSOCIATION

FINE AND ENFORCEMENT POLICY

For Residents of The Dominion

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1. Background. The Dominion is a residential community (the “Community”) subject to the Declaration of Covenants, Conditions, Easements and Restrictions for The Dominion Planned Unit Development, recorded at Volume 2956, Page 61 in the Official Public Records of Bexar County, Texas, and any and all amendments thereto (the “Declaration”). The operation of the Community is vested in The Dominion Homeowners Association (the “Association”), acting through its board of directors (the “Board”). The Association is empowered to enforce the terms, covenants, conditions and restrictions of the Declaration, Bylaws and Rules, policies and procedures of the Association.

The Board hereby adopts this Fine Policy to establish equitable policies and procedures for the levy of fines within the Community in compliance with the provisions of the Texas Residential Property Owners Protection Act (the “Act”) found in Chapter 209 of the Texas Property Code. To the extent any provision within this policy is in conflict the Act or any other applicable law, such provision shall be automatically modified to comply with the applicable law. Words and phrases used and not otherwise defined in this policy have the same meanings given to them by the Declaration.

2. Policy. The Association uses fines and/or other revocation of Association privileges to discourage violations of the Declaration, Bylaws, and rules and regulations of the Association (collectively the “Documents”), and to encourage compliance when a violation occurs - not to punish violators or generate revenue for the Association. Although a fine may be an effective and efficient remedy for certain types of violations or violators, it is only one of several methods available to the Association for enforcing the Documents, including but not limited to the de-activation of an owner’s remote gate access transmitter. The Association’s use of these methods does not interfere with its exercise of other rights and remedies for the same violation.
3. Owner’s Liability. An owner is liable for any fines levied by the Association for violations of the Documents by the owner or resident, or the owner or resident’s family, guests, employees, agents or contractors. Regardless of who performs the violation, the Association will direct its communications to the owner.
4. Violation Notice. Before levying a fine or de-activating an owner’s transmitter, the Association will provide the owner a written violation notice and an opportunity to be heard. This requirement may not be waived. In any event, the Association’s written violation notice must contain the following items: (1) the date the violation notice is prepared or mailed; (2) a description of the violation; (3) a reference to the rule or provision that is being violated; (4) a description of the action required to cure the violation and a reasonable time period to take such action; (5) the action to be taken

and/or the amount of the fine, if any; (6) a statement that not later than the 30th day after the date of the violation notice, the owner may request a hearing before the Board to contest the fine and/or de-activation of the transmitter; and (7) the date the fine attaches or begins accruing or the date of de-activation (the "**Start Date**"), subject to the following:

- a. New Violation. If the owner was not given notice and a reasonable opportunity to cure a similar violation within the preceding six (6) months, the notice will state a specific date by which the violation must be cured to avoid the fine or de-activation, if the violation is ongoing or continuous. If the violation is not ongoing, but is instead sporadic or periodic, the notice must state that any future violation of the same rule may result in the levy of a fine and/or de-activation.
 - b. Repeat Violation. In the case of a repeat violation, the notice will state that, because the owner was given notice and a reasonable opportunity to cure a similar violation within the preceding six (6) months, the fine attaches from the date of the violation notice and de-activation (if the transmitter was re-activated) will commence immediately as of the date of the notice.
5. Violation Hearing. An owner may request in writing a hearing by the Board to contest the fine and/or the de-activation of the gate transmitter. To request a hearing before the Board, an owner must submit a written request to the Association's manager within thirty (30) days after the date of the violation notice. Within thirty (30) days after owner's request for a hearing, the Association must hold a hearing. The Association must provide the owner with at least ten (10) days notice of the date, time, and place of the hearing. The hearing will be held in a regular session of the Board, or at an executive session at the Board's discretion. At the hearing, the Board will consider the facts and circumstances surrounding the violation. The owner may attend the hearing in person, or may be represented by another person or written communication. The minutes of the hearing must contain a statement of the results of the hearing and the fine and/or other action, if any, imposed. A copy of the violation notice and request for hearing should be placed in the minutes of the hearing. If the owner appears at the meeting, the notice requirements will be deemed satisfied.
6. Levy of Fine. Within thirty (30) days after levying any fine, the Board must give the owner notice of the levied fine. If the fine is levied at the hearing at which the owner is actually present, the notice requirement will be satisfied if the Board announces its decision to the owner at the hearing. Otherwise, the notice must be in writing. In addition to the initial levy notice, the Association will give the owner periodic written notices of an accruing fine or the application of an owner's payments to reduce the fine. The periodic notices may be in the form of monthly statements or delinquency notices.
7. Amount of Fine/De-Activation of Transmitter. The Association may set fine amounts provided the fine is reasonable in light of the nature, frequency, and effects of the violation.

The Association may establish a schedule of fines for certain types of violations. If circumstances warrant a variance from the schedule, the Board will document the reasons for the variance in the minutes of its meeting. The amount and cumulative total of a fine must be reasonable in comparison to the violation.

The Board has adopted the following general schedule regarding de-activation of any gate access transmitters and/or fines to be imposed :

Schedule of Actions/Cost of Enforcement

| <u>Number of Violations in a 6 month Period:</u> | <u>Action:</u> |
|---|--|
| 1 st Violation: | See Transmitter Issuance Policy attached hereto as Exhibit "A" |
| 2 nd Violation: | See Transmitter Issuance Policy attached hereto as Exhibit "A" |
| 3 rd Violation: | \$250 (in addition to the above) |
| 4 th Violation: | \$500 (in addition to the above) |

Notwithstanding the foregoing, the Board reserves the right to adopt a different fine amount on a case by case basis provided the fine is reasonable in light of the nature, frequency and effects of the violations

8. Type of Levy. If the violation is ongoing or continuous, the fine may be levied on a periodic basis (such as daily, monthly, or quarterly), beginning on the Start Date. If the violation is not ongoing, but is instead sporadic or periodic, the fine may be levied on a per occurrence basis.
9. Collection of Fines. The Association is not entitled to collect a fine from an owner to whom it has not given notice and an opportunity to be heard.
10. Amendment of Policy. This policy may be revoked or amended from time to time by the Board. This policy will remain effective until ten (10) days after the Association delivers to an owner of each unit notice of amendment or revocation of this policy. The notice may be published and distributed in an Association newsletter or other community-wide publication.