

OLYMPUS HOMEOWNERS ASSOCIATION

RULES AND REGULATIONS REGARDING ENFORCEMENT OF GOVERNING DOCUMENTS

The following rules and regulations have been adopted by the Board of Directors of the Olympus Homeowner’s Association (the "Association") pursuant to Article VI, Section 6 of the Declaration, Covenants, Conditions, Restriction and Reservations for Olympus, as amended (the "Declaration") and RCW 64.38.010(11).

1. Enforcement Procedure. The Board will take the following steps to enforce the terms of the Olympus Declaration, Bylaws, rules and regulations, and decisions of the Board of Directors (collectively, the “Governing Documents”):

(a) Compliance Notice: First, the Board will deliver a reminder Compliance Notice to the owner reminding him/her of the nature of the violation of the Governing Documents, the action to be taken to comply, and the date to have that action completed (action completion date).

(b) Violation Notice: Second, if the violation is not corrected by the action completion date set forth in the Compliance Notice, the Board will deliver a Violation Notice to the owner. The Board will not assess any fines, charges, or fees if the owner complies by the action completion date in the Violation Notice. If the owner does not bring the violation into compliance by the action completion date in the Violation Notice, the Board or ACC may take whatever actions are necessary to bring the lot into compliance and charge the owner for all related costs according to the table below.

| Policy or Covenant | Cost Assessed | Action Completion Date |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------|------------------------------------------|
| Past due assessments | See policy | See policy |
| Property restrictions: roofing, fencing, driveways, paint colors, etc. | Cost of actions necessary to restore compliance AND/OR a fine of \$200 each month out-of-compliance. | Determined by OHA/ACC pending its nature |
| Maintenance: yard, sidewalk, driveway cleaning, roof cleaning, exterior paint, fences, etc. | Cost of actions necessary to restore compliance AND/OR a fine of up to \$1000 per violation. | 30 days |
| Damage of Olympus Pipeline Trail | Cost of actions necessary to restore compliance AND/OR a fine of \$50 each week out-of-compliance. | 30 days |
| Parking boats, campers, trailers, RVs, shipping containers, etc. in driveway, front yard or on street for longer than 72 hours at a time. Vehicle must be removed at least 24 hours for 72-hour clock to reset. | \$50 per day out-of-compliance. Maximum of \$1,000 per violation. | 7 days |

| | | |
|------------------------------------------|------------------------------------------------------------------------------|-----------|
| Failure to apply to ACC when required | Fines of \$50 per violation. | Immediate |
| Other restrictions, rules or regulations | Fines of \$50 per week out of compliance. Maximum of \$1000 per violation | 30 days |

(c) OHA Restoration: Third, if and when the Board or ACC performs the work necessary to bring the violation into compliance with the governing documents, the Board will assess the owner and lot for all of the expenses according to the table above + \$50 processing fee. Payment is due 45 days from delivery of an invoice for said expenses and fees to the owner. If the owner does not pay within said period, the Association may file a lawsuit against the owner in small claims court or other court and/or file and enforce a lien against the lot.

(d) Payment Notice: Finally, if the owner who violated the Governing Documents has not paid all charges, fees, or interest due by the end of the year in which the violation occurred, Board will deliver a Payment Notice to the owner on or before January 31 of the subsequent year assessing the owner for any unpaid charges, fees or interest in addition to the regular annual assessment and a late payment fee of 10% of that amount. The Payment Notice shall also assess a late payment fee of 10% for annual assessments or other charges, fees or interest not paid within one month after due date. Thereafter, the owner must pay interest at 12% per year calculated from original due date and a \$25 processing fee, plus any legal fees and costs incurred to collect the balance due, whether or not a lawsuit was filed.

2. Fines.

2.1 Fine. The Board of Directors may impose on any lot owner and/or tenant or other person residing in a lot such fines for violation of the Declaration, the Bylaws of the Association, any rule or regulation adopted pursuant to the Declaration or the Bylaws, or of any decision of the Board made pursuant to such documents, as it deems reasonably necessary to cure such violation. Fines shall be in accordance with the schedule in Section 1. Fines shall be reasonable. Fines may be imposed due to a violation by the tenants or any other person residing in a unit. Payment of such fines shall be the responsibility of the lot owner. Any violations within 12 months of a prior violation, whether or not related to the prior violation, shall be deemed an additional violation for purposes of the fine schedule.

2.2 Notices of Violations. The Board shall give written notice to a lot owner of any violation as set forth in Section 1, above. The notice shall state the nature of the violation, the amount of the fine (if applicable) and that the lot owner has a right to a hearing regarding the violation. The notice shall include a copy of the section of the Association's rules and regulations regarding imposition of fines, although failure to include a copy of the rules and regulations shall not invalidate the fine. Notices shall be in writing and shall be delivered personally, by e-mail or by first class mail to the address of the affected lot owner on the records of the Association or such other address if requested by a lot owner in writing. Notices shall be effective upon delivery if personally delivered, or 24 hours after being placed in the United States Mail.

2.3 Continuing Violations. Failure to cure a violation within the time set forth in Section 1 following a Violation Notice shall be deemed to be an additional violation, and each subsequent time period thereafter during which the violation is not cured shall also constitute an additional violation. No additional notice shall be required to impose additional fines based on the failure to cure the initial violation.

2.4 Lien. Fines shall be deemed to be a charge and/or a special assessment and shall be a lien against an owner's unit.

2.5 Not Exclusive Remedy. The imposition of a fine by the Board shall not limit the Association's right to pursue any other remedy permitted by the Declaration, Bylaws or applicable law for the violation.

3. Review Panel.

3.1 Right of Review. Any fine or other sanction imposed by the Board shall be effective on the date the Board gives written notice of the action to the affected lot owner unless, within 10 days following such notice, said lot owner objects to the fine or sanction in writing and requests that the Board establish a Review Panel of 3 members. The Review Panel member shall be selected from the president and ACC members or their delegates on the OHA board. If the lot owner timely objects to the fine in writing but does not request establishment of a Review Panel, then the Board shall consider the substance of the lot owner's response and make a final determination regarding the Association's action.

3.2 Review of Violations Based on Failure to Cure Continuing Violation. A lot owner shall not have the right to a hearing to review a continuing violation (as described in Section 2.3 of these Rules) if (a) the owner did not timely request a hearing following delivery of the initial notice of violation, or (b) a hearing was held regarding such initial violation and the Review Panel enforced the initial violation imposed by the Board.

3.3 Hearing Procedures.

33.1 The hearing shall be conducted at the next OHA board meeting, but if no meeting is scheduled within 30 days after appointment of all members of the Review Panel, then within 30 days after appointment of all members of the Review Panel, at such location within King County as determined by the Review Panel. The Chairperson of the Review Panel shall ensure a written notice of the date, time and place to the lot owner is sent at least 7 days prior to the hearing date.

33.2 Both the Board and the lot owner may submit a written explanation of their respective positions and any supporting documents they reasonably deem relevant. Five copies of any such documents shall be delivered to the Review Panel (one for each member of the Panel, one for the other party and one for the Association's records) at least 2 days prior to the hearing date. The Review Panel in its discretion may exclude from its consideration any documents delivered after such date.

33.3 At the hearing, each party shall have 10 minutes to present its case to the Review Panel, but the Panel, in its sole discretion, may increase or decrease the amount of time as long as each party has an equal time period. The Review Panel shall establish such additional hearing procedures as it deems necessary for the review of the facts and circumstances of the violation and the Board's decision. All parties shall act in a respectful, professional and courteous manner towards each other. The President of the Association or another member of the Board shall represent the Association. Neither party may be represented by an attorney, unless determined otherwise by the Review Panel or by prior mutual agreement.

33.4 The Review Panel may, but shall not be required to, conduct such independent investigations as it deems reasonably necessary or helpful.

3.4 Decisions of Review Panel. The Review Panel shall review the Board's decision and the lot owner's response and shall (a) adopt the Board's decision as the final decision of the Association; or (b) find in favor of the lot owner; or (c) identify such element(s) of the Board's decision appropriate for reconsideration and direct that the Board reconsider its decision. The Review Panel shall render its decision before the next OHA board meeting following the hearing. The agreement of at least 2 of the members shall be necessary for any decision of the Review Panel. If at least 2 of the members of the Review Panel are unable to agree on a decision within 5 days of the hearing, then the decision of the Board shall stand. The decision shall be in writing and shall be sent to the lot owner and the Board. The decision may, but shall not be required to, include a brief explanation of the Review Panel's reasoning.

3.5 Determinations Final. No person or entity shall have the right to seek judicial review of any decision of the Review Panel, except in the event of fraud or procedural irregularity.

Adopted: 17 June 2019