



## Rules of The Association

### Rule 2: Enforcement of Covenants

1. Intent: It is the intent of this rule to:
  - a. Set out procedures for the enforcement by the Association of the Covenants of the Included Subdivisions; and
  - b. Create a framework for penalties to be assessed by the Association to penalize violations of and encourage compliance with the Covenants.
2. Agency: The Board will act as the agent of the Association for purposes interpretation and enforcement of the Covenants.
3. Authority: The authority of the Association to promulgate rules and to generally enforce the Covenants is provided by the Oklahoma Statutes<sup>1</sup>, the Covenants<sup>2</sup>, the Articles of Incorporation<sup>3</sup>, and the Bylaws of the Association<sup>4</sup>
4. Enforceable Provisions: Unless otherwise provided in any of the documents referenced in Section 3, the enforcement provisions of this Rule shall apply to violations of the Covenants, or to violations of any requirements or restrictions set forth in the *Articles of Incorporation of the Vintage at Verdigris Homeowners Association* (the Articles), the *Amended Bylaws of the Vintage at Verdigris Homeowners Association* (the Bylaws), or any duly adopted rule promulgated by the Association or the Board, acting on its behalf (the Rules).
5. Enforcement Procedures: The following procedures and guidelines will guide the Board in its actions taken to enforce the Covenants.
  - a. Investigation and Confirmation of a Violation: When any potential violation is identified by or brought to the attention of the Board, it is then the duty of the Board to confirm that the alleged violation is an actual violation. The President will assign the investigation of the facts and circumstances of the alleged violation to any Board member, including himself. The Board member may rely on his or her own reading of the governing documents but is also authorized to consult with outside counsel and will develop preliminary findings to be considered by the Board as a whole.
    - i. Determination of the Board: Once preliminary findings have been submitted by the investigating Member of the Board, the President shall

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<sup>1</sup> 60 O.S. 852(A)(2); 60 O.S. 852 (C); 60 O.S. 854

<sup>2</sup> *Deed of Dedication and Restrictive Covenants of The Vintage at Verdigris*, Section 2.1.1; *Lake View Estates at the Vintage Deed of Dedication and Restrictive Covenants*, Section 2.1.1, *Deed of Dedication Vintage at Verdigris Phase III*, Section III, Subsections 1, 2, 3 & 4

<sup>3</sup> *Certificate of Incorporation of The Vintage at Verdigris Homeowners Association*, Article VI, Sections 6.25 and 6.26

<sup>4</sup> *Amended Bylaws of the Vintage at Verdigris Homeowners Association*, Article VII, Section 1, Paragraphs A & B.



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convene a special meeting of the Board to consider the findings. Such meetings may be conducted as an e-mail meeting as described in Rule 1.

- b. Notice to the Owner: Within three (3) days of the designation of a violation by the Board, the President will send a registered letter to the owner of the lot upon which the nuisance exists. The letter should include, at a minimum, the following information:
- i. The fact that a violation has been alleged and investigated;
  - ii. The fact that the Board has determined the violation does exist;
  - iii. Language from and citations to the corresponding sections of the relevant governing documents;
  - iv. A request to abate, remedy or otherwise resolve the violation; and
  - v. A request that the owner respond to the complaint within a period to be determined by the Board, which may not be less than ten (10) business days.
- c. Failure to Respond or Failure to Abate the Nuisance: If the owner of the lot in question fails to respond within the referenced time or fails to abate the violation in a fashion and within a time frame agreed to with the Board, the Board will, consider next steps. The Board will vote on whether to approve one or more of the available next steps, including, but not limited to, referral to legal counsel for follow-up correspondence or legal action, or penalties by the HOA. Any additional action shall be conveyed to the owner via letter.

#### 6. Framework of Fines to be Levied by the HOA

- a. Categorization of Violations: Violations will be categorized as follows:
- i. Hazards: Hazards pose a danger to the safety and/or security of residents or visitors or their property.
  - ii. Encroachments: Encroachments impact a resident's ability to use and enjoy their lot or home.
  - iii. Diminishments of Value: Diminishments of Value have the potential to lower the value of homes and lots within the Vintage development.
  - iv. Esthetic Diminishments: Esthetic Diminishments impact the overall look and feel of the neighborhood.
- b. Fines to be Levied, By Category of Nuisance:
- i. An initial fine of five hundred dollars (\$500) will be levied for a hazardous nuisance. If the hazard is not remedied within thirty (30) days, an additional fine of five hundred dollars (\$500) will be levied. If the hazard



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is not remedied within ninety (90) days of the first levy, and additional fine of one thousand dollars (\$1,000) will be levied.

- ii. If an encroachment is an incremental encroachment, a fine of two hundred dollars (\$200) will be levied for each incident. If an encroachment is a structural encroachment, an initial fine of three hundred dollars (\$300) will be levied. If the nuisance is not abated within ninety (90) days of the initial levy, and additional fine of six hundred dollars (\$600) will be levied.
- iii. An initial fine of one hundred dollars (\$100) per week will be levied for any nuisance determined to be a diminishment of value or a diminishment of esthetics, until the nuisance is abated. The maximum fine for this type of abatement will be five hundred dollars (\$500) per quarter.

**BY MY SIGNATURE AFFIXED BELOW, I CONFIRM THAT THIS RULE WAS ORIGINALLY APPROVED AND ENACTED BY UNANIMOUS AGREEMENT OF THE BOARD OF DIRECTORS ON MAY 6, 2022.**

A handwritten signature in blue ink, appearing to read 'M. Speer', written over a horizontal line.

Marc Speer, President

A handwritten date '5-6-22' in blue ink, written over a horizontal line.

Date