

PROMONTORY POINTE RULES AND REGULATIONS

INTRODUCTION

Welcome to Promontory Pointe!

Promontory Pointe is a condominium community. Because attached living is a unique experience that relies on the mutual cooperation of all to be successful, the Promontory Pointe Homeowners Association ("Association") created these Rules and Regulations. Inside you'll find practical rules, regulations and guidelines that are intended to help foster a harmonious, enjoyable and safe environment for all Promontory Pointe residents.

These Rules and Regulations details basic guidelines that, if observed, ensure that the structures and grounds of Promontory Pointe remain in good condition and that neighbors treat each other with respect and consideration.

These Rules and Regulations constitute the "Association Rules" contemplated by the Declaration. All owners, residents and their guests are required to follow these Rules and Regulations as a means of acting on behalf of the greater good of the community and its well being.

Bear in mind that these Rules and Regulations are always subject to the Declaration of Covenants, Conditions and Restrictions of Promontory Pointe ("Declaration") and the Bylaws of Promontory Pointe Homeowners Association ("Bylaws"). The Board of Directors has the power to revise these rules, regulations, guidelines, policies and procedures set forth in these Rules and Regulations from time to time. If you would like to contribute suggestions for these Rules and Regulations, please submit them to the Property Management Company for consideration by the Board. In the event of any conflict between these Rules and Regulations and the Declaration or Bylaws the provisions of the Declaration and Bylaws shall prevail.

Please read these Rules and Regulations carefully, and be sure your family, guests and tenants fully understand and follow the rules, regulations and guidelines set forth below. If you have questions, please contact the Property Management Company:

Promontory Pointe Homeowners Association
c/o Encore Property Management
P.O. Box 1117, Corona, CA 92878-1117
526 Queensland Circle, Corona, CA 92879
(951) 279-3934

As you read through these Rules and Regulations, you will encounter defined terms, identifiable by their initial capital letters. Except as the context otherwise requires, these defined terms have the same meaning as set forth in the Declaration.

THE ASSOCIATION

The purpose of the Association is to operate, manage and maintain the Promontory Pointe community for the benefit of the Owners. Common sense and consideration for your neighbors are the keys to its success.

The Board of Directors governs the Association, and meets regularly to make decisions pertaining to those matters for which the Association is responsible. Homeowners will be notified of the date, time and location of all meetings of the Members and the Board. If you are interested in becoming involved in the Association, please contact the Property Management Company.

Residents of Promontory Pointe are encouraged to work together to build a harmonious community. If any disputes between individual Owners should arise, the parties are encouraged to try to resolve them on their own.

To report problems related to the Association Property (such as landscape, sewer, street problems, etc.), please contact the Property Management Company.

COMMUNICATION AND VOLUNTARY COOPERATION

As a condominium community, Promontory Pointe calls for mutual cooperation, common sense and consideration of neighbors. To facilitate harmony within the community, all residents, tenants and their guests must comply with the rules and guidelines set forth in these Rules and Regulations and the Governing Documents. If you believe that a rule or restriction is unfair, you may try to change it by serving on the Board, participating in a committee, etc.

Promontory Pointe Homeowners Association welcomes communication from its members. Please feel free to call or write to the Property Management Company, the Association's liaison, to discuss any questions or issues.

MAINTENANCE AND INSPECTION OBLIGATIONS

Both Owners and the Association have maintenance and inspection obligations. Owners should consult their Homeowners Maintenance Manual, applicable warranties and other manufacturers' maintenance schedules and recommendations for specific maintenance requirements. As set forth in the Declaration, a portion of the Owners' maintenance and inspection obligations require Owners to implement commonly accepted maintenance practices to prolong the life of the materials and construction of the Residential Units.

Similarly, specific maintenance and inspection requirements for the Association are set forth in the Association Maintenance Manual, applicable warranties and other manufacturers' maintenance schedules and recommendations. The Association is also required to implement commonly accepted maintenance practices to prolong the life of the materials and construction of the Association Property.

SEVERABILITY

If any of the provisions of these Rules and Regulations are held to be invalid, the remainder of the provisions shall remain in full force and effect.

ENFORCEMENT OF GOVERNING DOCUMENTS

If there is a violation of the Association's Governing Documents, including these Rules and Regulations, then a member may submit a Violation Complaint Report to the Property Management Company. A copy of the form is attached to these Rules and Regulations. No member complaint can be acted upon unless there is supporting documentation, i.e., the written complaint.

Upon receiving the first written complaint, a "courtesy reminder" will be sent to the member complained about, if appropriate. If the violation is not cured, then upon receiving a second written complaint regarding the violation, a second violation letter will be sent. The second violation letter will advise that if the violation is not corrected, the Board will schedule a hearing for the Owner to address the Board regarding the alleged violation at which monetary fines and penalties may be imposed, and may include the revocation of membership rights. If there is a third written complaint, then the Board will approve the matter for handling, and a due process hearing will be scheduled. Failure to correct a violation may also result in legal action, the cost of which will be the Owner's responsibility.

GENERAL RULES

It cannot be stressed enough that all Owners and their tenants be thoughtful and considerate of their neighbors. General rules of good conduct should be observed at all times. The following are general guidelines you, your tenants and guests must observe at Promontory Pointe:

1. Safety and Noise. Please use common sense and courtesy in regard to voice levels, unnecessary noises and boisterous conduct. This includes, but is not limited to, televisions, radios and/or other sound emitting devices. Keep the volume at a reasonable level at all times so other residents are not disturbed. Between the hours of 10 p.m. and 8 a.m., the volume must be significantly reduced to keep from disturbing other residents.

2. Damage Caused by Owner. Owners will be responsible for and bear all costs of repairs and/or replacement for any damage to the building, recreational facilities, equipment, or any other Association Property, if it is determined that the damage was caused by the Owner, its lessees, guests, employees or contractors. The Board reserves the right to deny use of any Association facility to any Member or its guest and tenants at any time.
3. No Obstruction. Obstruction of the sidewalk, Private Streets or entranceways throughout the property is not permitted. No one may store or place anything in the Association Property (including sidewalks and Private Streets). This includes, but is not limited to potted plants, signage, pictures, paintings, items of furniture, etc. The Association will not be responsible for any damage to, or loss of, any personal property left in any Association Property.
4. Antennas and Signs. Installation of antennas or signs must be installed in accordance with the Architectural Guidelines.
5. Association Property. Owners may not borrow or remove any equipment or property belonging to the Association.
6. Solicitation. All Owners of Residential Units are prohibited from distributing or causing to be distributed any advertising, pamphlet, free newspaper or any other printed matter on or in any portion of the property or resident cars. This includes door-to-door solicitation, electioneering, etc. Owners may not permit their families, employees, agents, visitors, licensees from soliciting either.
7. Skateboards. Riding skateboards, scooters, bicycles or rollerblades is not allowed in any Association Property, including the Private Streets.
8. Smoking. Smoking is not allowed in any Association Property, including the pool and spa areas.
9. Outside Drying or Laundering. No exterior clothesline shall be erected or maintained or hung on balconies or railings or within any yard and there shall be no exterior drying or laundering of clothes, towels or any other items on any Association Property.
10. Garage Sales. Yard Sales, Garage Sales, Tag Sales, and similar activities are prohibited.

CONDUCT AFFECTING INSURANCE

Please refer to Article 11 of the Declaration for additional information regarding Association and Owner insurance requirements. If you have further questions, please contact the Property Management Company.

Nothing shall be done or kept in any Residential Unit or the Association Property that will increase the rate of insurance without the approval of the Association.

No Owner shall permit anything to be done or kept in his or her Residential Unit or Association Property which could result in the cancellation or suspension of insurance or which would be in violation of any law.

An Owner who is responsible for an increase in the rate of insurance on the Association Property shall be personally liable for the cost of the additional insurance premiums.

USE RESTRICTIONS

1. Residential Use. The Condominiums shall be used for residential purposes only. Please refer to Section 7.2 of the Declaration for more information regarding residential use restrictions.
2. Balcony and Yard Areas.
 - a) The installation of any tiles or flooring material on the balconies or within the yards is strictly forbidden as it will alter drainage patterns. Carpet, artificial turf or other material that can trap water next to the surface of the balcony is also prohibited. Puncturing the water-proofing material on the balconies is prohibited.

- b) Existing drainage patterns on balconies and yards must be maintained and all drainage systems must be kept free of debris and free flowing. Changing the drainage pattern may cause damage to the Project's buildings and structures.
- c) Potted plants must have a tray placed underneath the pot to prevent water spillage onto the balcony. Such trays, and any other device designed to hold water, must be raised above the surface of the balcony in order to allow sufficient air flow beneath such tray or device.
- d) Potted plants shall not be placed in a position on any balcony which will block any drains or obstruct drainage patterns.
- e) No hanging screens, plants, banners, wind chimes or other objects may be hung from a balcony or fence of a yard, except as permitted by the Board.
- f) No Owner shall use any balcony or yard for storage purposes, including, without limitation, the storage of bicycles.
- (g) Balconies and yards must be kept clean and tidy.

3. Alarms. Any alarm installed in a Residential Unit shall be the type of alarm which is monitored by a certified alarm company.

4. Barbecues. An Owner's barbecue must be kept in a presentable, well maintained condition and may not be allowed to damage any structural component of the balcony. Barbecues must be positioned in such a manner as to minimize any smoke or odors from interfering with any of the neighboring Owners. It is recommended that all Owners have a fire extinguisher in case of emergencies.

5. Waterbeds and Aquariums. No waterbeds or aquariums holding more than 30 gallons of water shall be permitted in any Residential Unit. Each Owner acknowledges that substantial damage to other Residential Units and/or Association Property may occur as a result of a violation of this restriction and that the Owner causing such damage would be responsible for all damage.

6. Vibrations and Noise. No Owner shall attach to the walls or ceilings of any Residential Unit any fixtures or equipment which will cause vibrations or noise or unreasonable annoyance or damage to the Owners of the other Residential Units or to the Association Property.

7. Window Coverings. Only curtains, drapes, shutters or blinds may be installed as window coverings. No aluminum foil, reflective materials, paint, newspaper, sheets or similar covering shall be applied to the windows or doors of any dwelling. All window coverings shall be of a neutral color harmonious with and not conflict with the color scheme of the exterior wall surface of the Condominium.

SWIMMING POOL AND SPA

1. Pool and spa hours are 8 a.m. to 10 p.m. We ask that you please be considerate of your neighbors while using the pools and spas.

2. NO LIFEGUARD IS ON DUTY! Lifeguard or supervisory service is not provided. Anyone using the recreational facilities shall do so at their own risk, responsibility and liability.

3. Recreational facilities are reserved for full-time residents of the Project and their guests. Owners who have rented or leased their property are not entitled to use the recreational facilities. Residents must accompany their guests at all time when using the recreational facilities.

4. Anyone not abiding by the posted rules may be asked to leave the pool or spa areas by any member of the Association or the Property Management Company.

5. Elderly persons, pregnant women, infants, and those with health conditions requiring medical care should consult with a physician before entering the spas. Unsupervised use of the spas by children under the age of fourteen (14) is prohibited.
6. Children under the age of fourteen (14) years are not allowed in the pool areas unless accompanied by an adult eighteen (18) years of age or older.
7. SAFETY EQUIPMENT HAS BEEN PROVIDED FOR EMERGENCY USE ONLY.
8. All incontinent persons (whether infants, toddlers, children or adults) must wear a diaper, plastic pants and a swim suit while using the pools or spas.
9. Appropriate bathing attire must be worn. Cut-offs, blue jeans and street clothing are not considered appropriate bathing attire.
10. No surfboards, boogie boards, beach balls floating or inflatable devices will be permitted in the pools or spas.
11. No pets of any kind are permitted in the pool or spa areas.
12. For safety reasons, no glass or sharp objects are allowed in the pool or spa areas. If glass or sharp objects are brought to the pool areas and it causes an accident, the responsible Owner will be liable for the cost of any resulting damage or injury.
13. Diving is not permitted in any areas of the pool or spa. Running, pushing or boisterous activity in or around the pool or spa areas is also prohibited.
14. Absolutely no tennis balls, baseballs, footballs, basketballs, Frisbees, cans, foreign objects, foreign substances (bubble bath, soap, beverages, etc.) non-floating objects (such as rocks, marbles, coins and the like) or pool furniture are to be thrown into or around the pool or spa.
15. No wheeled toys or vehicles including skateboards, roller blades, roller skates or bicycles are allowed in the pool or spa area.
16. Radios, cassette, or CD players must be battery operated. The noise level must be kept to your personal area only so as not to disturb others.
17. Each resident is responsible for placing his/her (and guests') litter and debris in the trash receptacles prior to leaving the pool and spa areas.
18. With the exception of the spa timer, adjustment of any control regulating to the pool or spa, lights or other common service is PROHIBITED. Upon arrival of the pool and spa maintenance crew, pool or spa users are asked to temporarily vacate the pool or spa areas until cleaning and service is completed.
19. Pool areas are to be entered through the gates only. Climbing over a fence to enter or exit the pool and spa area is strictly prohibited.
20. Gates are to remain closed and locked at all times. Access keys are provided to every Residential Unit. The lending of keys to non-residents for use of the pool and spa are is strictly prohibited.
21. The Association reserves the right to limit, on a reasonable basis, the number of guests using the recreational facilities at any given time. Individuals or groups must not occupy the pool or spa to the effective exclusion of others.
22. Hot water immersion while under the influence of alcohol, narcotics, drugs or medicines may lead to serious consequences and is not recommended. Long exposure may result in nausea, dizziness or fainting.

23. It is recommended that individuals not use the pool alone. The “buddy” system is recommended for all swimmers at all times.
24. Persons with open cuts, wounds or rashes may not use the pool or spa. Anyone having a skin disease, sore or inflamed eyes, nasal or ear discharge or any communicable disease may not use the pool/spa.
25. Intoxicated persons are prohibited from using or being in close proximity to the pool or spa.

ANIMALS

1. All owners must comply with City and County laws and regulations with regard to control and health of pets. All dogs and cats shall have a current license and identification tag. Loose, unattended dogs, cats or other animals without a license or identification tag may be reported to the local Animal Control for pickup.
2. Each Residential Unit may have a maximum of two (2) domestic pets. Fish in aquariums holding no more than thirty (30) gallons of water (or more as provided in the Architectural Guidelines) and birds inside birdcages may also be kept as household pets, so long as they do not result in unreasonable annoyance and are not obnoxious to other residents.
3. Pets must be kept on a leash in the Association Property at all times. Pets must be under the owner’s control when outside living enclosures. Pet owners are responsible for any damage to person or property caused by his/her pet.
4. Fecal waste deposits made by pets on any Association Property, including landscaped areas, sidewalks and Private Streets must be promptly cleaned up by the owner of the pet. Waste must be put in a tightly sealed plastic bag before being disposed of. Any damage caused by a pet shall be repaired/replaced at the pet owner’s expense. This includes, but is not limited to, grass, plants, carpet, stained stucco, claw marks, etc.
5. No animal shall be bathed, at any time, within the Association Property.
6. Pets are not allowed in the pool or spa, fitness facility, storage spaces, or on landscaped areas at any time. Dogs shall not be tied to trees or any exterior building structure.
7. Pets must not be left outside unattended on balconies or yards. Pets must be kept within the Condominium when the Owner is away or cannot attend to them. Barking dogs on balconies, yards or inside its Owner’s Residential Unit will not be tolerated. Any pet which makes noise disturbing to a neighbor must be confined within its Owner’s Residential Unit in a place from which this noise cannot be overheard.
8. Each person bringing or keeping a pet on the Project shall be fully liable to other Owners and their guests for any damage to persons or property caused by any pet brought upon or kept upon the property by such person or by members of his/her family or guests.
9. If, after notice and a hearing, the Board finds that a pet is dangerous or creates a nuisance, the Board may require the pet to be removed from the complex within seven (7) days.
10. Structures for the housing or confinement of any bird or other animal must not be visible from neighboring property. Such structures require architectural approval in accordance with the process described in the Architectural Guidelines.
11. Human assistance animals, e.g. seeing eye dogs, are exempt from rules that interfere with their duties. Notice of any exemption claimed by a resident should be sent in writing to the Board in a timely manner.

MODIFICATION OF RESIDENTIAL UNITS

All Owners must comply with the Architectural Guidelines prior to modifying a Residential Unit. To the extent permitted under Civil Code Section 1360, each Owner may modify his or her Residence and the route over the Association Property leading to the front door of his or her Residence, at his or her sole expense, to facilitate access to his or her Residential Unit by persons who are blind, visually impaired, deaf or physically disabled, or to alter conditions which could be hazardous to such persons. Upon moving out of a Residential Unit, the Owner shall be obligated to remove any modifications and restore the area to its original condition. If an Owner fails to do so, the Association may do so on the Owner's behalf and the Owner shall be liable to reimburse the Association for all of its costs and expenses.

FIRE SAFETY DEVICES

Each Owner must maintain the smoke detectors installed in his or her Residential Unit. As part of this maintenance, you must replace all smoke detector batteries regularly.

GARAGES AND PARKING

1. Resident Parking. All residents must park their vehicles only in their respective garage. Each garage must be used for parking of the number of automobiles the garage was designed to accommodate. Garages are to be used for parking vehicles only and shall not be converted for storage, living or recreational activities. Garage doors are to be kept closed except when vehicles are entering or exiting the garage. Resident vehicles which do not fit in the garage must park outside of the community. Should you have more vehicles than which the garage accommodates you must park outside of the community.

2. Visitor/Guest Parking. Visitor parking is allowed in designated guest parking spaces only. Guest vehicles may not be stored or parked anywhere outside of a garage for more than 72 consecutive hours. Temporary visitor parking request for more than seventy two (72) hours will be reviewed on a case by case basis.

3. Fire Lanes and Parking Restrictions. There shall be no parking in any marked fire lanes. Parking of motorcycles, mopeds or bicycles are prohibited on sidewalks, Residential Unit entrances and yards within the Project. Vehicles found parked in the Fire Lanes or parking in a manner not in compliance with the parking rules will be subject to tow.

4. Vehicle Maintenance. No repairs, restorations, or any mechanical maintenance of any motorized vehicle, boat, trailer, aircraft, or other vehicle or equipment shall be conducted in the Association, including all Private Streets and garage entrances, with the exception of minor or emergency automobile repairs. All authorized vehicles, motorcycles, mopeds and bicycles within the Project must be operable and possess a current license and registration.

5. Noise. No one shall race engines, honk horns, spin wheels, permit engines to idle excessively or otherwise create unnecessary noise with motor vehicles or the sound and automotive speaker equipment. All motor vehicles must have adequate muffler and exhaust systems.

6. Prohibited Vehicles. No boat, golf cart, mobile home, commercial vehicle, recreational vehicle, recreational motor home, trailer of any kind, truck larger than one-half ton pick-up truck or which has a mounted camper shell which protrudes from the truck from either side or from beyond the rear gate or above the cab ceiling shall be parked anywhere within the Project with the exception of emergency vehicle repairs, commercial deliveries and temporary parking to load or unload a vehicle. Temporary means no more than four (4) hours at any one time. No dismantled or wrecked vehicle or equipment shall be parked, stored or deposited within the Project.

7. Towing. Any vehicles parked in any manner that obstructs free traffic flow, constitutes a nuisance or creates a safety hazard or in violation of these rules may be towed away at the vehicle owner's expense. Owners should contact the Project Management Company or the appropriate party as designated by the Property Management Company, who shall be responsible for taking appropriate action, including, if necessary, calling the towing company. The Association is NOT obligated to provide any notice (including, but not limited to, a letter mailed to the Owner or a notice posted on the vehicle) to a

vehicle owner and/or an Owner before the vehicle is towed and/or an Owner is fined or penalized due to violations of these rules.

8. Speed and Lights. All drivers must maintain safe and proper speeds and observe a maximum speed of 15 miles per hour while driving in the Project.

9. Oil Leaks. Excessive oil leaks and stains caused by a user's vehicle within an Association Property parking spaces will be subject to fines and/or the cost of clean up and repairs. Please use and monitor the condition of oil catching and absorbing materials underneath your vehicle to prevent excessive staining. Preventative maintenance of your vehicle will help to alleviate this issue.

10. Car Alarms. Should a car alarm continue to go off, the Property Management Company or the Association may, at the Owner's expense, hire a locksmith and take whatever action necessary to stop the noise. Vehicle alarms that do not automatically go off after an interval are not allowed. The arming and/or disarming of vehicle security alarms and other security devices shall not disturb residents of the Project.

ODOROUS MATTER, OFFENSIVE CONDUCT & NUISANCES

No person shall discharge into the Project's sewer system, storm drain or any toxic or noxious matter in such concentrations as to be detrimental to or endanger the public health, safety, welfare, violate any law, subject any Owner to liability under state and federal law for any clean-up or cause injury or damage to neighboring property or business elsewhere on the Project.

HOLIDAY DECORATIONS

1. Acceptable Timeframe. The acceptable timeframe for winter holiday decorations is from the day after Thanksgiving until January 15th. All other decorations must be displayed no more than fifteen (15) days prior to the day of the holiday, and must be removed within seven (7) days after the holiday.

2. Location. Holiday decorations must only be displayed from inside the Residential Unit. No Owner may place holiday decorations in the Association Property structures or landscape. Owners may not damage or puncture the Condominium Building in the process of displaying decoration.

3. Wreaths. A wreath on an over-the-door hanger may be displayed on main entry doors provided that it does not harm their finish.

4. Damage. Each Owner is liable to the Association for any damage to the Association Property (including holes, tape marks, abrasions, etc.) caused by that Owner or his or her guests, tenants, Invitees or any resident of his or her Residential Unit.

5. Lights. All holiday lighting must have a "UL" or comparable rating. Outdoor lights must be designed for outdoor use. Please ensure that lights do not disturb other Owners.

RENTAL OF CONDOMINIUMS

An Owner shall be entitled to rent the Owner's entire Condominium, or a portion thereof, for a term of not less than thirty (30) days. The Owner shall be responsible for all actions of the lessee and subject to the following guidelines:

1. Property Management Company Notification. All Owners who rent their Condominiums shall submit names and contact numbers for their tenants and the Owners to the Project Management Company. All Owners are responsible to ensure that the property management company has their current mailing address.

2. Written Lease or Rental Agreement. Any rental or leasing agreement shall be in writing, shall provide that the lease or rental is subject to the Governing Documents and shall provide that any failure to comply with any provision of the Declaration, the Governing Documents shall be a default under the terms of the lease agreement. A copy of any lease agreement shall be provided to the Association.

3. Compliance with Governing Documents. A copy of the Governing Documents and these Rules and Regulations and the Architectural Guidelines shall be provided by the Owner to each tenant or lessee. The leasing Owner shall, at all times, be responsible for their tenant's or lessee's compliance with all of the provisions of the Governing Documents pursuant to the occupancy and use of the Condominium.

4. Association Amenities. Use privileges for amenities and Association Property transfer to the lessee or tenant. An Owner shall have no personal use privileges upon leasing their Residential Unit.

5. No Hotel, Timeshare, etc. No Residential Unit may be rented for hotel, motel or transient purposes or for any other purpose inconsistent with the Declaration.

SIGNS

Owners displaying signs within the Project are subject to the parameters set forth in the Architectural Guidelines.

TRASH DISPOSAL

Trash, garbage or other waste shall be kept only in approved sanitary containers, properly closed. No trash or debris is to be left in any area that is visible to others, such as walkways, balconies, yards or Association Property.

WATER DAMAGE

Owners leaving their Residential Units for extended periods must turn off the water supply to avoid damage that could be caused by leaks in their absence.

Washing machines must be placed upon a pan to capture water in the event of a leak.

Owners must comply with the recommendations regarding mold in the Mold Information Sheet located in the Homeowner Maintenance Manual.

COMMUNITY GUIDELINES BASICS

1. Always be considerate of neighbors.

2. Know that the intent of the Association is to operate, manage and maintain the value of the Project and for the enjoyment of all.

3. Remember always that if you want to make any modifications or changes to the Residential Unit, contact the Property Management Company for Architectural Guidelines and the forms that must be submitted before undertaking any modifications.

PROCEDURES FOR ENFORCEMENT OF THE RULES AND REGULATIONS

The Board of Directors is authorized to impose monetary penalties and to temporarily suspend certain membership privileges and impose other appropriate discipline for failure to comply with the Declaration, Bylaws, Rules and Regulations or Architectural Guidelines. Enforcement of the Governing Documents depends on the participation and cooperation of all Owners, lessees and guests of the Owners.

1. Reporting of Violations

a. Violations may come to the attention of the Association through written complaints by Owners or through visual observations by one or more Board members or by the Property Management Company.

b. All complaints must be submitted in writing to the Board of Directors in care of the Property Management Company, with the complainant's name, address and telephone number, in order for action to be taken regarding an alleged violation.

c. Each complaint must cite the name, date, time and nature of the violation and provide a factual statement supporting the charges of the alleged violation.

d. Complaints will be held in confidence to the extent permissible by law, however, is requested by the Board, it is the responsibility of the person filing the complaint to appear before the Board of Directors to be heard regarding the alleged violation.

2. Violation Notification.

a. First Notice. Upon observation of a violation or receipt of a written complaint, the Board may direct the Property Management Company to send a violation letter. The Property Management Company will send a written "friendly reminder" (the "First Notice") to the offending Owner of record at the Owner's last known address and, if the Residential Unit is rented, to the tenant. The First Notice will describe the general nature of the alleged violation and request correction of the violation by a stated date.

b. Second Notice. If the violation is not corrected by the date set forth in the First Notice, the Property Management Company will send a second formal written notice of violation (the "Second Notice") to the offending Owner of record at the Owner's last known address and, if the Residential Unit is rented, to the tenant. The Second Notice will again describe the nature of the alleged violation and request correction of the violation by a stated date. The Second Notice will also advise that, if the violation is not corrected, the Board will schedule a hearing for the Owner and/or tenant to address the Board regarding the alleged violation at which monetary fines and penalties may be imposed, including the revocation of membership rights.

c. Third Notice – The Notice of Hearing. If the violation is not corrected by the date set forth in the Second Notice, the Project Management Company will send a formal written notice of hearing to the Owner/tenant scheduling a Board hearing on the violation and advising the Owner/tenant that monetary fines and penalties may be imposed (the "Third Notice" or "Notice of Hearing"). The Notice of Hearing shall be delivered personally or mailed by first class mail, certified or registered mail, return receipt requested, to the offending Owner at the last known address listed with the Management Company, and to the tenant at the tenant's address within the Project, at least fifteen (15) days before the proposed date of hearing on the alleged violation. The notice shall contain the following:

- i. an explanation in clear and concise terms of the nature of the alleged violation;
- ii. a reference to the provision(s) of the Governing Documents which the Member is alleged to have violated; and
- iii. the date, time and place of the hearing.

The Notice of Hearing may also include the amount of any monetary penalties which may be imposed at the hearing if the violation is not corrected, and the amount of any additional monetary penalties which may be imposed at the hearing for the continuation and/or repetition of the violation and shall include a description of other penalties which may be imposed, including, without limitation, the membership rights which may be revoked by Board decision at the hearing.

3. Hearing Procedures.

a. If the violation is not corrected before the scheduled hearing, the Board will hold a hearing on the date and at the time and place set forth in the Third Notice (the "Hearing"). The Hearing will be held regardless of whether the Owner and/or tenant attends the Hearing, and an appropriate monetary fine and other penalties may be imposed, including, without limitation, the revocation of membership rights in accordance with the Governing Documents. Any determination made by the Board is binding notwithstanding the absence of the Owner and/or tenant.

b. At the Hearing, the Owner will be given an opportunity to present facts and/or arguments disputing the alleged violation and/or against the imposition of any penalty or disciplinary

action. If an accused Owner and/or tenant fails to take the opportunity to be heard, the Board will decide the case on the facts presented in the written complaint(s) or on other pertinent oral or written evidence presented to the Board.

c. The Board will make a determination as to whether a violation was committed. If the Board determines that a violation was committed, the Board can impose reasonable monetary penalties and/or discipline against the Owner as provided for in the Declaration.

d. If the Owner/tenant has corrected the violation, the Board will not impose any monetary fines or penalties and will close the complaint or violation procedure. If the Owner/tenant continues to be in violation, the Board will determine what sanctions are appropriate.

e. If the Board imposes discipline, the Board shall provide the Owner a written notification and explanation of the suspension, fine or conditions of the disciplinary action either in person, or by delivery of first class mail, within fifteen (15) days following the action.

4. Suspension of Privileges and Monetary Penalties.

Should the Board find an Owner (and/or his guests, residents, or tenants) in violation of the Governing Documents, after reviewing the evidence presented at a hearing, pursuant to the guidelines set forth in the Association's Declaration and Bylaws, the Board may in its discretion levy any or all of the following penalties and sanctions:

- a. Monetary fines;
- b. Suspension of an Owner's (and/or his guests, residents or tenants) right to use the recreational facilities;
- c. Suspension of an Owner's (and/or his guests, residents or tenants) membership rights and privileges;
- d. Suspension of an Owner's right to vote on all Association business;
- e. Removal of any non-conforming structure or improvement; and
- f. Special Assessment against an Owner for any costs incurred by the Association, including attorney's fees and costs, with respect to the violation.

5. Fine Schedule.

The Board may impose monetary penalties in accordance with the adopted (graduated) fine schedule stated below, be automatically imposed for each month or for each portion of a month that the violation continues without the need for further hearings on the violation.

First Fine:	\$ 100.00
Second Fine:	\$ 200.00
Third Fine:	\$ 300.00
Subsequent Fines/Legal Action:	Per Decision of the Board

All fines, including Special Assessments representing the attorneys' fees and costs incurred by the Association in enforcing the Governing Documents, shall be a charge against the Owner of the Residential Unit. Any and all fines shall be billed to the Owner's account for the Association.

The Association reserves the right to use any avenue of the legal system to enforce the Governing Documents against an Owner, including the collection of any fines imposed against an Owner for violating the Governing Documents.

ATTACHMENTS

Violation Complaint Report Form

**PROMONTORY POINTE HOMEOWNERS ASSOCIATION
VIOLATION COMPLAINT REPORT**

Name: _____

Address: _____

Daytime Phone Number: _____

DETAILED DESCRIPTION OF INCIDENT (Please give as much information as possible such as date, time, name and address of person(s) involved, damage, location, license # or anything else which may be pertinent):

If possible, give name and phone number of any potential witness:

1. _____
2. _____
3. _____

Were any photographs taken? Yes No By whom? _____ Attach all photographs to this form or forward to the Association as soon as possible. Include photographer's name and date photographs were taken, and the names of any individuals present.

I HAVE MADE THE ABOVE STATEMENTS BASED ON MY PERSONAL KNOWLEDGE AND NOT UPON WHAT HAS BEEN TOLD TO ME. I WILL COOPERATE WITH THE ASSOCIATION AND ITS ATTORNEYS TO PROVIDE ADDITIONAL STATEMENTS OR AFFIDAVITS, AND IN THE EVENT A HEARING OR TRIAL IS NECESSARY, I WILL APPEAR TO TESTIFY AS A WITNESS.

Signature

Date Signed

Printed Name

Promontory Pointe Homeowners Association
c/o Encore Property Management
P.O. Box 1117, Corona, CA 92878-1117
526 Queensland Circle, Corona, CA 92879
(951) 279-3934