

**Notices and Fines:**

Covenant violation notices will be sent to the homeowner of record by the Clearmeadows Board of Directors through the contracted managing agent. The notification procedure shall be via first class mail.

The fine schedule is modified to be the following:

1st fine - the first fine shall be applied 14 days after non-compliance with the notification letter that has been sent to the homeowner, and shall be in the amount of \$100.00.

2nd fine - the second fine shall be applied 28 days after non-compliance with the notification letter that has been sent to the homeowner, and shall be in the amount of \$150.00.

3rd fine - the third fine shall be applied 42 days after non-compliance with the notification letter that has been sent to the homeowner, and shall be in the amount of \$200.00.

Additional fines may be applied each and every 14 days following the third fine without limitation. Each additional fine shall be in the amount of \$200. Fines will accumulate without limitation until the managing agent has been notified in writing via first class mail that the cause for the fine having been issued has been corrected, or a plan to resolve the problem has been received and approved by the board of directors.

When the accumulated unpaid fines reach a total of \$450.00, the management company will be instructed to place a lien upon the homeowner's property. The lien shall include, but not be limited to, the amount of unpaid fines, costs of placing said lien and the costs of billing said fines to the homeowner.

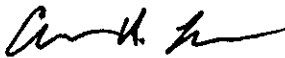
Notification letters remain in effect for two years. It is not necessary to reissue a notification letter before beginning or resuming the fine process.

Any previous fine schedule in effect is hereby voided and replaced by this fine schedule.

The Clearmeadows Board of Directors may, at its discretion, cancel or mitigate any fine imposed.

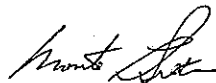
This policy is adopted this 17th day of January 2008 at an open Board meeting where a quorum of the Board was present and becomes effective immediately.

ATTEST:



Chris Leedle  
President

1-23-08



Monte Silliman  
Secretary