

THE CANNERY NEIGHBORHOOD ASSOCIATION
VIOLATION ENFORCEMENT PROCEDURE & FINE SCHEDULE

Purpose and Authority. This Enforcement Procedure and Fine Schedule ("Rules") is adopted by the Board of Directors pursuant to the Association's governing documents and Civil Code sections 5850 *et seq.* Its purpose is to encourage compliance through fair and consistent enforcement and to establish a lawful process for disciplinary actions. A violation is defined as an act in conflict with the *Master Declaration of Covenants, Conditions and Restrictions and Reservations of Easements for the Cannery* ("Declaration"), Bylaws, Community Rules, Architectural Rules or any other policies and procedures established and adopted by the Board of Directors (collectively "Governing Documents"). Please read all Governing Documents carefully and keep them available for easy reference.

1. Owners are legally responsible for the actions of family members, guests, tenants, or tenant's guests. Therefore, the Owner assumes all liability arising from a violation by the Owner's family member, guest, tenant, or tenant's guest.
2. **Notice and Hearing Requirements.** Before any fine or disciplinary action is imposed, the Owner shall be provided notice and an opportunity to be heard by the Board of Directors, consistent with Civil Code section 5855, including:
 - When first made aware of an alleged violation, the Association will send a written courtesy notice to the Owner via the Owner's preferred delivery method for Association communications stating the alleged violation of the Governing Documents. A notice may also be issued to a tenant for a violation of the Governing Documents.
 - If the violation is not remedied within a reasonable period, another written notice of the alleged violation will be sent out to the Owner at least ten (10) days before the hearing
 - A hearing before the Board (or a committee appointed by the Board) in executive session, unless the Owner requests otherwise
 - An Opportunity for the Owner to attend and address the Board
 - A written notice of the Board's decision within fourteen (14) days after the hearing
 - A right to request internal dispute resolution if the Owner disagrees with the outcome
3. **Right to Cure Before Hearing.** The Board shall not impose discipline under either of the following circumstances:
 - The Owner cures the violation before the hearing
 - If the violation cannot reasonably be cured prior to the hearing, the Owner provides satisfactory written documentation of a good faith financial commitment to cure the violation within a reasonable time. A "financial commitment to cure" may include, but is not limited to, a signed contract, invoice, deposit confirmation, or other written proof that the Owner has retained a qualified service provider to complete the necessary corrective work.
4. **Fine Schedule.** Except for Health and Safety Violations exception, the maximum fine that may be imposed for any violation is one hundred dollars (\$100). Fines may only be imposed after notice and hearing, and only for violations that are separate and distinct in nature. The following schedule applies

Type of Violation	Maximum Fine Amount
Violation	Up to \$100
Separate Violation of the Same Type	Up to \$100

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Each fine must be based on a new and separate violation. A single, ongoing condition may not be fined more than once unless a new and distinct act or omission occurs. Repeated violations of the same type on different dates (such as separate noise disturbances or unauthorized parking incidents) may be subject to additional fines, provided each occurrence constitutes a distinct event

5. **Health and Safety Violations – Exception to fine cap.** In the Board's discretion, a fine greater than \$100 may be imposed if both of the following conditions are met:
 - If the violation may result in an adverse health or safety impact on the common area or another association members property and
 - The Board makes a written finding specifying the nature of the health or safety impact in a board meeting , open to all HOA members.
6. **Reimbursement Assessments.** In addition to disciplinary fines, the Board may impose an Individual Special Assessment to recover actual costs caused by a violation in accordance with Section 13.5.7 of the Declaration, including but not limited to:
 - Repair of damage to the common area; or
 - Administrative or legal expenses incurred to enforce compliance; or
 - Costs to remedy the violation or bring the property into compliance.
7. **Suspension of privileges.** Following notice and hearing, the Board may suspend the Owner's right to use common area recreational facilities, as permitted by law and the governing documents. Namely, unless a continuing violation or failure to pay assessments, suspension of privileges is limited to 30 days. The Board of Directors reserves the right to authorize management staff or other third- party agents to suspend rights of an Owner/resident member to use the Cannery Clubhouse facilities/inactivate the fob assigned to the household violation of rules, or for causing damage to the Clubhouse facilities.
8. **Non-exclusive remedies.** These enforcement measures do not limit the Association's right to pursue other legal or equitable remedies, including internal dispute resolution or injunctive relief. Further, any fines not paid may result in legal action in accordance with California law. At any time during the Association's efforts to enforce a violation and to gain an Owner/resident member's compliance, the Board of Directors may determine that it is in the Association's best interest to expedite the resolution of the matter through the use of formal legal action. The Board of Directors may choose to use alternative dispute resolution or cause correction of the violation to effect a cure and the Owner may be responsible for legal fees and/or reimbursement of costs to the Association.
9. **No late fees or Interest on Fines.** Pursuant to Civil Code section 5850, the Association shall not charge any late fee, interest or finances charges on unpaid fines.
10. **Member Access to Fine Schedule.** This document is provided to HOA members every year. It is also available to any HOA member upon request to hoamanager@canneryhoa.com or online at canneryhoa.com.

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11. **Board considerations for penalty:**

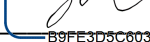
The Board may consider these or other factors when determining a penalty:

- The health or safety impact of the violation on the HOA common areas or another HOA member’s property,
- The extent of the impact of the violation on the community,
- Overall violation history,
- Cooperativeness with the board/management in investigating the issue,
- Financial gain to the homeowner from the alleged violation
- Speed in remedying the issue once notified of the apparent violation, and
- Whether the homeowner self-reported the issue to management before being contacted about the apparent violation.

CERTIFICATE OF APPROVAL

The undersigned declares that they are the duly elected Secretary of the Association, and that the foregoing Rules were approved by the required vote of the Directors following member comments at the Board meeting held on _____ August 28, 2025. The Rules remain in full force and effect.

Dated: _____ August 29, 2025

By: _____

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Jill Fitzgibbons, Secretary