

DESERT LA PALME HOMEOWNERS ASSOCIATION

ENFORCEMENT POLICY AND FINE SCHEDULE

ADOPTED AND EFFECTIVE ON AUGUST 26, 2026

The Association has the right to enforce the Association's Governing Documents (e.g., Rules and Regulations, CC&Rs, etc.). After the Association's Board of Directors ("Board") receives a written complaint that a rule or covenant has been violated or the Board independently discovers a violation, the Board will investigate the allegation and may take enforcement action against the offending Owner pursuant to this Policy. However, nothing herein obligates or requires the Board or authorized committee to take any action against an individual Owner. The Board, in making this decision, will consider the costs and benefits of taking such action.

A. DUE PROCESS:

Prior to imposing a fine or individual Reimbursement Assessment or suspending rights and privileges, the Owner will be given at least 10 days' notice and an opportunity to appear before the Board of Directors or submit a statement in writing to the Board or appropriate committee pursuant to *Civil Code* Section 5855 or any successor statute. The notice shall contain, at a minimum, the date, time, and place of the meeting, the nature of the alleged violation for which the Owner may be disciplined or the nature of the damage to Common Area and facilities for which a monetary charge may be imposed, and a statement that the Owner has a right to attend and may address the Board at the meeting.

Prior to being disciplined for a violation (e.g., fined), the Owner shall have an opportunity to cure the violation. An Owner may avoid discipline being imposed by providing evidence that the violation has been cured prior to the noticed meeting, or by signing a formal, written document outlining how and when the violation will be cured with a cure period not to exceed a time frame determined by the Association. If curing the violation will take longer than the time between the hearing notice and the hearing on the violation, no discipline shall be imposed so long as the agreement signed by the Owner includes a financial commitment to cure the violation. The Association reserves the right to determine what adequately constitutes "financial commitment to cure the violation" and such determination shall be reasonable under the circumstances.

To demonstrate that the violation has been cured, the Owner may submit photographs, receipts, contractor statements, written explanations, or other documentation confirming that the violation has been resolved. To demonstrate a financial commitment to cure, the Owner may provide signed contracts, payment receipts, deposit confirmations, or other written evidence showing that steps have been taken to complete the cure. All such materials should be submitted to the Association in advance of the meeting so that the Board may consider them when determining whether to impose discipline.

B. ENFORCEMENT GUIDELINES:

To promote compliance with the Association's Governing Documents, the Association may employ a range of enforcement measures. These may include, but are not limited to, issuing a warning or notice of violation, providing notice of a disciplinary hearing, imposing a fine of \$100 per violation (or greater as noted below), Reimbursement Assessment (e.g., to reimburse the Association for costs incurred in repairing damage to the common area, performing required maintenance on behalf of the Owner, and/or

compelling compliance, including without limitation, administrative fees, attorneys' fees, and costs), suspension of rights and privileges, Internal Dispute Resolution (IDR), Alternative Dispute Resolution (ADR), initiation of a lawsuit, and/or any other remedy available under the Governing Documents and/or applicable law. The Association reserves the right to initiate any enforcement method at any time.

If the violation may result in an adverse health or safety impact on the Common Area or on another Owner's property, a fine greater than \$100 may be levied. Before imposing such a fine the Board shall, at a meeting open to the members, make a finding specifying the adverse health or safety impact of the violation and record such findings in the minutes of the meeting. Fines based on these findings will generally range between \$500 and \$10,000.

If the violation is cured prior to the hearing, no discipline shall be imposed but a Reimbursement Assessment may still apply.

If, following the hearing, the Owner and the Board reach an agreement regarding matters such as whether a violation occurred or is ongoing, the method and timeline for curing the violation, the payment of any Reimbursement Assessment, or other terms of resolution, the Board shall prepare a written agreement reflecting the mutually agreed-upon terms. This agreement shall be signed by both the Owner and the Board.

If, following the hearing, the Owner and the Board are not in agreement, the Owner may request Internal Dispute Resolution (IDR) in accordance with the Association's IDR Policy and *Civil Code* Section 5900, et seq. Regardless of whether IDR is requested, the Association may proceed with IDR, ADR and/or a lawsuit to compel compliance by the Owner with the Association's governing documents, to resolve the outstanding violation, and to recover any and all attorney's fees and/or costs incurred in gaining the Owner's compliance.

Each individual infraction of the Governing Documents is considered a separate violation. The Association has the right to impose individual fines for separate, identical violations identified in the same hearing notice. For example, if two noise violations are identified in the same hearing notice, the Association has the right to impose two separate fines. In addition, if the same conduct results in a breach of two or more rules, regulations, restrictions or covenants of the Governing Documents, each Governing Document provision breached may be considered a separate violation. The Board has the discretion to determine the time interval after which the continued existence of a violation may be treated as a separate and new violation.

An Owner shall be given written notice of any discipline within fourteen (14) days of the hearing.