

**RED HAWK FILING 3 HOMEOWNERS ASSOCIATION, INC.
POLICY AND PROCEDURES FOR COVENANT AND RULE ENFORCEMENT**

SUBJECT: Adoption of a policy regarding the enforcement of covenants and rules and procedures for the notice of alleged violations, conduct of hearings and imposition of fines.

PURPOSE: To adopt a uniform procedure to be followed when enforcing covenants and rules to facilitate the efficient operation of the Association.

AUTHORITY: The Declaration, Articles of Incorporation and Bylaws of the Association, and Colorado law.

EFFECTIVE DATE: _____

RESOLUTION: The Association hereby adopts the following procedures to be followed when enforcing the covenants and rules of the Association:

1. Reporting Violations. Complaints regarding alleged violations may be reported by an Owner or resident within the community, a group of Owners or residents, the Association's management company, if any, Board member(s), or committee member(s) by submission of a written complaint.
2. Complaints. Complaints by Owners or residents, a member of the Board of Directors, a committee member, or the manager shall be in writing and submitted to the Board of Directors. The complaining Owner or resident shall have observed the alleged violation and shall identify the complainant ("Complainant"), the alleged violator ("Violator"), if known, and set forth a statement describing the alleged violation, referencing the specific provisions which are alleged to have been violated, when the violation was observed, and any other pertinent information. Non-written complaints or written complaints failing to include any information required by this provision may not be investigated or prosecuted at the discretion of the Association.
3. Investigation. Upon receipt of a complaint by the Association, if additional information is needed, the complaint may be returned to the Complainant or may be investigated further by a Board-designated individual or committee. The Board shall have sole discretion in appointing an individual or committee to investigate the matter.
4. Warning Letter. If the Association reasonably believes a violation exists, prior to initiating the procedure set forth above, a warning letter may be sent to the Owner at the discretion of the Association. The letter shall explain the nature of the violation and the action or actions required to cure the alleged violation. The letter may be sent by any means the Association reasonably believes will provide the Owner with notice regarding the alleged violation.
5. Violation Which Threatens Public Safety or Health. With respect to any violation of the Declaration, Bylaws, Covenants, or other Governing Documents of the Association that the Board of Directors reasonably determines threatens public safety or health, the Association shall provide the Owner a Notice of Violation (See Paragraph 7 below) informing the Owner that the Owner has seventy-two (72) hours to cure the violation.
 - a. The Notice of Violation may be sent by first-class mail, email, text message, posting at the Lot, or by any other means which the Association reasonably determines the Owner is likely to receive notice of the violation.
 - b. If, after an inspection of the Lot, the Association determines that the Owner has not cured the violation within seventy-two (72) hours after receiving the notice, the Association may impose fines every-other-day on the Owner and may take legal action against the Owner for the violation.

6. Violation Which Does Not Threaten Public Safety or Health.

a. If an Association reasonably determines that there is a violation of the Declaration, Bylaws, Covenants, or other Governing Documents of the Association that does not threaten public safety or health, the Association shall send a Notice of Violation (see Paragraph 7 below) informing the Owner that the Owner has thirty (30) days to cure the violation.

b. Upon expiration of the initial thirty (30) day cure period, the Association shall inspect the Lot within seven (7) days. After inspection, if the Association determines that the Owner has not cured the violation, the Association may impose a fine pursuant to this policy and shall send a second Notice of Violation providing the Owner with a second thirty (30) day cure period.

c. Upon expiration of the second thirty (30) day cure period, the Association shall reinspect the Lot within seven (7) days. After inspection, if the Association determines that the Owner has not cured the violation, the Association may impose additional fines pursuant to this policy and may take legal action against the Owner to enforce the Association's Governing Documents.

d. Process to Cure Violation. If an Owner cures the violation within the cure period afforded the Owner, the Owner may notify the Association of the cure. If the Owner sends notice to the Association with visual evidence that the violation has been cured, the violation is deemed cured on the date that the Owner sends the notice. If the Owner's notice does not include visual evidence sufficient for the Association to determine that the violation has been cured, the Association shall inspect the Lot as soon as practicable to determine if the violation has been cured.

7. Notice of Violation.

a. The Association will send written notice of any asserted violation of any provisions of the Governing Documents to the Owner in accordance with this policy. The notice will describe:

- i. the nature of the violation;
- ii. The action or actions required to cure the alleged violation.
- iii. Any fine that may be imposed;
- iv. The right to a hearing to challenge the violation and any fine imposed;

and

v. The deadline for requesting a hearing and the timeline for any hearing requested.

b. An Owner may send written notice to the Association identifying another person to serve as a designated contact for the Owner for notices and correspondence. The Association will send the same written communications to the designated contact that it sends to the Owner. If the Owner wishes to change or cease the designated contact, the Owner must send written notice to the Association.

c. The written notice shall be in English and in any language that the Owner has indicated a preference for correspondence. The Association will make reasonable efforts to provide an accurate translation of the original English version, but due to nuances in translating to another language, some differences may exist.

d. For the purpose of this policy to comply with Colorado law, a notice is deemed received when sent by and according to the following timelines:

- i. Email or text – Upon successful transmission of electronic mail or text;

- ii. Certified Mail/First-Class Mail – 3 business days after deposit for delivery;
- iii. Posting – Upon physical posting at the Owner's Lot; or
- iv. Actual Notice – Upon hand-delivery.

8. Violation Cured by Owner. Once the Association determines that an Owner has cured a violation, the Association shall notify the Owner, in English and in any other language that the Owner has indicated a preference for correspondence and notices pursuant to C.R.S. 38-33.3-209.5 (1.7)(a)(l), of the following.

- a. That the Owner will not be further fined with regard to the violation; and
- b. Whether there is any outstanding fine balance that the Owner still owes the Association.

9. Request for Hearing. If an Owner desires a hearing to contest any alleged violation and possible fine or to discuss any mitigating circumstances, the Owner must request the hearing, in writing, prior to the deadline stated in the Notice of Violation. The request for hearing should describe the grounds and basis for challenging the alleged violation or the mitigating circumstances. If a timely request for a hearing is not made, the right to a hearing is deemed forever waived. If a hearing is not requested by the deadline, the hearing board will determine whether there was a violation based upon the information available to it, and if so, assess a fine as set forth in the fine schedule upon expiration of any applicable cure period(s).

10. Notice of Hearing. If a hearing is requested by the Owner, the Board, committee, or other person conducting such hearing as determined in the sole discretion of the Board, may serve a written notice of the hearing to all parties involved at least ten (10) days prior to the hearing date.

11. Impartial Decision Maker. Pursuant to Colorado law, the alleged Violator has the right to be heard before an "Impartial Decision Maker." An Impartial Decision Maker is defined under Colorado law as

a person or group of persons who have the authority to make a decision regarding the enforcement of the Association's covenants, conditions, and restrictions, including architectural requirements, and other rules and regulations of the Association and do not have any direct personal or financial interest in the outcome. A decision maker shall not be deemed to have a direct personal or financial interest in the outcome if the decision maker will not, as a result of the outcome, receive any greater benefit or detriment than will the general membership of the Association.

Unless otherwise disqualified pursuant to the definition of Impartial Decision Maker, the Board may appoint the entire Board, specified members of the Board, any other individual or group of individuals to act as the Impartial Decision Maker.

12. Hearing. At the beginning of each hearing, the presiding officer shall introduce the matter by describing the alleged violation and the procedure to be followed during the hearing. Neither the Complainant nor the Owner or alleged Violator are required to attend the hearing. The Impartial Decision Maker shall base its decision solely on the matters set forth in the Complaint, results of the investigation, and such other credible evidence as may be presented at the hearing. Hearings will be held in executive session pursuant to C.R.S. 38-33.3-308(4)(e).

13. Notification of Decision. The decision of the Impartial Decision Maker shall be in writing and provided to the Owner within thirty (30) days of the hearing, or if no hearing is requested, within thirty (30) days of the final decision.

14. Fine Schedule for Violations that do Threaten Public Safety or Health. After an Owner has failed to cure a violation which threatens public safety or health within seventy-two (72) hours of being provided written notice of such violation, the Association may fine the Owner fifty dollars

(\$50.00) every-other-day until the violation is cured and may turn the matter over to an attorney to file suit. Any fine notice shall notify the Owner that failure to cure may result in a fine every-other-day and only one hearing shall be held.

15. Fine Schedule for Violations that do not Threaten Public Safety or Health. The following fine schedule has been adopted for all covenant violations that do not threaten public safety or health. The total amount of fines imposed per violation may not exceed five hundred dollars (\$500.00).

Warning Letter Up to ten (10) days to comply	Paragraph 6 No fine
First Notice of Violation (of same covenant or rule) Thirty (30) days to comply	\$200.00
Second Notice of Violation (of same covenant or rule) Additional thirty (30) days to comply	\$300.00

The Association may turn any violation over to the Association's attorney to take appropriate legal action once the two (2) thirty (30) day periods described above have expired.

16. Waiver of Fines. The Board may waive all or any portion of the fines if, in its sole discretion, such waiver is appropriate under the circumstances. Additionally, the Board may condition waiver of the entire fine, or any portion thereof, upon the violation being resolved and staying in compliance with the Articles, Declaration, Bylaws, or Rules.

17. Other Enforcement Means. This fine schedule and enforcement process is adopted in addition to all other enforcement means which are available to the Association through its Declaration, Bylaws, Articles of Incorporation, and Colorado law. The use of this process does not preclude the Association from using any other enforcement means.

18. Definitions. Unless otherwise defined in this Policy, initially capitalized or terms defined in the Declaration shall have the same meaning herein.

19. Supplement to Law. The provisions of this Policy shall be in addition to and in supplement of the terms and provisions of the Declaration and the law of the State of Colorado governing the community.

20. Amendment. This Policy may be amended from time to time by the Board of Directors.

SECRETARY'S CERTIFICATION:

The undersigned, being the Secretary of Red Hawk Filing 3 Homeowners Association, Inc., a Colorado nonprofit corporation, certifies the foregoing Policy was adopted by the Board of Directors of the Association through an Action Without a Meeting on February 22, 2024, and in witness thereof, the undersigned has subscribed their name.

Red Hawk Filing 3 Homeowners Association,
Inc., a Colorado nonprofit corporation

By: 
Board Secretary