

EXECUTED this 31 day of DECEMBER, 2024

Sandy Cove Ranch Community Association, Inc. a/k/a Sandy Cove Ranch on
Richland Chambers Lake,
A Texas non-profit corporation

By: [Signature] DAN TAYLOR

Duly Authorized Officer/Agent,
Sandy Cove Ranch Community Association, Inc. a/k/a Sandy Cove Ranch on
Richland Chambers Lake

Nevada
STATE OF ~~TEXAS~~

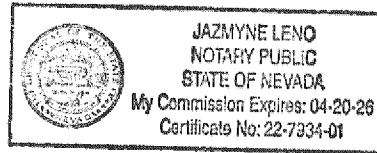
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Clark
COUNTY OF ~~NAVARRO~~

This instrument was acknowledged before me on the 31st day of December,
2024 by Dan Taylor, authorized representative of Sandy Cove Ranch Community
Association, Inc. a/k/a Sandy Cove Ranch on Richland Chambers Lake, a Texas nonprofit corporation,
on behalf of said corporation.

[Signature]
Notary Public in and for the State of ~~Texas~~
Nevada

After Recording, Return to:
Manning & Meyers, Attorneys at Law
4340 N. Central Expressway, Suite 200
Dallas, TX 75206



**COVENANT ENFORCEMENT AND FINING POLICY
SANDY COVE RANCH COMMUNITY ASSOCIATION, INC. A/K/A SANDY COVE
RANCH ON RICHLAND CHAMBERS LAKE**

STATE OF TEXAS §
 § KNOW ALL MEN BY THESE PRESENTS:
COUNTY OF NAVARRO §

This Covenant Enforcement and Fining Policy of Sandy Cove Ranch Community Association, Inc. a/k/a Sandy Cove Ranch on Richland Chambers Lake (the "Policy") is made effective the day of filing in the Navarro County Real Property Records, by Sandy Cove Ranch Community Association, Inc. a/k/a Sandy Cove Ranch on Richland Chambers Lake (the "Association").

WITNESSETH:

WHEREAS, the Declaration of Covenants, Conditions and Restrictions for Sandy Cove Ranch Community Association, Inc. a/k/a Sandy Cove Ranch on Richland Chambers Lake, Executed by Sandy Cove Ranch on Richland Chambers Lake, L.P., a Texas limited partnership, as Declarant, was recorded at Instrument #2007-6276 on June 28, 2007 in the Real Property Records of Navarro County, Texas, including any amendments thereof, additions, annexations and supplements thereto and entitled "Declaration of Covenants, Conditions, Restrictions, Easements, Charges and Liens Sandy Cove Ranch on Richland Chambers Lake" (the "Declaration") subjected to the scheme of development therein certain land located in Navarro County, Texas;

WHEREAS, an amendment to the Declaration of Covenants, Conditions and Restrictions for Sandy Cove Ranch Community Association, Inc. a/k/a Sandy Cove Ranch on Richland Chambers Lake was recorded at Instrument #2010-6444 on September 13, 2010 in the Real Property Records of Navarro County, Texas, entitled "Amendment to the Declaration of Covenants, Conditions, Restrictions, Easements, Charges and Liens Sandy Cove Ranch on Richland Chambers Lake" (the "First Amendment to the Declaration");

WHEREAS, an amendment to the Declaration of Covenants, Conditions and Restrictions for Sandy Cove Ranch Community Association, Inc. a/k/a Sandy Cove Ranch on Richland Chambers Lake was recorded at Instrument #2016-5643 on August 5, 2016 in the Real Property Records of Navarro County, Texas, entitled "Second Amendment to the Declaration of Covenants, Conditions, Restrictions, Easements, Charges and Liens Sandy Cove Ranch on Richland Chambers Lake" (the "Second Amendment to the Declaration");

WHEREAS, an amendment to the Declaration of Covenants, Conditions and Restrictions for Sandy Cove Ranch Community Association, Inc. a/k/a Sandy Cove Ranch on Richland Chambers Lake was recorded at Instrument #2021-000852 on January 26, 2021 in the Real Property Records of Navarro County, Texas, entitled "Third Amendment to the Declaration of Covenants, Conditions, Restrictions, Easements, Charges and Liens Sandy Cove Ranch on Richland Chambers Lake" (the "Third Amendment to the Declaration");

WHEREAS, an amendment to the Declaration of Covenants, Conditions and Restrictions for Sandy Cove Ranch Community Association, Inc. a/k/a Sandy Cove Ranch on Richland Chambers Lake was recorded at Instrument #2022-009608 on September 9, 2022 in the Real Property Records of Navarro County, Texas, entitled "Fourth Amendment to the Declaration of Covenants, Conditions, Restrictions, Easements, Charges and Liens Sandy Cove Ranch on Richland Chambers Lake" (the "Fourth Amendment to the Declaration");

WHEREAS, the Bylaws for Sandy Cove Ranch Community Association, Inc. a/k/a Sandy Cove Ranch on Richland Chambers Lake were recorded in the Real Property Records of Navarro County, Texas, entitled "Bylaws of Sandy Cove Ranch Community Association, Inc. a/k/a Sandy Cove Ranch on Richland Chambers Lake" (the "Bylaws").

WHEREAS, pursuant to Section 209.0061 of the Texas Property Code
"Section 1.

(a) A property owners' association board shall adopt an enforcement policy regarding the levying of fines by the property owners' association. The policy must include:

(1) each category of restrictive covenants for which the association may assess a reasonable fine, including:

(A) property maintenance and repair;

(B) individual misconduct; and

(C) matters affecting health and safety;

(2) a schedule of fines for each category of violation; and

(3) information regarding hearings described by Section 209.007.

(b) The enforcement policy adopted pursuant to Subsection (a) may reserve the board's authority to levy a fine from the schedule of fines that varies on a case-by-case basis.

(c) Each property owners' association shall:

(1) file a copy of the enforcement policy adopted under Subsection (a), and each subsequent amendment, with the county clerk of each county in which the subdivision is located;

(2) provide a copy of the policy to an owner of each property in the subdivision by:

(A) posting the policy on an Internet website maintained by the property owners' association or an agent acting on behalf of the association and accessible to members of the association; or

(B) annually sending a copy of the policy, separately or included in routine communication from the property owners' association to property owners, by:

(i) hand-delivery to the owner;

(ii) first class mail to the owner's last known mailing address;
or

(iii) e-mail to an e-mail address provided to the property owners' association by the owner; and

(3) make the policy available on any publicly accessible Internet website maintained by the property owners' association or an agent acting on behalf of the association.

Section 2. Section 209.0061, Property Code, as added by this Act, applies only to a fine that becomes due on or after the effective date of this Act. A fine that becomes due before the effective date of this Act is governed by the law in effect immediately before the effective date of this Act, and that law is continued in effect for that purpose."

WHEREAS, Pursuant to Article IV, Section 4.2(a) of the Declaration of the Association, *"The right of Declarant or the Association to prescribe and modify, from time to time, reasonable rules, regulations and policies governing, and to charge fees and/or deposits (e.g., key and access card deposits) related to, ownership of any property in the Addition, including (without limitation) the use, operation and maintenance of the Common Properties, rules limiting the number of Guests who may use a Lot and/or the Common Properties, imposing fines for infractions of such regulations, and requiring releases or waivers of liability from all Owners, Residents and Guests prior to use of or presence on any of the Common Properties..."*

WHEREAS, Pursuant to Article IV, Section 4.2(e) of the Declaration of the Association, *"The right of Declarant or the Association to suspend the voting rights of any Member and to suspend the right of any Owner or Resident to use or enjoy any of the Common Properties for any period during which any assessment (including, without limitation, "fines") against such Owner's or Resident's Lot remains unpaid, or during which non-compliance with the Governing Documents exists, and otherwise for any period deemed reasonable by the Association for an infraction of the Governing Documents..."*

WHEREAS, Pursuant to Article V, Section 5.1(c) of the Declaration of the Association, *"Individual Assessments (including fines) levied against individual Members to reimburse the Association for (i) extra or unusual costs incurred for items such as (but not limited to) (A) maintenance and repairs to portions of the Additions required to be made as a result of the willful misconduct or negligent acts of the individual Member and/or its Residents or Guests; or (B) the remedy, cure or minimizing of problems caused by, or as a result of, violations of these Covenants by a Member and/or its Residents or Guests; and (ii) costs incurred relating to or resulting from violations by individual Members and/or its Residents or Guests of rules and regulations established by the Association..."*

WHEREAS, Pursuant to Article VI, Section 6.2(d) of the Declaration of the Association, *"The Association is specifically authorized and empowered to establish (and to revise and amend from time to time) a monetary "fines" system which may include component steps such as warning citations, ticketing, due process hearings and appeals and a flat rate or discretionary range or geometric progression of fine amounts, which, when pronounced, shall constitute a permitted Individual Assessment secured by the continuing contract Payment and Performance Lien herein established..."*

IN WITNESS WHEREOF, the undersigned members of the Board of Directors of Sandy Cove Ranch Community Association, Inc. a/k/a Sandy Cove Ranch on Richland Chambers Lake certifies that this Covenant Enforcement and Fining Policy was approved by a majority vote of the Board of Directors.

ATTACHMENT, the undersigned member of the Board of Directors of Sandy Cove Ranch Community Association, Inc. a/k/a Sandy Cove Ranch on Richland Chambers Lake hereby attaches a copy of the Covenant Enforcement and Fining Policy.

Covenant Enforcement and Fining Policy

SANDY COVE RANCH COMMUNITY ASSOCIATION, INC. A/K/A SANDY COVE RANCH ON RICHLAND CHAMBERS LAKE

STATE OF TEXAS

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KNOW ALL MEN BY THESE PRESENTS:

COUNTY OF NAVARRO

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This Covenant Enforcement and Fining Policy for Sandy Cove Ranch Community Association, Inc. a/k/a Sandy Cove Ranch on Richland Chambers Lake is made effective as of the date of its filing in the Navarro County Real Property Records.

WHEREAS, the Board of Directors of Sandy Cove Ranch Community Association, Inc. a/k/a Sandy Cove Ranch on Richland Chambers Lake (the "Association") finds there is a need to establish orderly procedures for the enforcement of the restrictive covenants set forth in the Declaration of Covenants, Conditions and Restrictions and the Bylaws for Sandy Cove Ranch Community Association, Inc. a/k/a Sandy Cove Ranch on Richland Chambers Lake recorded in the Real Property Records of Navarro County, Texas, as same has been amended (the "**Declaration**"), and the Bylaws of the Association, and the Rules and Regulations of the Association for the levying of fines against violating owners.

NOW, THEREFORE, IT IS RESOLVED that the following procedures and practices are established for the enforcement of the restrictive covenants of the Declaration and for the elimination of violations of such provisions found to exist in, on and about Lots within Sandy Cove Ranch Community Association, Inc. a/k/a Sandy Cove Ranch on Richland Chambers Lake and the same are to be known as the "Covenant Enforcement and Fining Policy" (herein referred to as the "Enforcement Policy") of the Association in the discharge of its responsibilities for determination and enforcement of remedies for violations within Sandy Cove Ranch Community Association, Inc. a/k/a Sandy Cove Ranch on Richland Chambers Lake

1. Establishment of Violations. Any condition, use, activity or improvement which does not comply with the provisions of the Declaration, Bylaws or rules and regulations of the Association ("dedicatory instruments"), shall constitute a "Violation" under this Policy for all purposes. This includes, but is not limited to any construction, alteration or modification to any improvement on a Lot which does not in all respects conform to that which has been so approved or any activity or condition allowed to continue or exist on any Lot that is in direct violation of the dedicatory instruments of the Association.

2. Report of Violation. The existence of a Violation will be verified firsthand by a field observation conducted by the Board or its delegate. For the purpose of this Enforcement Policy, the delegate of the Board may include a Property Manager employed by the Association's Management Company, an officer of the Board, or a member of any committee established by the Board for this purpose. A timely written report shall be prepared by the field observer for each Violation which will include the following information:

- a. Identification of the nature and description of the Violation(s);
- b. Identification by street address and legal description, if available, of the Lot on which the Violation exists;

- c. Date of the Violation observation; and
- d. Name of the person making such observation.

3. Courtesy Notice. Upon verification of the existence of a Violation by the Association or management company representative ("*Management*") of the Association, the Association may, but shall not be obligated to, send to the Lot Owner a written notice of the existence of the Violation ("*Courtesy Notice*"). The Courtesy Notice will inform the Owner of the following:

- a. The nature, description, and location of the Violation; and
- b. What needs to be done to cure the Violation, and provide notice that the Violation must be cured within ten (10) days of the date of the Initial Notice to avoid further enforcement measures.

4. Notice of Violation. If the Violation is not corrected or eliminated within the time period specified in the Courtesy Notice, or if the Board or its delegate deem it appropriate to proceed without the Courtesy Notice, the Association shall forward to the Owner of the Lot in question written notice of the Violation(s) by certified mail, return receipt requested (the "Notice of Violation"). The Notice of Violation, if required, shall state the following:

- a. The nature, description and location of the Violation, including any property damage caused by the Owner;
- b. The authority for establishing the Violation, including the authority for recovering property damages caused by the Owner;
- c. The proposed sanction to be imposed, including the amount of any fine or the amount claimed to be due from the owner for the property damage;
- d. If the Violation is corrected or eliminated within a reasonable time after the Owner's receipt of the Notice of Violation that a fine will not be assessed;
- e. The recipient may, on or before thirty (30) days from the receipt of the Notice of Violation, deliver to the Association a written request for a hearing;
- f. The recipient may have special rights or relief related to the enforcement action under federal law, including the Service Members Civil Relief Act (50 U.S.C app. Section 501 et seq.), if the Owner is serving on active military duty;
- g. If the Violation is not corrected or eliminated within the time period specified in the Notice of Violation, or if a written request for a hearing is not made on or before thirty (30) days from the receipt of the Notice of Violation, that the sanctions delineated in the Notice of Violation may be imposed and that any attorney's fees and cost will be charged to the Owner;
- h. If a hearing is timely requested and is held before a delegate of the Board, that the Owner may appeal the decision of the delegate to the Board; and
- i. A Notice of Violation is not required if the Owner was sent a Notice of Violation relating to a similar Violation within six (6) months of the current Violation and was given reasonable opportunity to cure the prior Violation. In such event, the Board may impose sanctions as authorized by the Declaration and /or this Enforcement Policy without notice to the Owner other than the Final Notice of Violation described in Paragraph 6 below.

5. Request for a Hearing. If the Owner challenges the proposed action delineated in the Notice of Violation (or the Final Notice of Violation if a Notice of Violation was not issued) by timely

requesting a hearing, the hearing shall be held in executive session of the Board, a committee comprised of members of the Board, or a delegate of the Board no later than the 30th day after the date the Board receives the Owner's request for a hearing. Any hearing shall be conducted in accordance with Section 209.007 of the Texas Property Code. The hearing may be held in person, or electronically. Notice of the hearing shall be tendered to the owner at least ten days prior to the hearing. At least ten days prior to the hearing, the Association shall provide to the Owner a packet which contains all documents, photographs, and communications relating to the matter the Association intends to introduce at the hearing. Either the Association or the Owner may record the hearing. During the hearing, a member of the board or the Association's designated representative shall first present the Association's case against the Owner. An Owner or the Owner's designated representative is entitled to present the Owner's information and issues relevant to the appeal or dispute. The Association shall notify the Owner in writing of its decision within ten (10) business days after the hearing. The Board may, but shall not be obligated to, suspend any proposed sanction if the Violation is cured within the ten-business day period. Such suspension shall not constitute a waiver of the right to sanction future violation of the same or other provisions and rules by any Owner.

6. Final Notice of Violation. Failure to either (i) submit complete plans and specifications showing that the Violation will be remedied, (ii) cease all non-remedial work immediately upon receipt of the Notice of Violation, and/or (iii) remedy the current Violation existing upon the Lot within ten (10) days of the date of the Notice of Violation, shall constitute a continuing Violation and result in one or more of the following: (a) the imposition of violation fines as determined by the Board against the Owner, (b) the suspension of the right to enter upon and/or use any recreational facilities within the Common Area(s), and/or (c) the pursuit of any other remedy available at law or in equity, under the dedicatory instruments or this Enforcement Policy including, but without limitation, the recording in the County Clerk's office, of a Notice that the Lot in question is in violation of restrictive covenants or an action for injunctive relief and civil damages. The Association may send, but is under no obligation, a notice to the Owner in the form of a formal written notice of fine (the "*Notice of Fine*") informing the recipient of the continuing Violation and the remedy chosen as a result thereof.

7. Appeal. Following a hearing before a committee of the Board or delegate of the board, the Owner shall have the right to appeal the decision made by the Board's appointed committee or delegate to the Board. To perfect this right, a written notice of appeal must be received by the manager, president or secretary of the Association within ten (10) days after the date of the Association's written notice to the Owner of the results of the hearing. Any hearing before the entire Board shall be held in the same manner as provided in Paragraph 5.

8. Correction of Violation. Where the Owner corrects or eliminates the Violation(s) prior to the imposition of any sanction, no further action will be taken by the Association (except for collection of any monies for which the Lot Owner may become liable under this Enforcement Policy and/or the Declaration). Written notice of correction or elimination of the Violation may be obtained from the Board upon request for such notice by the Owner and upon payment of a fee for same, the amount of which is set by the Board.

9. Corrective Action. Notwithstanding any other provision contained herein to the contrary, where a Violation is determined or deemed determined to exist, the Board may undertake to cause the Violation to be corrected, removed or otherwise abated if the Board, in its reasonable judgment, determines the Violation may be readily corrected, removed or abated without undue expense and without breach of the peace. Where the Board decides to initiate any such action, the following will apply:

- a. The Board must give the Owner and any third party that is known to the Association to be directly affected by the proposed action prior written notice of the undertaking of the action;
- b. Any and all costs incurred in correcting or eliminating the Violation shall be the responsibility of the Owner causing such Violation and shall be referred to the Association to be recovered from the Owner; and
- c. The Owner shall be liable to the Association and its agents and contractors or any third party for trespass or any damage or cost alleged to arise by virtue of action taken under this Paragraph 9.

10. Referral to Legal Counsel. Where a Violation is determined or deemed determined to exist and where the Board deems it to be in the best interests of the Association to refer the Violation to legal counsel for appropriate action, the Board may do so at any time. Such legal action may include, without limitation, sending demand letters to the violating Owner and/or seeking injunctive relief against the Owner to correct or otherwise abate the Violation. Attorney's fees and all costs incurred by the Association in enforcing the Declaration and administering this Enforcement Policy shall become the personal obligation of the Owner.

11. Fines. Subject to the provisions of the Enforcement Policy and/or the Declaration, the imposition of fines will be on the following basis:

- a. Fines will be based on an amount that is reasonably related to the nature of the Violation. The Board shall have final discretion in determining the appropriate fine for the Violation in question. The Board may adopt and amend, from time to time, a schedule of fines applicable to Violations within the Association which may include a progression of fines for repeat offenders. The initial schedule of fines is attached hereto as Exhibit "A";
- b. The general categories of restrictive covenants for which the Association may assess fines is attached hereto as Exhibit "B";
- c. Imposition of fines will be in addition to and not exclusive of any other rights, remedies and recoveries of the Association as created by the Declaration or this Enforcement policy; and
- d. Fines are imposed against Lots and become the personal obligation of the Owners of such Lots. Upon presentation of outstanding fines to the Board for action, the same will be levied against the respective Lots and their Owners as an individual assessment under the Declaration.

12. Notices. Unless otherwise provided in the Enforcement Policy, all notices required by this Enforcement Policy shall be in writing and shall be deemed to have been duly given if delivered personally and/or if sent by the United States Mail, first-class postage prepaid, to the Owner at the address which the Owner has designated in writing to Association or, if no such address has been designated, to the address of the Lot of the Owner.

- a. Where the Board has actual knowledge that an enforcement action would directly affect a third party (e.g. a tenant or a neighbor) or involves a Violation by a party other than the Owner, notices required under this Enforcement Policy may, but shall not be required, to be given to such third party in addition to the

Owner;

- b. Where the interests of an Owner in a Lot have been handled by a representative or agent of such Owner or where an Owner has otherwise acted so as to put the Association on notice that its interests in a Lot have been and are being handled by a representative or agent, any notice or communication from the Association pursuant to this Enforcement Policy will be deemed full and effective for all purposes if given to such representative or agent; and
- c. Where an Owner transfers record title to a Lot at any time during the pendency of any procedure prescribed by this Enforcement Policy, such Owner shall remain personally liable for all costs and fines under this Enforcement Policy. As soon as practical after receipt by the Association of a notice of a change in the record title to a Lot which is the subject of enforcement proceedings under this Enforcement Policy, the Board may begin enforcement proceedings against the new Owner in accordance with this Enforcement Policy which are the result of the new Owner's failure and/or refusal to correct or eliminate the Violation in the time and manner specified under this Enforcement Policy.

13. Cure of Violation During Enforcement. An Owner may correct or eliminate a Violation at any time during the pendency of any procedure prescribed by this Enforcement Policy. The Owner will remain liable for all costs and fines under this Enforcement Policy, which costs and fines, if not paid upon demand for by Management, will be referred to the Board of Directors of the Association for collection. The Board, however, in its sole and absolute discretion, reserves the right to suspend or waive some or all of the fines imposed. The suspension or waiver of fines shall not constitute a waiver of the right to sanction violations of the same or other provisions and rules by any person.

14. Repeated Violation of the Same Provision of the Governing Documents. Whenever an Owner, who has previously cured or eliminated a violation after receipt of an Initial Notice, commits a separate violation of a similar provision of the dedicatory instruments within six (6) months from the date of the Notice of Violation, the Association shall reinstate the Violation, including the fines previously imposed related to such Violation that were waived by the Board, and pursue the procedures set forth herein as if the Violation had never been cured or eliminated. For purposes of illustration only, in the event the Owner cured the Violation after having received a Courtesy Notice, the second Violation of the same provision shall prompt the Association to send a Notice of Violation. Similarly, in the event the Owner cured the Violation after having received a Notice of Violation, the second Violation shall prompt the Association to send a Notice of Fine as provided hereunder. In the event an Owner cured the Violation after having received a Notice of Fine, the second Violation shall prompt the Association to commence the levying of violation fines without further notice to the Owner. In the event of a repeated violation, the Board shall be authorized to double the fine amount.

15. Uncurable Violations & Threats to Public Health and Safety. Should a Violation be of an uncurable nature or pose a threat to public safety, then the Association may, but shall not be required, to provide a reasonable period to cure the Violation in the Final Notice of Violation prior to transmitting a Notice of Fine to an Owner. A Violation is considered a threat to public health or safety if the Violation could materially affect the physical health or safety of the ordinary resident. A Violation is considered uncurable if the Violation has occurred but is not a continuous action or condition capable of being remedied by affirmative action. Examples of curable and uncurable Violation may be found at Section 209.006 of the Texas Property Code.

16. Authority of Management to Act. The Board hereby authorizes and empowers Management to do all such things and perform all such acts as are necessary to implement and effectuate the purposes of the Enforcement Policy and compliance with Texas Property Code Section 209.0051(h), including the levying of violation fines, without further action by the Board.

17. Binding Effect. The terms and conditions of this Enforcement Policy, as may be amended from time to time by the Board, shall bind all Owners including their heirs, successors, transferees or assigns, and all Lots as defined in the Declaration, and the Properties shall hereafter be held, occupied, transferred, and conveyed subject to the terms and conditions of this Enforcement Policy, as amended by the Board.

This Enforcement Policy is hereby adopted by resolution of the Board and replaces and supersedes, in all respects, all prior policies and resolutions with respect to the enforcement of violations by the Association, and shall remain in force and effect until revoked, modified or amended by the Board.

18. Definitions. The definitions contained in the Declaration and Bylaws are hereby incorporated herein by reference.


IT IS FURTHER RESOLVED that this Covenant Enforcement and Fining Policy replaces and supersedes in all respects all prior rules, policies and resolutions with respect to the enforcement of violations by the Association and is effective upon adoption hereof, to remain in force and effect until revoked, modified or amended.

This is to certify that the foregoing resolution was adopted by the Board of Directors at a meeting of the same in 2024, and has not been modified, rescinded or revoked.

[signature page follows]

EXECUTED this 26 day of December, 2024

Sandy Cove Ranch Community Association, Inc. a/k/a Sandy Cove Ranch on Richland Chambers Lake,
A Texas non-profit corporation

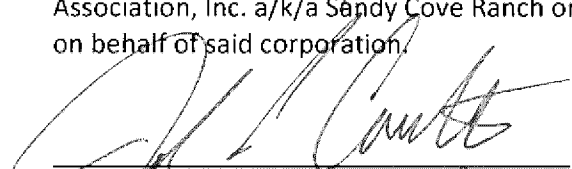
By: 
DAN TAYLOR,
Duly Authorized Officer/Agent,
Sandy Cove Ranch Community Association, Inc. a/k/a Sandy Cove Ranch on Richland Chambers Lake

STATE OF TEXAS

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COUNTY OF NAVARRO

This instrument was acknowledged before me on the 26 day of December, 2024 by Dan Taylor, authorized representative of Sandy Cove Ranch Community Association, Inc. a/k/a Sandy Cove Ranch on Richland Chambers Lake, a Texas nonprofit corporation, on behalf of said corporation.


Notary Public in and for the State of Texas

After Recording, Return to:
Manning & Meyers, Attorneys at Law
4340 N. Central Expressway, Suite 200
Dallas, TX 75206

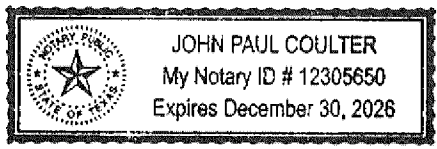


EXHIBIT A

**Schedule of Fines for All Categories of
Violations Set Forth Within Exhibit B**

- 1st Fine:** An owner will receive a fine of \$50.00 and 30 days to comply. If compliance is not met, then an owner will receive a 2nd fine;
- 2nd Fine:** An owner will receive an additional fine of \$100.00 and 30 days to comply. If compliance is not met, then an owner will receive a 3rd fine;
- 3rd Fine:** An owner will receive an additional fine of \$150.00 and 30 days to comply. If compliance is not met, then an owner will receive a 4th fine;
- 4th Fine:** An owner will receive an additional fine of \$150.00 and 30 days to comply. If compliance is not met, then an owner will continue receiving a fine of \$150.00 every 30 days that the fine is not corrected.

Board Discretion: The Board of Directors hereby reserves its authority to levy a fine from the schedule of fines that varies on a case-by-case basis. The Board of Directors may increase or decrease fine amounts at their sole and absolute discretion. The fine amount as determined by the Board of Directors shall be final and binding upon the Owners within the Association. Instances in which the Board of Directors may increase fine amounts include, but are not limited to, violations which threaten the health or safety of a member or their guest, or damage to community property.

Notice: Payment of fine amount does not imply or constitute a waiver of enforcement or the granting of a variance for the violation. All violations must be corrected and brought into compliance with restrictive covenants for the Association. If there is a subsequent violation of a similar restrictive covenant, another fine will be imposed. The Owner shall be responsible for any fines and enforcement costs assessed on the Property. If applicable, it is the Owner's responsibility to pursue reimbursement of the fines from the tenant. Violation fines may be levied each time the violation is observed. Violation fines are subject to change without further notice and at the discretion of the Board.

EXHIBIT B

**General Category of Restrictive Covenants for
Which the Association May Assess Fines**

- 1) Violations of Rules and Regulations and Policies of the Association.
- 2) Violations of restrictive covenants contained within the Declaration of the Association, including, but not limited to the following:
 - a. Article II- Property Subject to this Declaration;
 - b. Article III- Membership; Transfer Requirements; Voting Rights in the Association;
 - c. Article IV- Members' Rights and Obligations; Common Properties (including rights and easements);
 - d. Article V- Covenants for Assessments;
 - e. Article VI- General Powers and Duties of the Board of Directors of the Association;
 - f. Article VII- Insurance; Repair; Restoration;
 - g. Article VIII- Architectural Review;
 - h. Article IX- Use of Lots in the Addition: Protective Covenants;
 - i. Article X- Easements;
 - j. Article XI- Rights of Certain Mortgagees and Mortgage Insurers; and
 - k. Article XII- General Provisions.
- 3) Violations of restrictive covenants contained within the Bylaws and Article of Incorporation of the Association.

FILED ELECTRONICALLY

**THE STATE OF TEXAS
COUNTY OF NAVARRO**

I hereby certify that this instrument was FILED on the date and the time stamped hereon by me and was duly RECORDED in the Records of Navarro County, Texas.

2025-000391 MEM
01/16/2025 02:06:51 PM Total Fees: \$81.00

Sherry Dowd, County Clerk
Navarro County, Texas

