

Rules & Regulations For Fines

Blue Ribbon Farms Property Owners Association

Pursuant RCW 64.38.020(1) and (11), and the governing documents of the Association, the following written rules and regulations are adopted to further and foster compliance by homeowners with the provisions and requirements of the CCRs, the Bylaws, and Rules & Regulations (hereinafter collectively the “governing documents”) of the Association. These rules are intended to provide additional incentive for compliance by owners who violate the requirements and provisions of the governing documents, not supplant, or amend them, and in the event of an inconsistency or conflict between these Rules and the governing documents of the Association, the governing documents provisions will supersede and apply.

This Rule supersedes all previously adopted Rules regarding Fines, if any.

I. Violations, Investigation and Fines:

A. Introduction. R.C.W. 64.38.020(11) provides that an association can levy reasonable fines in accordance with a previously established schedule adopted by the Board of Directors and furnished to the owners, for violations of the governing documents of the Association.

B. Investigation/Notice of Violation.

1. Investigation: When a possible violation is reported to or otherwise becomes known to the Association, it will be investigated by the Board or its designated representative(s), and a determination made as to whether a violation has occurred.

2. Notice of Violation: If a violation is found, written notice of the violation will be sent or delivered to the offending homeowner giving him/her a deadline date for compliance. The deadline given in such notice letters will be a reasonable time period within which to correct the violation and fully comply. In each case or matter, the Board will consider the nature of the violation, the circumstances of the owner and the property, and what it will take to correct the non-compliance in order to determine a reasonable time period deadline to give the owner to comply. If such Notice warns that fines will be imposed if compliance does not occur by a certain date, or if due to the violation being intermittent in nature another similar violation occurs, the

Notice will also inform the owner of the right to request a hearing concerning the imposition of fines, pursuant to the provisions below in section IV.

Notice will be mailed to owner via first class mail addressed to the home in the Association community and to the last known address outside of the community provided by the owner, if any. Notice is deemed delivered to owner 48 hours after being deposited with the USPS.

- C. Rule - Legal Action.** If the owner sent a notice of a violation does not timely comply and correct the violation, or a similar intermittent violation again occurs, the Association may assess or levy fines against the owner(s) and owner's property according to the Fine Schedule as set forth in Section II below. Additional fines may continue to be assessed while the legal action is in process, if the homeowner continues to violate the requirements of the governing documents. All attorneys' fees and costs shall be awarded to the prevailing party and recoverable from the losing party in any action, lawsuit or other proceeding involving the issue or recovery of fines and/or the enforcement of the governing documents.

Notwithstanding anything to the contrary herein, in the Board's discretion, legal action may be taken against the violating homeowner at any time after a compliance deadline is given to owner, and nothing in these Rules is intended to waive or otherwise modify the Association's legal right(s) to take other enforcement measures in order to secure or achieve compliance.

II. Schedule of Fines

- A. Continuous Violations:** If an owner violates any provision(s) of the governing documents and does not comply after reasonable notice and within the deadline given by the Association, fines may be imposed and accrue at the rate of Twenty Dollars (\$20.00) per day until complete compliance occurs or is accomplished. Such fines may be assessed by the Association against any homeowner and his/her property, starting immediately after the notice deadline period expires without the complete and total correction of the violation(s) by owner within that period.

Intermittent Violations: If the violation involves an intermittent offense or conduct, for example, improper drone use on or near the airstrip, or use of off-road vehicles on roads/vacant land, or other conduct, actions or omissions that violate the governing documents

requirements and restrictions on an intermittent basis, the Association may levy fines on a per incident basis as follows:

1st Offense = Warning to the owner and occupant/no fine

2nd offense = \$50.00

3rd offense = \$150.00

4th offense = \$300.00

5th offense and each subsequent offense = \$500.00 per offense.

III. Collection of Fines

The Association will bill the violating homeowner the applicable fines at such time and for such periods as the Association considers reasonable.

All fines imposed by the Association upon an owner or owners which remain unpaid for thirty (30) days after being invoiced to owner shall automatically constitute a lien on his/her property and all its improvements and may be handled and foreclosed upon in the same fashion as if it were a lien for unpaid assessments under the Association's governing documents, subject to the laws of the State of Washington. The Association may file a formal lien with the county to further protect its interests regarding the unpaid fine(s). The amount of the lien shall include interest, attorneys' fees, and all costs and expenses, incurred by the Association in the imposition and collection of such unpaid fine(s).

IV. Request for Hearing/Opportunity to be heard

A. Introduction. Any homeowner found by the Board to be in violation of governing documents provisions or requirements may request a hearing to offer a defense to, or to explain extenuating circumstances regarding, the violation(s), but only if the imposition of fines is threatened or occurring.

B. Deadline for Homeowner Requesting a Hearing/Waiver of Hearing Right if Untimely Request:

The last letter or communication by the Association to owner with final deadline for compliance and a notice that fines will commence shall also specify the following information:

1. he/she has the right to request a hearing solely for the purpose of disputing the validity or basis of fines being imposed;
2. the homeowner must notify the Board in writing that he/she requests a hearing within fourteen (14) days of the date of the final Association letter indicating that fines will be imposed upon failure to comply;
3. if homeowner does not timely give written notice to the Board that he/she is requesting a hearing, homeowner waives the right to a hearing.

The deadline for requesting a hearing and the waiver of the right to a hearing for failure to timely meet the deadline is intended to bring a definitive closure to the hearing request period, so that a homeowner cannot unreasonably obstruct or delay imposition or collection of the imposed fines by requesting a hearing long after fines are imposed or collection/enforcement efforts begin.

C. Request for Hearing/Required Information. The homeowner must complete a written Request for Hearing which shall be mailed or delivered to the Association within the fourteen (14) day deadline set forth above. The appeal request must contain the following:

1. Homeowner's name and address,
2. Homeowner's reasons, basis and defense for the hearing,
3. A copy of all supporting documentation,
4. The name of any attending witnesses or other collaborating guests,
5. The homeowner's signature and date of the Request.

D. Hearing Procedures:

1. The homeowner will be sent confirmation by the Association of its receipt of the Request for Hearing.
2. The Board will appoint and assemble a minimum of three (3) (or more at the Board's discretion) current members of the Association and/or the Association's Board members to act as a Review Board (the "Review Panel") within seven (7) calendar days following receipt of an owner's written Request for Hearing complying with the information requirements set forth above.
3. no later than ten (10) calendar days following the formation of the Review Panel, the Review Panel shall mail or deliver notice to the appellant owner of a hearing date, which notice will provide the date, time, and location of the hearing, which is to be determined by the Review Panel

4. The Review Panel will permit the appealing homeowner up to thirty minutes to explain the circumstances of the matter, have owner's witness(es), if any testify, and provide grounds as to why the fine should be waived, reduced or cancelled.
5. At the conclusion of the owner's hearing presentation, the hearing will adjourn, and the Review Panel will review the circumstances of the Request for Hearing as presented.
6. Within five (5) days of the hearing, the Review Panel will provide a written recommendation to the Board regarding owner's appeal. The Board will make the final decision regarding owner's appeal and send its decision to the owner within five (5) business days of receiving the Review Panel's recommendation(s).
7. If the Board finds in favor of the owner, it will advise the owner as to whether the violation and/or the fines originally imposed are reduced, modified, or waived. Any adjustment(s) shall reflect on the owner's account the following month.
8. If the Board determines that the owner's explanation or defense presented at the hearing was inadequate or otherwise failed to justify a reduction, modification, or waiver of the violation and/or fines, the owner will be so notified, in which case the fines imposed will continue as owed to the Association until paid in full regardless of whether the violation has since been removed or corrected. In any event, if the Board finds against the homeowner, the fines will continue to accrue until full and adequate compliance occurs by homeowner.
9. Attorneys are not allowed to attend the hearing. This applies to the appellant owner and to the Association. This is intended to allow freedom of discussions at the hearing, unfettered by fear or concern that a parties' attorney will use what is said during the hearing against the persons attending or the Association or the Board.
10. Hearings will not be recorded unless with prior written decision or consent of the Board.

E. Mediation: In the event either owner or the Association's Board considers filing a lawsuit because of the result of the Hearing or owner's non-compliance continues unabated, upon mutual agreement of owner and the Board mediation may be used in an attempt to avoid litigation.

V. Stop Work Order

In addition to imposing a fine, the Association may issue a Stop Work Order to any person or entity engaged in activity or actions that violate or otherwise fail to comply with governing documents requirements and/or restrictions; for

example, construction or installation of improvements that do not comply with setback or height/easement restrictions.

A Stop Work Order shall:

- a. Identify the address of the property involved;
- b. Describe the unauthorized activity;
- c. Identify the specific prior approval requirement being violated;
- d. State that:
 - the unauthorized activity shall immediately cease, and describe any additional sanctions and/or fines that may be imposed;
 - the delivery of the Stop Work Order serves as a determination that a violation has occurred;
 - this determination is final unless it is appealed to the Board, in writing, within 10 days of the date that the Stop Work Order was issued;
 - the failure to immediately comply with the terms of the Stop Work Order will cause a **\$500.00 fine** to be imposed, and for each week thereafter in which owner does not comply with the Stop Work Order a separate fine of **\$500.00 fine** will be imposed.


VI. Rule Enforceability

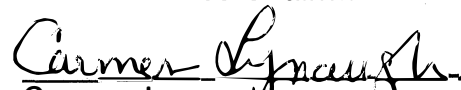
If any portion of this rule is determined to be legally unenforceable, it shall not negate the enforceability of the remaining portions of the rule.

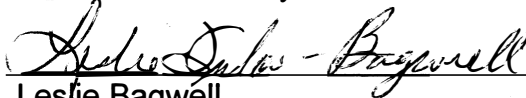
DATED AND ENACTED January 18, 2026

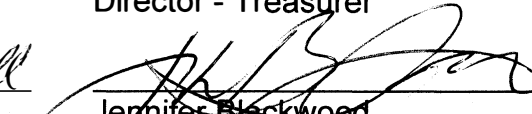

Andre Baritelle
Director - Chairman


Jennifer Gibbins
Director - Vice Chairman


Joel Cziok
Director - Secretary


Carmen Lynaugh
Director - Treasurer


Leslie Bagwell
Director - Member at Large


Jennifer Blackwood
Director - Member at Large


John Cuny
Director - Member at Large