

1. **Hearing Policy and Procedure.** The following policies and procedures are adopted by the Board of Directors of Sunset Ridge Property Owners Association (Association). The Board of Directors are authorized by the Declaration of Covenants for Sunset Ridge Subdivision for the implementation and clarification of those requirements, which are contained in the Covenant Declaration itself, and are enforceable as provided therein. The Board of Directors reserves the right to amend these policies and procedures at any time.

1. **Purpose**

Section 1.01. These policies and procedures are intended to provide Sunset Ridge property owners ("Property Owners") an opportunity for a hearing for the resolution of disputes arising between the Association and Property Owners and for the imposition of fines against Property Owners.

Section 1.02. It is not intended that these policies and procedures allow for a forum to address acts or omissions of the Association or its representatives which affect Property Owners generally. The intended forum for such matters shall be the at regular Annual Owner's meetings of the Association

2. **Fines and/or Corrective Action**

Section 2.01. Property Owners shall be subject to such fines as may be specified in writing and adopted and approved by the Board of Directors including, but not limited to, those fines provided in the Association's Policy and Procedures, as amended from time to time. To the extent not otherwise specified, a fine of not more than \$1,500 and/or corrective action may be imposed on a Property Owner for violation of any provision of the Policy and Procedures.

3. **Notice.**

Section 3.01. Prior to imposition of a fine or corrective action, a Property Owner shall be sent written notice stating the amount of the proposed fine and a brief description of the violation involved and informing the Property Owner that he or she has an opportunity to have a hearing under these Hearing Policies and Procedures. Upon the earlier of actual receipt or three (3) business days following mailing or electronic email transmission, such notice shall be deemed received if sent to such Property Owner's mailing or email address as shown in the Association's records. Property Owners shall be responsible for advising the Association of any changes in mailing or email addresses.

4. **Request for Hearing**

Section 4.01. Excluding matters involving the imposition of fines and subject to Section 1.02 above, a Property Owner who disputes any action of the Association or its representatives taken with respect to such Property Owner may, by written notice, request a hearing to resolve such dispute. Such notice must be addressed to the Association and must contain a full description of the disputed matter, the Property Owner's position on such matter, a summary of any evidence that may support such position and the resolution or action sought by such Property Owner. Additional information may also be required to accompany the request if specified under other requirements adopted or approved by the Board of Directors.

Section 4.02. Following receipt of notice of the imposition of a fine, a Property Owner may, by written notice, request a hearing on whether alleged violation, for which the fine is to be imposed, actually occurred and whether the Property Owner is the person to be held responsible for such violation. Such written request must be addressed to the Association, to the attention of the President of the BOD, and be received within thirty (30) days following the date of receipt or deemed receipt of the notice under Section 3.01 above. Failure to provide a timely written request for a hearing shall be deemed a waiver thereof by the Property Owner.

5. **Hearing**

Section 5.01. Following a timely and proper request for a hearing in accordance with Article IV above, a Property Owner shall be entitled to a hearing by an impartial decision maker ("Decision Maker") as defined by applicable law and appointed by the Board of Directors from time to time. The Decision Maker may consist of, but is not limited to, one or more or all members of the Board of Directors.

Section 5.02. The Property Owner shall be informed of the location, date and approximate time of the hearing, which may be included in the notice under Section 3.01 above or may otherwise be communicated verbally or in writing to the Property Owner. The Property Owner shall be similarly informed of any change in the location, date or time of the hearing.

Section 5.03. At least seven (7) days prior to the hearing date specified in accordance with Section 5.02 above or such other date as may be notified to the Property Owner, the Property Owner must provide the Association with a summary of his or her position and any supporting evidence, together with a copy of all

supporting materials upon which the Property Owner intends to rely. Such materials may include, but are not limited to, written documentation, signed written statements and photographs.

Section 5.04. The Property Owner may make a brief oral presentation to the Decision Maker summarizing his or her position and any supporting evidence provided under Section 5.03 above. Such presentation shall be limited to five (5) minutes or such longer period as the Decision Maker may determine in its sole discretion as reasonable and appropriate.

Section 5.05 for hearings involving the imposition of fines, the hearing shall address whether the alleged violation actually occurred and whether the Property Owner is the one who bears the responsibility.

Section 5.06 Subject to Section 1.02 above, for hearings not involving fines, the hearing shall address the matter described in the Property Owners' notice under Section 4.01 above. Section 5.07 If the Decision Maker consists of one or more persons, its decision shall

be determined by a majority of such persons. Any such person who has a direct personal or financial interest in the outcome of a matter shall recuse himself or herself and shall not be counted for purposes of determining a majority. A person shall be deemed not to have a direct personal or financial interest in the outcome if such person will not, as a result of the outcome, receive a materially greater benefit or detriment than will Property Owners generally.

Section 5.08 A Property Owner shall be provided with written notice within thirty (30) days indicating the decision of the Decision Maker. The decision of the Decision Maker shall be final.