

RED HAWK RANCH OWNERS ASSOCIATION
Procedures and Fine Schedule
Adopted on 10/25/22

1. Any member of the Red Hawk Ranch Owners Association, Inc. ("ROA") may notify the Board of Trustees (the "Board") of a violation of a rule, covenant, condition, or restriction that is in the Covenants, Conditions, and Restrictions, the Bylaws, the Design Guidelines, or the Rules and Regulations (the "Governing Documents") (a "Violation") by an owner or occupant of a lot within Red Hawk (the owner of such lot referred to herein as "Non-conforming Owner"). In the alternative, a member of the Board may identify a Violation.

2. The Board shall investigate each alleged Violation identified by a member of the HOA. After verification of a Violation, a member of the Board or their representative will give the Non-conforming Owner written notice (which may be via email) that: (1) describes the violation; (2) states the rule or provision of the Governing Documents that the Non-conforming Owner's conduct violates; (3) states that the Board may, in accordance with the provisions of Utah Code Section 57-8a-208, assess fines against the Non-conforming Owner if a continuing violation is not cured or if the Non-conforming Owner commits similar violations within one year after the day on which the Board gives the owner the written warning or assesses a fine against the Non-conforming Owner; and (4) if the violation is a continuing violation, states the Non-conforming Owner must cure the violation within 10 days (the "First Notice"). The Non-conforming Owner shall have ten (10) days from the date of the First Notice to either respond with their intentions regarding prompt correction of the violation in a manner satisfactory to the Board, or to correct the Violation, without penalty.

3. If the Violation is not corrected and the requirements listed in paragraph 2 are not met within ten (10) days of the date of the First Notice, or another Violation of the same rule or provision identified in the First Notice occurs more than 10 days but within one year of the date of the First Notice, and the Board determines that it is in the best interest of the HOA and owners to address the violation with the Non-conforming Owner through the assessment of fines, a fine in the amount set forth in the attached Fine Schedule will be imposed. At that time, the Board will send a second written notice of the Violation to the Non-conforming Owner.

4. If the Violation is not corrected within ten (10) days of the date of the Second Notice, or another Violation of the same rule or provision identified in the Second Notice occurs more than 10 days but within one year of the date of the Second Notice, an additional fine in the amount set forth in the attached Fine Schedule will be imposed.

5. Thereafter, in the case of a continuing violation, the Board will send the Non-conforming Owner notice of the ongoing Violation and an additional fine in the amount set forth in the attached Fine Schedule will be imposed for each month the violation continues. In addition, the Association has a lien on a lot for unpaid fines levied against the lot in accordance with Utah law and the Board may record a notice of such lien against the Non-conforming Owner's lot in Red

Hawk in accordance with Utah laws.

6. For continuing violations, monthly fines will continue to be assessed, in accordance with the fines set forth on the Fine Schedule, so long as the Violation is not ~~corrected~~. A fine will be assessed against a Non-conforming Owner each time a Violation occurs within one year after the day on which the Board: (1) gives the lot owner any of the written notices described above, or (2) assesses a fine for a violation of the same rule or provision.

7. Any owner or occupant in Red Hawk who violates the same provision a second time within a twelve (12) month period of the date on which the first violation was cured will enter this notice and fine process at the point where the prior Violation was cured. For example, assume an owner violates the provision of the CC&Rs regarding Maintenance of Property, receives a First Notice and cures the Violation at that point; if the owner violates the same provision within a twelve-month period of curing the Violation the first time, the Board will not start the process from the beginning with a First Notice, but will resume the process from the point at which the Owner cured the prior default (i.e., the Second Notice).

8. The above rules, guidelines and associated Fine Schedule can be modified by the Board from time to time at the Board's sole discretion.

Fine Schedule:

- First notice: \$0 - warning
- Second notice: \$500
- Third notice: \$1,000
- Subsequent notices: \$1,000