

**KENTWOOD HOME GUARDIANS
RULES ENFORCEMENT POLICY
HEARING PROCEDURE AND FINE SCHEDULE**

1. Remedies for Enforcement of Governing Documents. To enforce the Governing Documents of Kentwood Home Guardians (“KHG” or the “Association”), the KHG Board of Directors may impose one or more of the remedies described below as it deems appropriate to be effective:

- a. Warning letters
- b. Monetary penalties
- c. Suspension of membership privileges
- d. Internal Dispute Resolution
- e. Alternative Dispute Resolution
- f. Litigation

The selection of one remedy does not preclude the Association’s right to pursue other remedies, either concurrently or consecutively.

Failure to pay fines within thirty (30) days after the KHG Board imposes said fines may result in legal action to collect the fines. If KHG is forced to retain an attorney to ensure compliance, collect fines, etc., the offending KHG Property Owner may be liable for those attorney fees and all related expenses in addition to the levied fines.

2. Warning Letters. In response to a KHG Property Owner’s first offense regarding a given portion of the Governing Documents or a violation which relates to the safety of other KHG Property Owners, the KHG Board may, in its sole discretion and in lieu of a monetary penalty or other discipline, elect to send the offending owner a warning letter. Any such warning letter shall be sent to that owner via registered mail, inform him/her/it of the existence of the violation, and demand formal compliance with KHG’s Governing Documents within a time period specified in the letter.

3. Notice and Hearing Procedures. The following notice and hearing procedures will be used whenever the KHG Board meets to consider an alleged violation which could result in disciplinary action against a KHG Property Owner.

a. Notice of Hearing: Notice of any hearing related to this Rules Enforcement Policy will be sent to the offending KHG Property Owner at least ten (10) days prior to the Hearing. Notice will be given either personally or by prepaid first-class mail to the most recent address shown in the Association’s records. Notice shall contain, at a minimum, the date, time, and place of the Hearing, the nature of the alleged violation for which the KHG Property Owner may be disciplined, whether continuing fines (as defined herein) and a statement that the owner has a right to attend and may address the Board at the Hearing.

b. Opportunity to Be Heard: KHG Property Owners have the right to send a letter or appear in person to present evidence or to explain why they should not be disciplined. The Hearing shall be held in Executive Session.

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c. Rescheduled Hearing: Upon timely written request (at least 5 business days prior to a scheduled Hearing) and for worthy cause, a party may be granted a continuance to a new hearing date. The KHG Board cannot and does not promise it will be able to reschedule a Hearing, but will make all reasonable efforts. In the event a person fails to appear for a Hearing, the Board will review the evidence presented and makes its decision accordingly.

d. Notice of Decision: Within fifteen (15) days of the KHG Board's decision, the offending KHG Property Owner will be sent a written notice of the Board's decision from the Hearing.

e. Conflicts of Interest: If any member of the KHG Board has a conflict of interest with the offending KHG Property Owner or the subject of the violation (*i.e.*, s/he filed the complaint, the complaint was filed against her/him, or s/he was involved in the complaint in some other manner) such Board member shall not vote on the issue.

f. Correction of Violation: In the event the violation is corrected prior to the Hearing date, the KHG Board may, in its discretion, cancel the Hearing or otherwise discontinue the proceedings.

4. Fine Schedule. The following fine schedule shall apply to all violations of KHG's Governing Documents. Such violations may result in a warning letter, fine, suspension of privileges, and/or continuing fines as the Board may determine to be appropriate to the situation and as provided for in the fine schedule below. In addition to fines, the Board may file a lawsuit seeking judicial relief. Imposition of penalties and suspension of privileges will be subject to notice and hearing procedures as prescribed in Section 2 above.

1st violation: Warning or \$200

2nd violation (new instance of previously documented & corrected violation(s)): \$300

3rd violation (new instance of previously documented & corrected violation(s)): \$400

Additional violations (new instance of previously documented & corrected violation(s)): \$500

Safety Violation: Warning or fine up to \$500

Continuing Violation (violation not corrected within the time period laid out in a warning or violation letter issued by the KHG Board): Daily, weekly, or monthly fines in any amount listed above may be, in the Board's discretion, imposed continuously until the violation is cured. The Board will inform an offending KHG Property Owner in its Hearing Notice if a continuing violation penalty is being considered. The Board will inform the offending KHG Property Owner in its Hearing Results the frequency of continuing violation penalty that was imposed, as prescribed in Section 3.a above.

Suspension of Privileges: The KHG Board, after a Hearing, may suspend privileges to use common areas, suspend voting rights, or suspend any other privileges allowed by KHG's Governing Documents or law. The Association will not suspend a KHG Property Owner's rights of ingress and egress to their Property.

Assessment: An assessment may be levied against an offending KHG Property Owner to reimburse KHG expenses incurred as a result of said owner's violation of KHG's Governing Documents.