

VIOLATION ENFORCEMENT GUIDELINES AND FINES POLICY

The guiding principles of the Flagstone Creek Homeowners Association are to foster a pleasing and wholesome residential environment and strive to maintain and enhance property values within our community.

In order to achieve these principles, the Board of Directors has adopted the following rules and guidelines for the use and good of the HOA.

These rules and guidelines will be enforced by the Board of Directors with the help of the Architectural Review Committee (ARC). Any homeowner may report violations, using the attached form (Exhibit A). The form may be mailed or emailed. Unsigned violation reports will not be investigated.

It is the duty of the Board of Directors to enact reasonable rules and to levy monetary penalties for failure to comply with the By-Laws and Codes, Covenants and Restrictions of the Flagstone Creek Homeowners Association. Since membership in the HOA is mandatory and not voluntary, all homeowners shall comply.

ESTABLISHMENT OF VIOLATION. Any condition, use, activity or improvement which does not comply with the provisions of the Declaration, Bylaws or the rules and regulations of the Association, shall constitute a "Violation" under this policy for all purposes.

REPORT OF VIOLATION. The existence of a Violation will be verified by a field observation conducted by the Board or its delegate. A timely written report shall be prepared by the field observer for each Violation which will include the following information:

- o Nature and description of the Violation
- o Street Address
- o Date and name of the person making observation

FINES. All fines will be assessed by the Board of Directors and will be added to the Homeowners assessment account. The following schedule will apply to homeowners found violating our covenants and guidelines:

Notice	Violation Notice	Fine or Action
1 st	Courtesy letter	No fine, sent regular mail
2 nd	Warning letter	No fine, sent regular mail
3 rd	Fine letter	Fine \$50, sent certified mail
4 th	Fine Letter	Fine \$100, sent certified mail
5 th	Fine Letter	Fine \$200, sent certified mail

Each type of violation will be accumulated separately over a 12 month period, counted from the date of the first courtesy violation letter.

The first letter is a courtesy letter sent via regular mail. The Board will determine the time period to come into compliance. The Board may, in lieu of this notice, proceed immediately to the second letter. (Exhibit B)

The second letter will be sent via regular mail and will warn of a fine if the violation in is not resolved within 14 days of the date of the second letter. (Exhibit C)

The third letter with fine will be sent via certified mail will warn of another fine if the violation is not resolved within 14 days of the date of the third letter. Homeowners accused of any violation may refute the fines through a hearing with the Association Board of Directors, the Board's appointed representative or the HOA Attorney. (Exhibit D)

The fourth and fifth letter (and any additional violations during the 12 month period) with fine will be sent via certified mail and will warn of another fine if the violation is not resolved within a reasonable amount of time. Homeowners accused of any violation may refute the fines through a hearing with the Association Board of Directors, the Board's appointed representative or the HOA Attorney.

Homeowners unable to correct the violation within 14 days of the Second letter may submit a plan for correction to the Board of Directors for consideration. All responses to include an update on what is being done to correct the problem or an appeal to the violation must be submitted in writing.

Fines imposed will be enforced in the same manner as unpaid assessments pursuant to the Association's Governing Documents. The procedures set forth above shall in no way preclude the Board from pursuing any other remedies available under the HOA governing documents or under applicable law with regard to the enforcement of the HOA governing documents.

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 Homeowner coming into and staying in compliance with the HOA governing documents.

APPEALS/HEARINGS

If you receive a letter and you disagree, you may send your written appeal to Flagstone Creek HOA, PO Box 1231, Rockwall TX 75087 or you may email your appeal to: BOD@FlagstoneCreek.org. The homeowner shall have the right to submit a written appeal within 10 days of the date they receive the notice.

Approved



Kelly McCann, President

Dated

4/28/11