

Capital Village
Homeowner's Association
Rules & Regulations

The Board of Directors ("Board") of the Capital Village Homeowners Association ("Association") shall from time to time adopt such rules and regulations as it may deem advisable to govern the use of the common areas within the Development and recreational facilities owned and controlled by the Association, by its members, guests, others, covering such additional matters as that the Board may deem appropriate to protect property values, keep the Owners investments secure, and ensure that residents shall have a pleasant environment in which to live.

The nature of Homeowner Association living requires a higher degree of cooperation and thoughtfulness among residents than is customary in individual house neighborhoods. It should be the desire of all residents to maintain an attractive, congenial, and pleasant living environment. Self-government of the community requires mature acceptance of restraints on our individual desires and lifestyles.

No use of any common or recreational area shall interfere with the usual and expected pleasant, safe, peaceful and quiet enjoyment by an Owner of his unit or the common or recreational areas. These rules contain sanctions severe enough to discourage any violation of these covenants.

The following RULES AND REGULATIONS are adopted to protect property values, to keep the Owners' investments secure, and to ensure that all members of the Capital Village Homeowners Association shall have a pleasant environment in which to live.

Capital Village Homeowners Association

Rules & Regulations

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Rule 1. Owner's Responsibilities

- 1.1 It is the Owner's responsibility to see that all tenants, guests, and persons inhabiting their Unit are in compliance with the Rules and Regulations of the Association as adopted in the governing Declaration of Covenants, Conditions, and Restrictions ("CC&Rs") as adopted in the following Rules and Regulations.
- A. The homeowner will be held directly responsible for such persons and for any damage to Association property that they might cause. Damage assessments will be based on cost of repairs or replacement and labor for actual cleaning and/or repair of facilities.
 - B. The Rules and Regulations set forth below apply to homeowners and occupants of the Community.
 - C. These Rules and Regulations do not supersede the By-Laws and/or CC&Rs.
 - D. Each owner shall at their own expense keep their Unit and its equipment and appurtenances in good order, condition, and repair and in clean and sanitary state.

Rule 2. Buildings and Grounds

- 2.1 Occupancy
- A. Occupancy use is limited solely to residential purposes and no commercial activity or business of any kind shall be conducted from any portion of the residence, including all common areas and community facilities.
 - B. No homeowner and/or occupant shall interfere with the enjoyment, comfort, rights, or convenience of any other homeowner and/or occupant, nor annoy any homeowner and/or occupant by loud or unreasonable noise or by any nuisance.
 - C. No overnight, temporary or permanent occupancy within any motor home, recreational vehicle, camper or trailer shall be allowed on any portion of the Community.
 - D. No garage, shed, tent, trailer or temporary structure of any kind shall be permitted for any purpose except for use related to construction and/or repairs with written approval from the Board and the Architectural and Landscape Control Committee ("ALCC")
 - E. Garage sales or related type sales shall not be permitted.
- 2.2 Building Exteriors

- A. The Owner shall be responsible for maintaining the exterior Unit, including but not limited to all painted surfaces and the stucco walls between and surrounding the Units in accordance with the Architectural Design Guidelines. It shall be the responsibility of the Owner to repaint the exterior of the Unit when the ALCC determines, pursuant to Architectural Design Guidelines, that repainting is necessary.
- B. Repairs or maintenance necessitated by intentional, negligent, or careless acts of homeowner and/or occupant, or guest shall be borne entirely by said homeowner. A lien shall be placed on the Unit in question unless paid within sixty (60) days from notice.
- C. Any other damage, such as, but not limited to, broken window glass, or garage door shall be repaired within thirty (30) days of occurrence by the Owner and at the expense of the Owner.

2.3 Landscaping and Grounds Maintenance

- A. The ALCC shall make all decisions regarding the extent, type, design and general appearance of lawns and landscaping.
- B. All front yard landscaping, trees and shrubbery shall be placed by the Declarant and maintained by the Association. If an Owner plants additional shrubbery, trees, etc., he must first obtain written permission from the Board and the ALCC. If an Owner fails to receive written permission from the Board and the ALCC, the Board and the ALCC may have the unauthorized trees, shrubs, and plants removed, at the expense of the owner.
- C. The Association shall maintain all of the common areas. The Association may contract out work.

2.4 Modification of Building Exteriors and Grounds

- A. No alteration, structural improvement, modification, addition or change in the exterior design or finish of any building (including exterior paint color), the landscaping or any common area shall be undertaken by any homeowner and/or occupant without express prior written approval of the Board and the ALCC.
- B. No Owner shall take any action or permit any action to be taken that will impair the structural soundness, integrity or safety of any building, or other structure, or other structure, in the Community, nor impair any easement or right enjoyed by the Community or Members, without written Board and ALCC approval.
- C. The Association may not unreasonably restrict, prohibit or withhold approval for a unit's owner to add an improvement such as ramps or railings that are necessary to improve access to the unit for any occupant of the unit

who has a disability. Any improvement or alteration made pursuant to this section that is visible from any other portion of the Association must be installed, constructed or added in accordance with the procedures set for by the Association and the ALCC and must be selected or designed to the maximum extent practicable to be compatible with the style of the Association. Unit's Owners must first obtain written approval by the Association and ALCC prior to installation of such improvements.

- D. No solar heating devices or panels of any kind shall be allowed unless first approved in writing by the Board and the ALCC. The Board and the ALCC may not unreasonably restrict, prohibit, or withhold approval for a unit's owner to add, to a unit, additional locks to improve the security of the unit. Any improvement or alteration made pursuant to this section that is visible from any other portion of the Association must be installed, constructed or added in accordance with the procedures set for the ALCC and must be selected or designed to the maximum extent practicable to be compatible with the style of the Association. Unit's Owners must first obtain written approval by the Association and the ALCC prior to installation of such improvement.
- E. Any such unauthorized changes or alterations shall be restored to the original condition, common scheme or design at the direction of the Board and the ALCC and at the expense of the homeowner.
- F. No unsightly article shall be permitted to be attached, displayed or hung from any exterior of any building, fence, shrubs, or trees or remain on any Lot so as to be visible from a neighboring property or public or private thoroughfares, including items seen through view fencing, except signage meeting the requirements of Rule 5.
- G. Holiday lighting and decorations are acceptable during the month of December. All holiday decorations must be removed by the fifteenth (15th) of January.
- H. The American Flag and/or Nevada State Flag may be displayed:
 - 1. On a flagpole or staff which is located on exterior property within the boundaries of this unit;
 - 2. Flags must be displayed from either a poll or a staff; they are not to be placed horizontally or vertically against a wall.
 - 3. Flags should only be displayed from sunrise to sunset and taken down during inclement weather. Displaying the American Flag and/or State flag after sunset is considered inappropriate and owners will be so informed.

4. No Flag should be displayed when it is in such condition that it is no longer a fitting emblem for display.
- I. Owners may install satellite dishes, providing the satellite dish meets certain guidelines of the ALCC and is approved by the ALCC prior to installation.
- J. No radio, television, ham radio or "C.B." antenna of any kind or type shall be permitted upon any residence site, residence building or common areas.
- K. No electrical device of any kind or type or nature shall be allowed to operate from or within any residence site or any portion of the common area that produces interference with another homeowner and/or occupant's radio or television reception.
- L. Feeding animals in the common area is prohibited.
- M. Members are expected to promptly report any damage or problems in the common areas. This includes, but is not limited to broken sprinklers. Please report items of this type to the Management Company.
- N. The only acceptable window coverings are drapes, curtains, blinds or interior shutters. No other types of window coverings, such as paper, aluminum foil, sheets, etc., can be used. Window coverings within the unit, visible to the outside must have a white or cream lining in order to provide a uniform appearance to the exterior of the building.
- O. No erected fence or wall may be removed, extended, altered or a new fence built without prior written consent of the ALCC.
- P. No structure, hot tub, decking, etc., may be erected within the limited common area of any unit without prior written approval by the Board and the ALCC and subsequent approval by the City of Carson City.

Rule 3. Street and Parking Areas

3.1 Street Use and Restrictions

- A. All of the streets within the complex are private streets subject to the complete control of the Association.
- B. The speed limit on all streets shall be a maximum of 15 miles per hour. All posted signs must be obeyed. Note: Speed bumps may be used in the development.
- C. Streets are not to be used by unlicensed motorcycles or motor operated vehicles or by anyone not licensed to operate a vehicle on a public street.

- D. No motorcycle of any kind, inclusive of motorized bicycles, go-carts, or mopeds that are not equipped with appropriate muffling device shall be operated upon any portion of the project.
- E. The movement and operation of any or all vehicles is limited to the paved roadways and respective parking areas of the Association property.
- F. No skates, skateboards, scooters, wagons, bicycles or other propelled vehicles of any kind shall enter upon any portion of the landscaped areas or sidewalks. Sprinkler and lawn damage can occur easily.
- G. Streets servicing the Association may not be used as a playground area or for the use of skates, skateboards, scooters, wagons, bicycles or other propelled vehicles of any kind.
- H. Fire lanes must be kept clear at all times.

3.2 Parking

- A. Parking is reserved for residents and guests only.
- B. On street parking is prohibited in the Community.
- C. Owners are not allowed to park their vehicles in the designated guest parking areas unless otherwise provided herein
- D. All vehicles are to be parked in a forward position. We ask that you do not back into your driveway. The reason being, the vehicles exhaust system leaves black marks on the garage door. Also, ones depth perception could be bad and there is a greater chance of hitting a garage door.
- E. No vehicle shall be parked in such a manner as to impede or restrict the normal flow of street traffic.
- F. No vehicle shall be parked in such a manner as to impede or prevent ready access to the premises of another unit.
- G. No trailers, i.e., house, utility, boat, horse, motor home, and/or pickup trucks with camper shells above cab level and trucks over ¾ ton are to be parked on any street within the complex or in any driveway. Exception: Recreation vehicles may be parked for a limited period of time, not to exceed twenty-four (24) hours in a unit driveway or if too large, in a guest parking space. At the completion of loading and/or unloading, the recreational vehicles must be removed and parked in another off-site location.
- H. Garage door must be kept closed at all times except for exit, entry, loading, unloading, and maintenance of building or landscaping.

- I. No inoperative or unregistered vehicle of any kind or type shall be allowed to stand on or within any street, parking area or any portion of the area, including driveways, for more than seventy-two (72) hours. Those vehicles will be tagged, then towed if in violation. (Exception: vehicles parked within its Owner's garage).
- J. No major vehicle or equipment repair will be permitted in any parking area, driveway or on any street within the project. Any damage caused to the asphalt or concrete, including driveways, due to an oil change, engine leak, gas spill, etc., will be repaired by the Association and the Owner billed accordingly.
- K. Any damage to lawn or landscaped areas caused by vehicles parked on the street edge shall be repaired at the expense of the Homeowner.
- L. The Association may and shall use its own discretion as to the removal of any vehicle appearing in violation of the above Rules and Regulations, and may have it towed away at the vehicle owner's expense and shall be held harmless in so doing.
- M. When and where applicable, the foregoing shall apply to all tenants, guests, and invitees and to all persons when upon the property of Capital Village Homeowners Association.
- N. Vehicle Violation: The Board may cause prompt and immediate removal of vehicles improperly parked on property owned or leased by the Association pursuant to NRS 487.038 without going through the notification and hearing process.

Rule 4. Pets

4.1 General

- A. No, dog house, kennel, or other facility for raising, sheltering or boarding dogs or other animals may be kept in any area visible from the street, another unit or common area. No more than two (2) of each species of household pets shall be raised, or kept on any Lot. No animal or fowl of any description shall be raised, housed or kept, within Capital Village except dogs, less than twenty-five (25) pounds, cats, or other household pets that are of such nature as not to interfere with the safety, comfort, and quiet enjoyment of adjoining owners, provided they are not kept or raised for any commercial purpose.
- B. No pet (including cats) shall be permitted outside the occupants Unit on any common area unless secured by leash or suitable restraint. Any pet found

running loose will be turned over to Carson City Animal Control. It is not permissible to tie pets on the Common area.

- C. Notice will be sent to any pet owner whose pet unreasonably disturbs another homeowner and/or occupant by barking or other disturbance and fails to control the animal. In such a close community, it is the obligation of each homeowner and/or occupant to respect the privacy and quiet enjoyment of all individuals in the community.
- D. Homeowners and/or occupants shall clean up after their pets and are liable for any damage done to common areas. Homeowners and/or occupants neglecting to comply will be billed for the additional maintenance expense.
- E. The homeowner and/or occupant shall indemnify and hold the Association harmless from any and all damage and/or injury incurred by any animal owned by or under the control of the owner and/or occupant.

Rule 5. Signs

5.1 Signs

- A. No signs, billboards or advertising structures of any kind may be displayed for public view on any lot except one professional sign not more than five (5) square feet advertising the property for sale, or signs used by the builder or Declarant to advertise the property during the construction and sales period.

Rule 6. Refuse

6.1 Refuse Control

- A. No garbage, refuse, discards, or obnoxious, offensive materials shall be permitted to accumulate on any portion of the subject property, and the homeowner and/or occupant thereof shall cause all garbage and other like materials to be disposed of by and in accordance with accepted sanitary practice.
- B. Garbage and refuse can be put out for collection the night before the morning that collection is made. All garbage must be in suitable collection containers with secure lids. Cardboard boxes, plastic bags or paper sacks are not permitted. Any garbage that is not suitably contained and is scattered by animals shall be the responsibility of the Owner. Empty containers must be returned to the interior of the garage or behind the fence when empty and shall not remain by the street longer than twelve (12) hours.

- C. No Owner shall keep or permit to be kept any unsightly object or objects in and about his/her home, which are visible from the street. The definition of unsightly is at the discretion of the Board.

Rule 7. Assessments

7.1 Delinquent Procedure

- A. Regular Monthly Assessments are due, in advance on the first (1st) day of the month are delinquent if not received in full by the Association, within fifteen (15) days after the due date thereof. Special and Special Individual Assessments are due on the date(s) specified upon imposition and each installment thereof shall be delinquent if not received by the Association within fifteen (15) days after it is due.
- B. A late charge of eighteen percent (18%) will be applied to the unit owner's account on the sixteenth (16) day after the assessment became due.
- C. If an Owner's account has a delinquent and/or rotating balance of any amount for a period of thirty (30) days, and assessments are part of this balance, a Delinquent Notice will be sent to the Owner with all fees and costs related to the preparation and mailing of said Notice assessed to the Owner's account. These costs shall be collectable as assessments.
- D. If an owner's account has a delinquent and/or rotating balance of any amount for a period of sixty (60) days, and assessments are part of this balance, a Notice of Intent to Lien will be sent to the Owner(s) with all fees and costs related to the preparation and mailing of said Notice assessed to the Owner's account. These costs shall be collectable as assessments.
- E. If all such amounts (that received a Notice of Intent to Lien) have not been received within thirty (30) days after the date of the Notice of Intent to Lien, a Notice of Delinquent Assessment Lien will be prepared and mailed to the owner(s) thereof with all resulting collection fees and costs added to the total delinquent amount. Two types of liens may be filed due to NRS.116 restrictions: an assessment lien and other charges lien, which includes fines.
- F. All amounts thereafter due to the Association must be paid in full and the Association shall not be required to accept any portion or installment payments. Acceptance of partial or installment payments will not, under any circumstances, release or diminish the effect of Notice to Delinquent Assessment or other encumbrance the Association may have whether that lien or encumbrance be recorded or not.
- G. If all such amounts (that received a Notice of Lien) have not been received, in full, within thirty (30) days after the mailing of said Notice of Delinquent

Assessment Lien, the Association will, without any further advance notice, proceed to take any and all additional enforcement remedies as provided for by law including, but not limited to: non-judicial foreclosure of the Notice of Delinquent Assessment. All expenses incurred for such action, including, but not limited to attorney's fees, shall be billed to the account of the Owner as an assessment for collections.

- H. All payments received by the Association, regardless of the amount paid, will be directed to the oldest assessment balances first, until such time all assessment balances are paid, and then to late charges, interest and costs of collection unless otherwise specified by written agreement.
- I. The Association shall charge a minimum Returned Check Charge of \$35.00 for any and all checks returned as a Non-Negotiable, Insufficient Funds or for any other reason.
- J. All above referenced notices will be mailed to the record homeowner(s) at the last mailing address provided in writing to the Association by said homeowner(s).
- K. Good Faith Payment Agreements may be accepted by the Association at any time provided that the property has not sold or been forwarded to a third party collection agency or attorney, and there is reason to believe the homeowner shall honor their agreement. The Good Faith Payment Agreement will be sent to the homeowner(s) with all fees and costs related to the preparation and mailing of said agreement and assessed to the homeowner(s) account. These costs shall be collectable as assessments.
- L. Fines shall be collected in a like manner as delinquent assessments; provided, however, that the Association shall not foreclose on a lien for unpaid fines, and, shall constitute a lien on the unit of the offending owner.

Rule 8. General

8.1 General

- A. The Board, managing agent, and each homeowner and/or occupant shall have the right to prevent or stop violation of any of these Rules and Regulations by injunction or other lawful procedure and to recover damages resulting from such violation, including interest thereon.
- B. Invalidity of any of the above Rules and Regulations by court judgment or decree shall in no way affect any of the other provisions hereof, and such other provisions shall remain in full force and effect.

- C. Residents of Quail Run Senior Resort Community and guests are granted exclusive access to pass through Capital Village Community to utilize the Linear Park.
- D. Access to and/or through the Quail Run Senior Resort Community by Residents and guests of the Capital Village Community is restricted and not permitted.
- E. Each Owner and/or occupant should arrange for insurance coverage for all losses and risks growing out of ownership and/or occupancy of the premises.
- F. No Owner shall maintain, cause to be maintained, or permit to be maintained any nuisance in and about the Community. The Board shall, in its sole discretion, determine what shall constitute a nuisance.
- G. Persons are not permitted to climb on fences or roof areas and shall not engage in any activity which is possibly harmful or damaging to any building, landscaping or common area. Throwing rocks, etc., on the lawns and in the streets will not be permitted.
- H. The common area is for the use and enjoyment of all occupants and is not to be used as a playground area for organized group sports such as football, baseball, and other such game or sports that unreasonably interfere with other use of the areas.
- I. Toys, bicycles and other playthings such as gym sets, portable swimming pools, are not to be placed, used or left on any common area. All toys, bicycles, swimming pools, etc. are to be kept within Owner's property. Any of the above items will be removed from the common areas. The items will be stored for a two (2) week period, if not claimed they will be disposed of by the Management Company.

Rule 9. Recreational Facilities – General

9.1 Governing the Use of Recreational Facilities

- A. Anyone using the recreational facilities does so at his or her own risk.
- B. Collecting litter and repairing damage created by any resident and guests is the sole responsibility and expense of the Owner or lessee.
- C. Every household is limited to a total of four (4) guests at any facility. Exceptions may be made under special circumstances.

- D. Children under twelve (12) may not use any facility unless accompanied by a responsible adult.
- E. Loud radios and portable television sets, excessive shouting, rowdy behavior and dangerous horseplay shall not be allowed. Violators will be admonished to correct their behavior and failure to do so may cause the Board to assess a penalty against the unit and/or bar the resident from the facility for a period of time.
- F. Any resident who is delinquent in payment of Homeowner fees may be barred from the use of any facility at the discretion of the Board.
- G. Your Board solicits your cooperation in observing the few facility rules; most of which are based on the principle: do not infringe on the rights of others.

Rule 10. Compliance Policies and Procedures

Pursuant to Section 3.09(I) of the Capital Village CC&R's, the Association, acting by and through its Board of Directors, is authorized to enforce, in accordance with the sound discretion of the Board, any and all provisions of the CC&R's, the Association Rules and the rules and guidelines of the Architectural and Landscape Control Committee.

The establishment of the procedures and policies is to facilitate a smooth and orderly handling of compliance issues, which may occur in the community.

The Declarant, the Association's officers, the Board, Members, and all persons individually subject to the Association governing documents agree to encourage the amicable resolution of disputes involving the community without the emotional and financial costs of litigation. Accordingly all grievances or disputes arising from any provisions in the governing documents, including violation of any rules or regulations promulgated by the Board shall be resolved by using the procedures set forth below.

Unless the governing documents specifically state different, all claims arising out of or relating to the interpretation, application, or enforcement of the governing documents, or the rights, obligations, and duties of any Member under the governing documents shall be subject to the following enforcement procedures and policy.

10.1 Complaint by Member

- A. **Written Claim:** Any Member who is aggrieved ("Claimant") by any act committed in violation of the provisions of the governing documents may file a written claim ("Claim") dated and signed by the Claimant against any other Member ("Respondent"), (collectively, the "Parties," and individually, a "Party") that sets forth in ordinary and concise language the acts or omissions with which the Respondent is charged and a reference to

the specific provisions of the governing documents which the Respondent is alleged to have violated. The Claim must include:

1. The name of the Respondent and a description of the acts alleged to constitute a violation;
 2. The basis of the Claim, i.e., the specific authority under the governing documents which the Claim arises, if known to the Claimant;
 3. Claimant's proposed remedy; and
 4. A statement that the Claimant is willing to meet with Respondent or Board to discuss good faith resolution of the Claim.
- B. Filing of Claim: A Claim must be signed by the Claimant and must be filed with the Board and the Association or the Association manager within a reasonable time after the discovery of the alleged violation.
- C. Initial Notice: Upon receipt of a Claim, the Board, through its manager, will provide to the Respondent, written notice ("Initial Notice") of the claim. The Initial Notice must:
1. Be mailed by first class, certified, return-receipt mail to the Respondent's address;
 2. Include a copy of the claim that was filed with the Board.
 3. Specify, in reasonable detail, the alleged violation and any requested corrective action;
 4. Specify the date upon which a written response must be filed with the Board.
 5. Specify the address to which the response must be mailed.
- D. Acknowledgment: the Respondent shall file a written response ("Acknowledgment") with the Board within fifteen (15) days after receiving the Initial Notice. The Acknowledgment must be mailed to the Board at the address specified in the Initial Notice; and
1. Contain an admission or denial of the allegations contained in the Claim;
 2. Provide a reasonable time period in which the violation may be cured, if the violation is admitted and is of a nature to be cured by Respondent's action.

- E. Communication with the Management Company is highly encouraged to resolve the Claim amicably.

10.2 Complaint

- A. Upon consideration of the Claim and Acknowledgment, if any, the Board may:
1. Determine that good cause exists to proceed with filing a written complaint ("Complaint") against the Respondent (lack of response or unsatisfactory response to the Initial Notice may be considered good cause); or
 2. Determine if the claim is frivolous, false, or that the cause does not exist to proceed with the filing of a Complaint.
- B. If in response to a Claim by a Member, or at any time upon its own initiative, the Board determines that there is cause to proceed against the Respondent, the Board will issue a Complaint, which will:
1. Be delivered to the Respondent's last known address by US Mail, certified, return receipt requested;
 2. Assess a clerical fee of \$10.00;
 3. Inform the Respondent in reasonable detail of the alleged violation and the remedy sought by the Association, including possible fines and/or penalties and the right to a hearing;
 4. Inform the Respondent of his opportunity to dispute the alleged violation, and to have a hearing before the Board;
 5. Inform the Respondent that he has 15 days from the date the Complaint is mailed to dispute the allegations by filing a written answer ("Notice of Defense") with the Board.
- C. The Notice of Defense shall:
1. Admit or deny the allegations contained in the Complaint and disclose any defense upon which the Respondent will rely;
 2. Specify a reasonable period of time within which the violation may be cured by the Respondent, if the nature of the Claim is such that a cure is possible.

10. Hearing

- A. Upon receipt of Notice of Defense or expiration of the time period within which the Notice of Defense must be filed, the Board shall provide to the Respondent a Notice of Hearing.
- B. The Notice of Hearing shall specify the date, time, and location for the hearing on the violation, so that the person against whom the fine will be imposed is provided with a reasonable opportunity to prepare for the hearing and to be present at the hearing. The Notice of Hearing must be mailed at least fifteen (15) days prior to the hearing. No hearing shall be held sooner than thirty (30) days from the date the Complaint was mailed.
- C. The Notice of Hearing will specify the amount of fine that may be imposed.
- D. The Notice of Hearing will be mailed by first class, certified, return-receipt mail to the Respondent's address.
- E. While the Respondent shall be entitled to only one Hearing for the alleged violation, the Hearing may be continued at the discretion of the Board, upon written request of the Respondent or for other reasons, for good cause shown.
- F. At the Hearing, and within the time limits set by the Board, the Respondent may present any evidence or make any statement relating to the alleged violation, either in person or in writing.
- G. The Board shall conduct the hearing on the Complaint in open session, unless the Respondent requests, in writing, that the hearing be conducted in an executive session and the Board finds that good cause exists to hold the hearing in executive session. The Respondent shall be afforded a reasonable opportunity to be heard. Proof of mailing of the Notice of Hearing must be placed in the minutes of the meeting. Such proof is adequate if a copy of the Notice of Hearing, together with a statement of the date and manner of delivery, is entered by the person who mailed or delivered such notice. The notice requirement is satisfied if the Respondent files a Notice of Defense or other written response, which demonstrates receipt of the Notice of Hearing, or the Respondent appears at the meeting.
- H. The minutes of the Board shall contain a written statement of the results of the hearing and the sanctions, if any, imposed. Upon request, the Respondent shall be entitled to a copy of the minutes relating to the hearing.
- I. Upon hearing all the evidence, the Board may, by an affirmative vote of a majority of the Board:
 - i. Find that no violation exists; or

- ii. Find that the Respondent has violated the governing documents; and
 - iii. Impose allowable sanctions.
- 10.4 No fine may be imposed nor shall membership privileges be suspended for violation of rules and regulations of the Association unless all the following criteria has been observed by the Board.
- A. Not less than 30 days before the violation, the person against whom the fine will be imposed, the Respondent, had been provided with written notice of the applicable provisions of the governing documents that form the basis of the violation; and
 - B. Within a reasonable time after the discovery of the violation, the person against whom the fine will be imposed has been provided with:
 - i. Written notice specifying the details of the violation;
 - ii. The amount of the fine;
 - iii. The date, time and location for a hearing on the violation; and
 - iv. A reasonable opportunity to contest the violation at the hearing.
 - v. A finding by a majority of the Board that the violation charged has occurred.
 - C. The Board must schedule the date, time, and location for the hearing on the violation so that the person against whom the fine will be imposed is provided with a reasonable opportunity to prepare for the hearing and to be present at the hearing.
 - D. The Board must hold a hearing before it may impose the fine, unless the person against whom the fine will be imposed:
 - i. Pays the fine; or
 - ii. Executes a written waiver of the right to the hearing; or
 - iii. Fails to appear at the beginning of the Hearing after being provided with proper notice of the hearing.
- 10.5 Fines and Penalties:
- A. If the Board finds that the Respondent has violated the governing documents, the Board may, by an affirmative vote of a majority of the quorum, take any one or more of the following actions:

- i. Suspend or condition for a reasonable time, the Respondent's right to use any recreational facilities or common elements the Association owns, operates or maintains, provided that the Respondent, or the tenant or guest of the Respondent, may continue to use any vehicular or pedestrian ingress or egress to go to or from the Respondent's lot, including any area used for parking.
 - a. Any such suspension of membership privileges may not be for a period of more than thirty (30) days for any non-continuing violation, but in the case of a continuing violation (including non-payment of any fine after the same becomes delinquent) may be imposed for so long as the violation continues.
- ii. Direct the Respondent to:
 - a. Acquaint himself or herself with the governing documents of the Association;
 - b. Refrain from further violation thereof;
 - c. Apologize to the Claimant, if appropriate.
- iii. Require the Respondent to pay a fine for each violation. The fine must be commensurate with the severity of the violation and shall not exceed \$100 for each violation or a total of \$500, whichever is less. Any additional fine for each continuing violation may be imposed without notice and an opportunity to be heard. Fines levied for a violation must be paid on or before 30-days of notice to the lot owner and when not paid in a timely manner, may result in a Notice of Delinquent Assessment being recorded against the Respondent's lot.
- iv. Impose a Special Assessment upon the Respondent (in accordance with NRS 116) until the Board has been notified, in writing, by the Respondent that the situation has been rectified.
- v. Suspend the Respondent's voting privileges as a member for a reasonable time.
- vi. Enter upon the Respondent's property to correct the violation by making necessary repairs, or performing maintenance which, according to the Declaration, is the responsibility of the Respondent, subject to the notice requirements set forth in the Declaration.
- vii. Record a notice of noncompliance encumbering the Respondent's lot.

- B. The remedies set forth above and otherwise provided by the governing documents are cumulative and not exclusive.
- C. The Board's failure to enforce any provisions of the governing documents does not waive the right to enforce the same thereafter.

10.6 Negotiation

At any time prior to or after issuance of a Complaint by the Board, members are encouraged to make reasonable efforts to meet in person and confer for the purpose of resolving a Claim by good faith. If requested in writing by either Party, the Board may appoint a representative to assist the Parties in negotiation.

10.7 Continuing Violation

- A. If a fine is imposed and violation is not cured within 14 days, or a longer period as may be established by the Board, the violation shall be deemed a continuing violation. Thereafter, the Board may impose an additional fine for the violation for each 7-day period or portion thereof that the violation is not cured. Any additional fine for a continuing violation may be imposed without an opportunity to be heard.
- B. A Notice of Continuing Violation will be sent to the owner. This notice will:
 - i. Inform the owner of the amount and frequency of all continuing fines and/or penalties being assessed;
 - ii. Assess a clerical fee of \$10.00.
 - iii. Be mailed by first class, certified, return-receipt mail to the Unit Owner's address.
- C. No further compliance notification will be sent for this continuing violation. Statements and collection activity will be forthcoming in accordance with the collection policy of the Association.
- D. All fines and/or penalties will continue until written notice is received by the Association, from the Respondent, that the continuing violation has been cured and such is confirmed by the Board.