

Exhibit "A"

ENFORCEMENT POLICY

The following is the Enforcement and Fine Policy for Circle C Ranch Homeowners Association. If there is any conflict between the following policy and the requirements of the applicable laws of the State of Texas, then the applicable laws of the State of Texas shall control.

A. Remedies for Violations.

1. Remedies. This policy applies to all Violations of the Declaration, Bylaws, and recorded rules and regulations of the Association (collectively, a **Violation**). The Board of Directors may respond to a Violation with any of the remedies listed below. The below-listed remedies shall be in addition to any other remedies provided by the Declaration, Bylaws, State statute, or other law:
 - a. suspend or condition the right of an owner and any tenants, occupants, or guests to use of facilities (including all or part of any common areas) operated or managed by the Association;
 - b. record a notice of non-compliance in the County Official Public Records;
 - c. levy a damage assessment against an owner;
 - d. impose costs of collection or enforcement (including manager's and/or attorney's charges) against an owner;
 - e. assess a fine against the owner and the owner's lot; and
 - f. file a lawsuit seeking a temporary restraining order or temporary injunctive relief or files a suit that includes foreclosure as a cause of action
2. Vicarious Liability. Owners are responsible for all Violations of their tenants, guests, invitees, or occupants.
3. Administrative Fee. The Association may charge an administrative fee of not more than \$100 per notice to defray the time and cost of processing Violation notices.
4. Non-Exclusivity. These remedies are cumulative, and may be imposed in combination with each other. For example, the Board may, for the same Violation, suspend the right to use a common area amenity, impose a fine, and charge manager's or attorney's fees incurred incident to enforcement.
5. Curable and Uncurable Violations; Threats to Public Health or Safety. A Violation is uncurable if it has occurred but is not a continuous action or a condition capable of being remedied by affirmative action. Examples of Violations that are incurable include, without

limitation: shooting fireworks; an act constituting a threat to health or safety; a noise Violation that is not ongoing; property damage, including the removal or alteration of landscape; and holding a garage sale or other event prohibited by the Declaration or other dedicatory instrument. Examples of Violations that are curable include, without limitation: a parking Violation; a maintenance Violation; the failure to construct improvements or modifications in accordance with approved plans and specifications; and an ongoing noise Violation, such as a barking dog. A threat to public health or safety means that the Violation could materially affect the physical health or safety of an ordinary resident.

6. Imposition of Fines. The Board gives standing orders to the managing agent to apply this procedure and, if the Violation is not timely cured, send the formal notice described in Section B.2 below. If the Violation is not timely cured after the first notice, or if it is incurable or poses a threat to public health or safety, the Board may impose fines according to the fine schedule set forth below. If the Violation is not within one of the categories shown on the schedule, the Board will set the fine in its reasonable discretion. In setting the fine, the Board may consider all factors it deems relevant, including the nature of the Violation, its frequency, and effect on neighboring owners and properties.
7. Repeat Violations. The fine for a repeat Violation within 6 months will be higher than for the previous Violation(s), as shown on the fine schedule, unless otherwise determined by the Board. With respect to incurable Violations, the nonrepetition of a one-time Violation or other Violation that is not ongoing is not considered an adequate remedy.
8. Fine Period. As a general rule, fines for a discrete incident will be imposed on a per occurrence basis. Fines will be imposed on a daily, weekly, monthly or quarterly basis if the Violation is of a continuous or ongoing nature.
9. Exceptions. The Board may depart from the foregoing guidelines (including the below fine schedule) and impose a fine at a greater or lesser rate, provided that the owner is notified in advance of the amount of the fine and given a reasonable opportunity to avoid it.

B. Enforcement Procedure

The following outlines the general enforcement procedure for Violations. Strict compliance is not necessary, as long as the Owner is given fair notice and all statutory conditions for enforcement have been met.

1. Courtesy Notice. Prior to the formal notice described in Section B.2. below, the Association may, but need not, mail a courtesy notice letter to the Owner involved that identifies the Violation, requests that it be corrected within a specified time, and advises of the remedies the Association can impose if non-compliance continues.
2. Formal Notice. Before enforcing any remedies, the Association shall give the Owner written notice by verified mail or certified mail, return receipt requested, to Owner's last known address as shown in the Association's records, that:

- a. describes the Violation and states the remedy to be imposed, including amount of fine (if any) and beginning date of the fine (if any);
- b. allows the Owner a reasonable time, by a specified date (which date may be shorter than the cure period allowed in the letter sent pursuant to step 1), to cure the Violation and avoid imposition of the fine or other remedies; provided, however, this provision shall not apply and no cure period shall be given, if (i) the Owner was given certified mail notice and a reasonable opportunity to cure a similar Violation within the preceding 6 months, or (ii) the Violation is incurable or poses a threat to public health or safety;
- c. states that not later than the 30th day after the date of the notice of Violation, the Owner may request a hearing before the Board to contest the matter;
- d. advises that the request for hearing must be in writing and delivered to the Association;
- e. states the amount of the administrative fee due pursuant to Section A.3. and that such fee is payable if the Owner does not request a hearing or if the Board upholds the Violation following hearing;
- f. states that attorney's fees and costs will be charged if the Violation continues after the conclusion of the hearing or, if no hearing is requested, after the deadline for requesting a hearing;
- g. includes a provision notifying owner of special rights/relief available to persons on active military duty, such as the following:

If you or your spouse is serving on active military duty, you may have special rights or relief related to this enforcement action under federal law, including the Servicemembers Civil Relief Act (50 U.S.C. app Section 501 *et seq*).

3. Notice of Hearing. Upon receipt of a request for a hearing, the Board shall promptly schedule the hearing (to be not later than thirty (30) days after the date the Board received the owner's written request for a hearing) and give the owner at least ten (10) days' advance written notice (including transmission via email) of the date, time, and place of the hearing. At least ten (10) days before the hearing, the Association must provide to the owner all documents, photographs, and communications the Association intends to introduce at the hearing. If the Association fails to provide this information at least ten days before the hearing, the owner is entitled to an automatic 15-day postponement.
4. Hearing. The Association's designated representative shall first present the Association's case. The owner or designated representative shall then present the owner's position, provided that the information presented by both sides shall be confined to issues relevant to the dispute or appeal. The Board may set a reasonable time limit for the hearing.

5. Notice of Action. The Association shall notify the owner of the fine or other remedy imposed within 30 days of its imposition; provided, however, if a hearing is requested pursuant to Section 2.c., the fine or other remedy shall not be imposed until after the hearing. This notice need not be sent by verified or certified mail.
6. Payment. Payment of the fine shall not substitute for, or be in lieu of, correcting the Violation.
7. Exemptions. The foregoing procedures do not apply to the Association's exercise of remedies under Section 209.007(d) and (e) of the Texas Property Code, including, without limitation, filing a lawsuit seeking a temporary restraining order or temporary injunctive relief, or to the collection of regularly scheduled assessments and late fees.

C. Fine Schedule. Unless a different fine is set by the Board in the Formal Notice, fines are:

General Category of Violation	Fine for First Instance of Violation	Fine for each Additional instance of a similar Violation occurring within 6 months of a prior similar Violation
All curable Violations other than construction of improvements or modifications without prior plan approval	\$100.00	\$200.00
A curable Violation that involves construction of improvements or modifications without prior plan approval	\$1,000.00	\$2,000.00
All incurable Violations except for Violations that are a threat to health or safety	\$250.00	\$500.00
Violations that are a threat to health or safety	\$500.00	\$1,000.00

Notwithstanding the foregoing, the Board may impose greater or lesser fines depending on the circumstances. Additionally, the Board may impose additional amounts on a daily, weekly, monthly or quarterly basis (in the Board's discretion) for any continuing or uncured curable Violation that continues after the conclusion of a hearing, or if no hearing is requested, after the last day a hearing could have been requested by an owner.