

Policy and Procedure: Reimbursement Assessment

Policy: The Executive Board may levy against any Owner or Owners a Reimbursement Assessment for purposes:

- a. of reimbursing the Master Association for all costs and expenses incurred by it in enforcing any provision of or in remedying any violation of the Master Declaration or of any Supplemental Declaration, the Articles, Bylaws, Master Rules and Regulations or Master Developmental Guidelines or any approvals granted by Design Review Committee.
- b. For any other purposes for which the Master Declaration provides for the levying of a Reimbursement Assessment.
- c. As a reasonable fine against an Owner for a violation of the Master Declaration , a Supplemental Declaration, the Articles, Bylaws, or the Master Rules and Regulations.

Procedure:

Costs and Expenses: If costs and expenses are incurred by Master Association for enforcing any provision or remedying any violation as listed in (a) above, the following will be adhered to:

1. A letter will be sent to Lot/Unit Owner outlining provision or violation and will include:
 - a. Must have documentation that supports communication between two parties.
 - b. Any back-up communication necessary for clearer understanding of the problem
 - c. Work Invoice(s)
 - d. Letter from Executive Board authorizing work to be done.
2. Same letter will be copied to Association Accountant
3. Association Accountant will then add Reimbursement amount to the Regular Assessment.

Fine(s) for Violation: If a fine is levied against an Owner for a violation as listed in (c) above, the following will be adhered to:

1. A letter will be sent to Lot/Unit Owner outlining provision or violation and will include:
 - a) Provide a the Owner(s) involved with a written Statement of Violation, specifying the alleged violation, and which sets a date and time on which the matter will be heard by the Executive Board. (a quorum must be present)
 - b) Documentation that supports communication between two parties.
 - c) Any back-up communication necessary for clearer understanding of the problem.
2. Hearing date shall be set no earlier that 10 days following the date on which the Statement of Violation is given to the Owner(s).
3. The owner(s) so notified shall have the right to appear at the hearing in writing and or in person, to be represented by counsel if he chooses, to present any relevant evidence and witnesses, and to cross-examine any witnesses testifying against him.

4. Following the hearing, the Executive Board, acting by majority vote, shall determine if a violation or violations have occurred, and if so, the amount of the reasonable fine that is to be levied under the circumstances.
5. The Executive Board shall levy a Reimbursement Assessment against the offending Owner(s) for the amount of the fine so determined, and shall provide to the offending Owner(s) written notice of (i) the determination made by the Executive Board or panel, and (ii) the amount and due date of the Reimbursement Assessment, which due date shall be no earlier than 30 days after such notice.
6. Same letter will be copied to Association Accountant
7. Association Accountant will then add Reimbursement amount to the Regular Assessment.

Collection: In accordance to Article 10.11 of the Master Declaration of Protective Covenants for River Valley Ranch,

- ◆ Any assessment or portion or installment thereof which is not paid when due (or for which a bad check is issued) shall be deemed delinquent and shall bear interest from and after due date at the rate of interest set by the Executive Board.
- ◆ The Executive Board may also assess a late charge thereon.
- ◆ The delinquent owner shall also be liable for all costs, including attorney' fees, which may be incurred by the Master Association in collecting a delinquent assessment, which collection costs shall be added to the delinquent assessment.
- ◆ And other provisions outlined in Article 10.11.