

**Soda Springs Ranch Homeowners Association
Enforcement of Covenants & Rules Policy
September 16, 2006**

These Responsible Governance Policies have been adopted by the Board of Directors of the Soda Springs Ranch Condominium Association, Inc. (the "Association") pursuant to and in compliance with the requirements of C.R.S. 38-33.3-209.5 and other provisions of the Colorado Common Interest Ownership Act, C.R.S. 38-33.3-101 *et seq.* ("CCIOA"). The policies and procedures set forth below are not intended to revoke, supersede or modify any provisions of the Condominium Declaration for Soda Springs Ranch Condominiums, the Articles of Incorporation and Bylaws of the Association, or any other rules and regulations adopted by the Board of Directors of the Association, as the same now exist or may hereafter be amended (herein collectively referred to as the "Governing Documents"). Rather, these Policies are intended to summarize and supplement applicable provisions of such Governing Documents in order to provide a convenient reference for Owners, Directors and other interested parties with respect to the governance and operation of the Association. In the event of any conflict or inconsistency between the provision of the Governing Documents and these Policies, the Governing Documents shall control. Any failure by the Board or any officer or agent of the Association to follow the policies and procedures set forth herein shall not give rise to any liability, forfeiture or waiver on the part of the Association or any Director, officer or agent thereof, nor shall it relieve any Owner of responsibility for payment of assessments or other charges payable by such owner, nor shall it be an excuse for any violation of the provisions of the Governing Documents by any Owner.

In accordance with 38-33.3-209.5 (b) (IV), Responsible Governance Policies (SB100), and Filing II House Rules adopted by the Board of Directors, the following policy is outlined regarding procedures to enforce covenants and rules:

1. The provisions of the Governing Documents should be consulted regarding the procedures for enforcement of covenants and rules. Generally, the Board of Directors of the Association has the authority to enforce the covenants contained in the Declaration and the rules and regulations adopted by the Board by suspending the violator's membership rights, by imposing fines and penalties upon the violator, and by taking judicial action to obtain injunctive relief and/or damages. In addition, any aggrieved Owner may bring an action for injunctive relief or damages on account of a violation of the covenants by another Owner.
2. Suspension of membership rights and the levying of fines are provided for in Section 6.12 of the Bylaws.
 - a. Prior to suspending membership rights or levying a fine, the Board will cause written notice to be given to the Owner alleged to be in violation, informing him or her of the proposed suspension and/or fine and the reasons therefor. Such notice will be given at least 15 days prior to the effective date of the suspension or fine or the date when the matter will be considered by the Board or by a committee or person designated by the Board.

- b. The Owner will be allowed the opportunity to be heard, orally or in writing, by appearing at the designated time and place for consideration of the alleged violation or by submitting a written response not less than 5 days before the time the matter will be considered or the effective date of the suspension or fine, whichever is applicable.
- c. The Board or the committee or person designated by the Board will consider any pertinent information submitted, including any information or response submitted by the Owner accused of the violation and will determine the appropriate penalty if a violation is found to exist. Such penalty may include suspension of the Owner's membership rights, the imposition of a reasonable fine, or both. Consideration will be given to any action taken by the Owner to cure the violation, but such action will not automatically absolve the Owner from liability for the violation. Fines imposed may be determined on a case by case basis, or by reference to a fine schedule adopted by the Board, and shall include the costs incurred by the Association in connection with the violation, including reasonable attorney fees. Fines imposed constitute a lien on the Unit of the Owner found guilty of the violation.

The Schedule of SSR fines is as follows:

1. Illegal RV & Trailer Parking: \$100 for each occurrence, plus \$25 per day until compliance
2. Unlicensed Motorized Vehicle: \$100 for each occurrence
3. Other Rules Violation(s): \$100 for each occurrence, or as determined by Board
4. Suspend usage of SSR facilities and voting rights

Approved by the SSR Board of Directors

Date: September 16, 2006