RULES AND REGULATIONS OF SANDS OF ELK RAPIDS CONDOMINIUM

The following rules and regulations of Sands of Elk Rapids Condominium have been adopted on the date set forth below by the Association Board of Directors in compliance with Article XIV, Section 1(d) of the Amended and Restated Condominium By-laws of Sands of Elk Rapids Condominium and Section 9.2 of the Sands of Elk Rapids Condominium Association By-laws.

- 1) <u>Assessment of Fines</u>. The Board of Directors may assess fines for violations of the Condominium documents as follows:
 - A) No fine shall be levied for the first (1st) violation;
 - B) \$25 per day for the second (2nd) violation;
 - C) \$50 per day for the third (3rd) violation; and
 - D) \$100 per day for each subsequent violation.

Each day that a violation continues may be considered a separate violation. If the Board of Directors determines the violation(s) is/are cured for 180 days, the process will begin again as a first (1st) violation. It shall be within the sole discretion of the Board of Directors as to whether the violation(s) has/have been cured.

- 2) Procedure. The procedure for imposing such fines shall be as follows:
 - A) The party against whom the fine is sought to be levied shall be given written notice ("Notice") by certified mail, which shall include the following:
 - A statement of the date, time and place of the hearing where the member can be heard. Such hearing shall not be less than fourteen (14) days from the Notice;
 - 2. A statement of the provisions of the Condominium By-laws, Association By-laws, or Association Rules and Regulations which have allegedly been violated; and
 - 3. A short and plain statement of the matters asserted by the Association.
 - B) The party against whom the fine may be levied shall have a reasonable opportunity to respond, to present evidence, and to provide written and oral argument on all issues involved, and shall have an opportunity at the hearing to review, challenge, and respond to any material considered by the Association.

according to Article II of the Condominium By-laws with any legal proceedings authorized by the Board including but not limited to collection and/or lien foreclosure proceedings.

The above rules and regulations shall become effective thirty (30) days from the <u>13</u> day of <u>EPTEMBEOO</u> 13 upon which the Board of Directors mailed or delivered copies of such rules and regulations to the designated voting representative of each owner.

SANDS OF ELK RAPIDS CONDOMINIUM ASSOCIATION

Jerry Ring, President

oAnn Lamb, Vice-President

Richard Byrd, Treasurer

Elizabeth Foster, Secretary