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A. Preamble:

The Board of Directors (the "Board") of the Rocky Ridge Properties Owners' Association (the "Association") has established these Rules and Policies to apply to the Rocky Ridge development located in the vicinity of Tahoe City, California (sometimes referred to herein as "Rocky Ridge" or the "Development"). The Rocky Ridge development currently includes 100 Townhome Residences, 2 additional Lots containing single-family residences and certain Common Areas and Common Facilities, including the Beach and Clubhouse Facilities located adjacent to Lake Tahoe and the rights that the Association holds in the Community Mooring Field (pertaining to the Rocky Ridge pier and the buoys located near the end of the pier). To facilitate understanding, these Rules and Policies utilize certain defined terms set forth below in Section B.

The Board adopted these Rules and Policies at a duly noticed open meeting in February of 2023 and in accordance with the Rocky Ridge Declaration of CC&Rs, the Association Bylaws, and the California Davis-Stirling Common Interest Development Act (see particularly Sections 4340 through 4370 of the Act). The Davis-Stirling Act requires certain "Operating Rules" and amendments to existing Operating Rules to be presented to the Members of the Association prior to being adopted by the Association's Board of Directors (Civil Code section 4355 – 4365). The Board reserves the right to amend these Rules and Policies from time to time in accordance with the rule making and amendment procedures set forth in the Declaration of CC&Rs.

These Rules and Policies constitute an entirely amended and restated version of previously applicable Rules and Policies, and accordingly these Rules and Policies completely replace and supersede any previously applicable Rules and Policies.

The distinction between a "Rule" and a "Policy" can be explained as follows: Rules relate to matters that Owners and other Allowed Users are expected to honor and comply with at practically all times because they reflect restrictions imposed by the Rocky Ridge Governing documents or by State Law. Here are two examples of a Rule:

Example (1) "All dogs must be on a leash and under the control of a responsible person while in the Common Areas."

Example (2): "At no time may Owners or Allowed Users tunnel within any snow storage piles."

In contrast, Policies are directives and recommendations to provide Owners and Allowed Users with guidance and clarification regarding the way that the Association Board and management administer their discretionary authority under the Governing Documents (Architectural Review and Governing Document enforcement are two good examples). For example:

Example (1): "Although there are no designated exclusive use parking spaces along the private roads of the Rocky Ridge development, the custom and practice of residents is to defer to the parking needs of the Owners and their Allowed Users to have a priority as to the parking areas that are close to each Owner's Residence."

<u>Example (2)</u>: "Particular caution should be applied when traveling downhill and navigating the right turn in the road shortly prior to the entrance gate."

While these Rules and Policies are necessary to ensure the ability of all Members of the Association and Allowed Users to enjoy their time at Rocky Ridge, the Association and its Members also depend on basic principles of good conduct, common courtesy, consideration of and respect for the safety, rights, privacy and property of others, protection and enjoyment of the Common Areas and Common Facilities of Rocky Ridge, and our individual

ability to act in a manner that ensures the quiet enjoyment of all Owners and Allowed Users of our beautiful Rocky Ridge development.

Although the Board has the authority to levy fines and to impose other penalties for violations of the Rocky Ridge Governing Documents, including these Rules and Policies (see Part "F" ("Enforcement"), below), it is anticipated that in most cases the responses and remedies to Governing Document violations that are available to the Association will be reserved for behavior where less formal, good faith communications by the Association and/or the management staff to the Member or to an Allowed User have not achieved a resolution that is satisfactory to the Association (in the judgment of the Board and/or the management staff).

B. Certain Defined Terms Used in These Rules:

"Allowed Users" is a term that means and refers to an Owner, an Owner's family, guest of an Owner, or renter/lessee of an Owner's Residence and their guests. All Common Areas of Rocky Ridge are reserved for the exclusive use of "Allowed Users," as so defined, although commercial vendors, such as contractors, appliance delivery services, and other routine deliveries to Residences also have access privileges during periods of delivery or approved construction activity (see Part "E-5" below, entitled "Rules for Contractors Hired by Owners").

"Association" means and refers to the Rocky Ridge Properties Owners Association, a California nonprofit mutual benefit corporation. All Owners of Lots and Residences in the Rocky Ridge development are Members of the Association. Generally speaking, the Association manages and maintains the Common Areas and Common Facilities within Rocky Ridge and is primarily responsible for enforcing the covenants, conditions, and restrictions set forth in the Declaration of CC&Rs or these Association Rules and Policies. The Association is governed by a seven-member Board of Directors who are Members of the Association and the day-to-day operations of the Association are administered by a full-time Property Manager and staff.

"Beach and Clubhouse Facilities" means and refers to the Common Area property and the Common Facilities and associated improvements that are located on several parcels of real property, south of North Lake Boulevard along the shores of Lake Tahoe that are owned by the Association, as well as the Community Mooring Field and the pier that are located in the waters of Lake Tahoe adjacent to the Beach and Clubhouse facilities.

"Common Area" and "Common Facilities" refer to the private roads, recreational facilities, grounds, maintenance yard and open space areas in Rocky Ridge. The Common Areas do not include the Lots upon which the two single family Residences have been constructed, nor do they include, generally speaking with respect to each Townhouse, the areas delineated from the "exterior walls in" for such Townhouse; rather, the Common Areas adjacent to a particular Townhouse generally begin at the exterior edge of the foundation and the exterior walls for that Townhouse.

The recreational "Common Facilities" within the Common Areas include two swimming pools, deck areas, and related pool structures, the pier and the Beach and Clubhouse Facility (including the Community Mooring Field), the volleyball court, picnic tables, and personal watercraft storage racks at the Beach and Clubhouse Facility, the tennis and/or pickle ball courts, a basketball court and two bocce ball courts. Note that the Common Areas do not include the private property adjacent to, or within the driveways leading to, the two private single-family residences within the Rocky Ridge development, and Allowed Users are encouraged to respect the private property rights of the Owners of the single-family residences that are accessed by those driveways.

"Community Mooring Field" refers to the Association's buoy field in the waters of Lake Tahoe near the Beach and Clubhouse facility and the pier, as the same may be adjusted from time in agreement with applicable governmental authorities. The Community Mooring Field exists pursuant to permits and licenses from the California State Lands Commission and the Tahoe Regional Planning Agency and currently includes 31 buoys for the mooring of boats that meet the criteria set forth in Paragraph "E-3", below, and two marker buoys.

"Davis-Stirling Common Interest Development Act" means and refers to the California Civil Code statute by that name which is found at Civil Code sections 4000 through 6150. The Davis-Stirling Act is the principal source of California laws regulating common interest developments such as Rocky Ridge. The other principal statute regulating the Association and its Members is California's Nonprofit Mutual Benefit Corporation Law (California Corporations Code sections 7110 through 8817). Generally speaking, whenever there is a conflict or inconsistency between those two sets of laws, the Davis-Stirling Act prevails.

"Declaration of CC&Rs" means and refers to the "Second Amended and Restated Declaration of Covenants, Conditions and Restrictions for Rocky Ridge" which was recorded in the Official Records of Placer County, California, on August 15, 2018, as Document No. 2018-0068916-00, as amended by the "First Amendment of the Second Restated Declaration of Covenants, Conditions and Restrictions For Rocky Ridge" which was recorded on September 9, 2021 as Document No. 2021-113362, together with any subsequent amendments to the Declaration that may be duly approved by a vote of the Association Members. As a common interest development, all Lots and Common Areas in Rocky Ridge are subject to the covenants, conditions, restrictions, and easements set forth in the Declaration of CC&Rs and in other recorded instruments pertaining to the Common Areas of Rocky Ridge.

"Rocky Ridge" shall have the meaning assigned to such term in the Preamble to these Rules and Policies.

Additional capitalized terms may be used herein without definition, in which case such terms shall have the meanings assigned to such terms in the Rocky Ridge Declaration of CC&Rs.

C. General Common Area Rules for All Allowed Users:

1. Speed Limit for Vehicles on Roads Within Rocky Ridge.

The maximum speed limit for vehicles using the private roads within Rocky Ridge is no greater than 15 miles an hour in the upper areas of the Development and no greater than 25 mph on the entrance grade to the Development from North Lake Boulevard. Regardless of these speed limits, vehicles should never be operated at speeds that exceed what is safe for the conditions. In snowy or icy conditions, the access grade from North Lake Boulevard requires cautious driving, even for AWD/four-wheel drive vehicles. Particular caution should be applied when traveling downhill and navigating the right turn in the road shortly prior to the entrance gate.

During the summer and early fall months the private streets of Rocky Ridge are controlled by speed bumps to encourage compliance with the Development's vehicle speed limits. Caution is recommended when traveling over those speed bumps.

2. Permitted Vehicles, Boats and Trailers:

Motor homes, recreational vehicles, boat and other trailers and campers are not permitted on any road, driveway or parking area within Rocky Ridge, except for short periods of time for loading and unloading. and overnight parking for late-night arrivals. Owners and Allowed Users who take advantage of this limited right to

park otherwise unauthorized vehicles, boats or trailers in the Development are encouraged to take into consideration the parking needs of other neighboring residents, particularly on weekends and peak summer holiday occupancy periods.

Although there are no designated exclusive use parking spaces along the private roads of the Rocky Ridge development the custom and practice of residents is to defer to the parking needs of the Owners and their Allowed Users to have a priority as to the parking areas that are close to each Owner's Residence.

There are a limited number of spaces for the parking of boat trailers at the maintenance yard. Those spaces may be reserved through the Property Manager who can be contacted at: 530-583-1736.

Except as provided above, parking of trailers on the roads or driveways within Rocky Ridge for periods that are longer than eight hours may result in towing at the vehicle owner's expense and/or fines or other penalties.

3. The Development's Roads and the Parking of Vehicles:

The roads within the Rocky Ridge development (other than the driveways leading to the two private single-family residences) are owned by the Association. These roads are private and are intended to provide access, ingress and egress to Owners and other Allowed Users and are not open to access by the general public. Parking areas within Rocky Ridge consist primarily of pop-out areas along the Development's private roads and those parking areas are not reserved or expressly allocated to a particular Owner or Residence Lot. However, Owners are asked to direct guests and other Allowed Users to park their vehicles in parking areas that are reasonably proximate to the building within which the Residence is located and with respect to which the individual is an Allowed User, rather than in parking areas that are adjacent to walkways or entrances to other Residences, the goal being to preserve parking spaces in the vicinity of other buildings for Owners and Allowed Users of Residences within the adjacent buildings.

Vehicles must not block walkways and/or entrances to Residences and parking is never allowed on lawns or landscaped areas within the Rocky Ridge development. During the snow season some parking spaces that are routinely used during the summer and fall seasons may be unavailable due to the need to use those parking areas for snow storage purposes.

4. Winter Parking Rules and Restrictions:

Owners and other Allowed Users must move their vehicles after snowfall as reasonably necessary to facilitate snow removal and storage efforts on and about the Rocky Ridge roads. It is not uncommon for such work to begin very early on winter mornings to ensure that Rocky Ridge roads are open and accessible for residents at the beginning of the day. Accordingly, it may not be feasible for maintenance personnel to contact residents whose vehicles are parked in areas of the Development that are needed for the snow removal work. Owners are encouraged to become familiar with the areas within Rocky Ridge that are used during the snow season for the storage of snow removed from roadways so that their vehicles are not parked where and when access to those snow storage areas is required by the Association's snow plowing equipment. Parking of vehicles on known snow storage areas is at the risk of the vehicle Owner or Allowed User. It is the obligation of Owners to advise other Allowed Users of their Residences of these parking area restrictions and to advise Allowed Users of the need to use extra caution when traveling along the access grade to and from North Lake Boulevard in snowy and icy conditions.

The snow storage piles created by snow plows can be dangerous, and Owners or Allowed Users who choose to sled, play, climb upon or otherwise travel over the snow storage piles will be assuming all risks of damage or injury.

Further, Owners and Allowed Users should be aware that:

- Use of the snow storage piles created by the snowplows is <u>prohibited</u> at any time when a snowplow
 is operating <u>anywhere</u> within the Rocky Ridge development (i.e., if you think you hear a snowplow
 operating ANYWHERE within the Development, stay away from <u>all</u> snow storage piles);
- At no time may Owners or Allowed Users tunnel within any snow storage piles.
- Winter sledding on roads, walkways and sidewalks is prohibited.

Parents or other supervisors of children are responsible for keeping them in compliance with these Rules and a safe distance away from snow removal operations.

5. Restrictions Relating to Bringing Dogs to the Development:

Only dogs of Allowed Users are permitted in the Common Areas of Rocky Ridge.

All dogs must be on a leash and under the control of a responsible person while in the Common Areas. All dog waste (including dog waste on un-landscaped areas within the Common Areas) must be picked up and disposed of properly. To this end, persons who are walking their dogs in the Common Areas are encouraged to carry a disposal bag while walking their dogs in the Common Areas to pick up and dispose of pet waste in the Common Area trash containers during the walk. Removal of pet waste also is encouraged in the unimproved open space surrounding the Development.

The dog's owner and the person controlling the dog while the dog is within the Common Areas are responsible for the dog's actions.

Dogs (other than service dogs) are not permitted at the beach, within the fenced perimeter of the pools, or on the tennis or basketball courts.

While it is recognized that most Residences in the Development may be second homes for Owners and that Owners may not be subject to pet restrictions at their primary residence, Owners are encouraged to recognize that the maintenance of several dogs or other permitted pets in the Rocky Ridge development may create nuisances or annoyances to neighboring residents that would not necessarily exist at the Owner's principal residence. If an Allowed User leaves a Residence to visit the Association Beach and Clubhouse Facilities or other venues outside of the Development, leaving dogs unattended on decks is discouraged.

Section 7.11(d) of the Rocky Ridge Declaration of CC&Rs also provides that the Association Rules can make distinctions and impose greater restrictions on the rights of renters, lessees, and guests to bring pets to the Development. For example:

- Owners may want to voluntarily consider imposing restrictions on the number of dogs that renters
 and guests can bring to Rocky Ridge, or prohibiting renter/guest pets altogether pursuant to
 appropriate provisions in the Owner's lease or rental agreement.
- While it may be common for Allowed Users to maintain multiple pets at their principal residence, bringing one or more of those pets to Rocky Ridge can result in violations of these Rules and Policies.
- The Association reserves the right to preclude particular pets from the Development (whether belonging to Owners or Allowed Users) when the Board determines that such pets are causing danger or nuisance to other Owner or Allowed Users.

6. Noise and Other Activities That Unreasonably Interfere With the Quiet Enjoyment of Other Residents:

Any noise that would significantly disturb the quiet enjoyment of Allowed Users is prohibited. This includes, but is not limited to, loud parties, yelling, honking horns, slamming doors, barking dogs, amplified music, etc. from the Common Area pools, hot tubs, parking areas, lawns, tennis courts and from individual Residence decks or even from the interior of a Residence at levels that are likely to disturb the quiet enjoyment of other neighboring Residence Owners and Allowed Users.

The Board recognizes that entertaining others at a Residence in Rocky Ridge is a valuable part of the Rocky Ridge experience, and accordingly the Board asks neighbors to be tolerant of reasonable party noise at appropriate hours. However, the Board also recognizes that sensitivity to noise increases, particularly during nighttime hours. Accordingly:

- outdoor party noise that would disturb other Allowed Users of reasonable sensibilities is prohibited after 10:00 PM on weekdays and 11:00 PM on weekends.
- The Common Area pools and hot tubs close at 10:00 PM.

Owners are encouraged to advise their renters, guests and invitees of these requirements.

Owners who are remodeling their Residences shall limit all construction activities to the hours between 8:00 AM and 5:00 PM WEEKDAYS ONLY. Work is prohibited on weekends and holidays. Owners shall advise their contractors of these construction hours.

7. Garbage and Other Refuse Disposal:

Trash dumpsters are available at various locations in the Common Areas of Rocky Ridge. *All garbage is to be disposed of in the dumpsters within the Development, or removed by Owners and Allowed Users to another disposal site away from the Development*.

The dumpsters are for use by Owners and Allowed Users only. Neither Owners nor Allowed Users shall bring trash or other unwanted items to Rocky Ridge to be disposed of in the Development's trash bins.

In order to prevent access by bears and other wildlife, each dumpster lid has a chain that must be fastened and secured after depositing garbage. *The importance of properly securing the security chain on the lid of the dumpster cannot be over-emphasized*. Bears have incredible dexterity with their paws and are aggressive in their pursuit of available garbage and discarded food. Even the smallest amount of food left in vehicles, such as French fries from a visit to a fast-food outlet or trash that is left in bags in the bed of a truck, can motivate bears to try and enter the vehicle or the truck bed, thereby causing significant damage to the exterior and possibly the interior of the vehicle. Never leave trash bags in the exposed bed of pick-up trucks.

If a particular dumpster is full or its lid cannot be securely latched, please find another dumpster! Further, if during winter months there is too much snow on a dumpster lid to open the dumpster, DO NOT leave garbage on or around the dumpster. The maintenance crew shovels snow from the tops and sides of dumpsters as part of the crew's regular routine.

The Association has contracted for a dumpster in the vicinity of Residence No. 49 that is for the disposal of **CARDBOARD CONTAINERS ONLY**. No garbage, newspapers or other recyclables should be placed in that dumpster and cardboard containers should be broken down before being deposited in the dumpster in order to conserve space. Owners and residents are encouraged to use the dumpster that is dedicated for cardboard

container disposal, rather than placing cardboard in other dumpsters that may be located closer to the Owner or Allowed User's Residence.

Although the Association's trash collection provider is obligated to separate recyclable materials after pickup, residents are encouraged to segregate recyclables in blue plastic bags prior to deposit in the Association trash bins in order to facilitate the trash separation process and to further the environmental objectives of the recycling effort. Blue trash bags for plastics and other recyclable materials can purchased at the hardware store in Tahoe City.

The Association's dumpsters should not be used for the disposal of large amounts of construction debris of the sort that is occasioned by remodeling projects, such as lumber, sheet rock, large appliances, flooring, and carpet materials. The dumpsters are also <u>not</u> to be used for the disposal of mattresses, furniture and large appliances. It is the responsibility of Owners who are pursuing approved remodeling or construction projects to advise their contractors and subcontractors that it is their responsibility to remove all construction debris from the Development.

Owners needing to dispose of construction debris (to the extent that the same is not permitted, per the above Policies, to be disposed of in the Association's dumpsters) (i) may arrange to dispose of such items at the regional landfill located just off of Highway 89 between Palisades Tahoe (formerly known as "Squaw Valley") and Truckee, or (ii) may seek approval from the Property Manager for temporary location and use, at the Owner's expense, of a separate dumpster reserved for such Owner's construction debris. While the Property Manager shall not unreasonably withhold approval of such a request, the Property Manager shall have broad discretion to establish restrictions upon the location and duration of such dumpsters.

Owners are encouraged to advise the other Allowed Users of their Residences of the foregoing requirements relating to the disposal of trash and the risks associated with bear access to improperly exposed trash or food items.

8. Permitted Barbeques and Fire Pits on Residence Decks:

While charcoal fired barbeques used to be permitted at Rocky Ridge, the Board has determined that the Association no longer will permit charcoal fired barbeques on Residence decks or anywhere in the Common Area, including at the Beach Club.

Similarly, no fire pits emitting any type of flame are permitted on Residence decks or in the Rocky Ridge Common Areas.

Propane-powered grills are still permitted on Residence decks or at the Beach Club, subject to a limitation on the size of the grill's propane tank to twenty pounds (i.e., a conventional five-gallon tank). Instead of using a propane source that is part of the grill equipment, Owners may wish to consider powering the grill from a natural gas source that is serving the Residence, although such improvements and modifications to the natural gas line source require prior Association approval. NOTE: All use of barbeques or fire pits is subject to any further limitations that may be imposed by State or local governmental authorities. Owners and Allowed Users are responsible for discerning the nature and effect of any such limitations.

Owners are encouraged to advise Allowed Users of their Residences of the foregoing prohibitions on the use of charcoal-fired barbeques and fire pits.

9. Outside Drying and Laundering:

No outside clothesline or other outside clothes washing, drying, or airing facilities shall be maintained in the Development and no laundry, including towels, shall be draped over existing exterior building improvements such as the railings and balconies of Residences. Owners are encouraged to advise the other Allowed Users of their Residences of the foregoing requirements.

10. U.S. Mail Delivery:

There is no street mail delivery in Tahoe City. To receive U.S. mail, you must have a post office box in Tahoe City, or have your mail sent to:

c/o General Delivery Tahoe City, CA 96145

As a courtesy extended to our Owners by the Rental Agency in the Rental Office, UPS or Federal Express deliveries can be received at the Rental Office:

c/o Rocky Ridge 1877 North Lake Boulevard Tahoe City, CA 96145

Owners and Allowed Users are asked to be courteous in picking up any packages from the Rental Office expeditiously so as to not have their packages impose upon the limited space available for package storage within the Rental Office.

D. Rules Specific to the Principal Recreational Facilities of Rocky Ridge:

1. Swimming Pool and Hot Tub Rules:

Permission and Rights of Use:

- Allowed Users are subject to verification of their status as such, while in any Common Area facility or
 in any part of the Common Area. Anyone who cannot verify their current occupancy status as an
 Allowed User will be asked to leave the area immediately.
- Use of the pools or hot tubs after closing time is not allowed.
- Please report to the Property Manager: use of the pools or hot tubs by persons whom you believe are
 not Allowed Users; after hours use by anyone; excessive noise, belligerence, etc., including individuals
 who may be disrupting or annoying others due to excessive alcohol consumption or the presence of
 children who should be under the supervision and control of an adult or a competent older child who
 is at least 16 years of age.
- If a problem occurs outside of normal weekday business hours, Owners may try calling the people in the Rental Office who, as a courtesy to Owners, may be able to help. They can be reached at (530) 583-3723. If the problem is serious, for example involving belligerence or confrontational behavior, owners should call the Placer County Sheriff's Office at (530) 583-4244 or 911, and then advise the Property Manager at the next opportunity.
- Children under the age of five are not allowed in the hot tubs and children under the age of 14 are not permitted in the two swimming pool amenities (or in the Common Areas surrounding the

- pools/hot tubs) unless accompanied by a responsible person, at least 16 years of age (see "Supervision of Children", below).
- Use of the Common Area pools or hot tubs is "at your own risk." There are no lifeguards on duty and required signage regarding the absence of lifeguards is posted at the Association pools.

Attire and Pool Use:

- Swimmers must shower before using the pools or hot tubs.
- Proper bathing attire is required. Accessing the pools or the hot tubs in "cutoffs" is not permitted, as they clog filters.
- Users of the pool areas must pick up after themselves and maintain a clean and neat pool area.

Prohibited Activities in the Rocky Ridge Pool Areas:

- Amplified music, including from radios, CDs, musical instruments, etc.
- Dogs or other animals are not allowed in the fenced pool areas, with the exception of service dogs.
- Glass bottles or other glass items are not permitted in the pool areas.
- Diving into the pools.
- Running, pushing, or "horseplay".
- Smoking (including electronic cigarettes (vaping) and marijuana) is not allowed in the swimming pool
 or hot tub areas.

Supervision of Children:

- Children under the age of 14 years swimming in the pools or using the hot tubs must be accompanied at all times by a responsible person, at least 16 years of age, who:
 - Is present and pays full attention to the activities of the children while in the pool or hot tub areas;
 - Supervises the children to prevent "horseplay", unreasonable noise, or other unsafe activity;
 - > Knows how to swim well enough to get the supervised children safely out of the pool; and
 - > Knows where and how to call 911 in the event of an emergency.
- Adults are encouraged to make an effort to use the toilet and to get their children to use the toilet before entering the pool.

2. Tennis/Pickleball and Basketball Court Rules:

Permission and Rights of Use of the Courts:

The tennis/pickleball courts are to be used for playing tennis/pickleball only. The courts are for the exclusive use of Allowed Users. Similarly, use of the basketball courts is limited to playing basketball or the shooting of hoops in unorganized play.

Group lessons, tournaments, and/or other court activity that involves people who are not Allowed Users requires prior Property Manager approval.

No Allowed User may charge a fee to others to play tennis/pickleball or basketball at the Association Common Area courts.

When people are waiting to use the courts, players on the tennis/pickleball courts is limited to:

• Singles: 45 minutes or one set whichever comes first

• Doubles: 90 minutes or two sets whichever comes first

These use times start when players first enter the tennis/pickleball court, not from the time when all players arrive.

Professional instruction arranged by an Owner is allowed if the student(s) is/are all Allowed Users staying at Rocky Ridge. Instruction is limited to one hour when people are waiting to use the courts.

Tennis shoes and shirts must be worn at all times on the courts.

In the event that the courts are crowded, the Board or the Property Manager may establish a reservation system for court usage, which will be posted adjacent to the courts.

Prohibited Activities on the Tennis and Basketball Courts:

Dogs or other animals shall not be permitted within the Rocky Ridge court enclosures.

Chairs or other furniture shall not be placed on the courts.

Beverages and/or food items shall not be consumed within the court enclosures at any time, other than beverages in plastic containers.

Skate Boarding, roller-skating, rollerblading, soccer, lacrosse, baseball or other non-tennis activity.

Allowed Users shall only wear shoes that have soles that will not mark the court surfaces. Shoes with black soles are expressly prohibited.

3. Beach and Beach Clubhouse Use Rules:

The overriding policy is that the Rocky Ridge Beach and Clubhouse Facilities are special to, and should, at most times, be open and available for the use and enjoyment of, all Rocky Ridge Owners and other Allowed Users. It is the view of the Association that those facilities can best be utilized by a sharing of the space by individuals and small groups of Rocky Ridge Owners, family members and other Allowed Users at most times.

Available Responses to Violations of the Beach and Clubhouse Facilities Use Restrictions:

As noted in Section "E", below, there are restrictions that apply to group usage of the Beach and Clubhouse Facilities. Sanctions for impermissible use of the Beach and Clubhouse Facilities by any Owner or Allowed User may include (i) imposition of a Reimbursement Assessment (Section 4.04 of the Declaration of CC&Rs) and/or (ii) limitations upon further usage by an offending party of the Beach and Clubhouse Facilities or any other Rocky Ridge Common Areas.

The amount of any Reimbursement Assessment that is imposed on an Owner or Allowed User as a result of inappropriate conduct or usage of the Beach and Clubhouse Facilities will be determined by the Board of Directors in its discretion and could range up to \$2,000 per violation (plus the cost of any clean up or repair work which, as determined by the Board, was necessitated on account of the group usage). When determining the nature and amount of any such Reimbursement Assessment, the Board will consider various factors, including (i) the size of the group, (ii) the degree to which the group's usage interfered with the use of the Beach and Clubhouse facilities by others, (iii) whether the group left the Beach and Clubhouse Facilities in a messy condition, (iv) whether the group caused any damage to the Beach and

Clubhouse Facilities, and (v) whether the usage was a first time or repeat violation of the group usage Rules by the Residence Owner (or other Allowed Users) involved.

Regardless of whether an Allowed User of the Beach and Clubhouse facilities is part of a group, any Allowed User shall be responsible for the cost of repairing any damage to the Beach and Clubhouse Facilities that is caused by the Allowed User or his or her children or other guests and additional fines or penalties can be imposed by the Board, in its discretion, if the circumstances warrant further action.

Racks for Storage of Kayaks, Paddle Boards, Rafts, and Similar Personal Property:

The Beach facility includes storage racks where Owners can, subject to availability, reserve rack space for seasonal storage by the Owner (or its Allowed Users) to store kayaks, paddle boards, and similar personal property (in each case to the extent such property fits reasonably within the space on the racks allocated to the Owner). If there are more applications for rack space than exists, a lottery will be conducted in a manner determined by the Property Manager and reasonably similar to the boat buoy lottery rules. The Association is not responsible for theft, vandalism, or damage to any personal property or equipment that is stored on the racks.

All personal property must be removed from the storage racks at the Beach facility no later than October 15 of each year. If an Allowed User fails to remove his or her personal property on or before the October 15th deadline the Association stall shall be entitled to remove the property (after providing reasonable notice to the Allowed User, if known) and dispose of the property without liability to the owner of the removed personal property. The Association also may impose a disposition fee of up to \$250 for any equipment left by an Owner beyond the October 15th removal deadline.

4. Association Pier Rules:

Permission and Rights of Use:

The pier is for the exclusive use of Allowed Users.

Boat use of the pier and buoys is a privilege. Boat use of the Rocky Ridge pier (and of the surrounding waters) should be managed at all times in a manner that reasonably accommodates swimmers. Failure to honor the pier and/or buoy rules, or to use the pier and mooring area in a safe manner, can result in the loss of pier and/or buoy privileges. There is an annual fee that is imposed by the Association for the privilege of mooring a boat in the buoy mooring field.

Temporary mooring is limited to ten minutes for loading and unloading on both sides of the pier.

Boaters at the pier must leave space for others to come alongside to the extent possible.

Boaters must watch for swimmers.

Operation of motorized boats, jet skis and other watercraft is no less hazardous than operating a motor vehicle and there have been many well-publicized incidents at Lake Tahoe involving death or injury related to the negligent use of watercraft, particularly in areas near buoy fields and piers. It is the responsibility of each operator of a boat or other watercraft that is moored in the Association buoy field or which is picking up passengers or dropping off passengers at the Association pier to act responsibly and to be

vigilant in the observance of swimmers or others in the vicinity of the pier – particularly children. Use of the pier, the dinghy and the buoy boat is "at your own risk."

Owners are encouraged to advise the Allowed Users of the Owner's Residence of these boat and swim safety requirements.

Prohibited Activities at the Association Pier or in the Waters Immediately Adjacent to the Pier:

Blocking the dinghy davits (i.e., the mooring areas set aside for the Association's dinghy).

Horseplay, running or pushing.

Diving off of the Association pier.

Overnight mooring of watercraft, except as stated above.

Dinghy Use

Rocky Ridge dinghies are to be used only for going to and from moored boats. Dinghies are not to be used for play or recreational use.

Dinghies are to be moored on the lee side of the pier, closer to shore than at the loading area.

Persons using the dinghies must remove the oars from the oarlock holes and place the oars in the dock box.

E. Additional Rules for Rocky Ridge Owners:

1. Leasing and Rental of Residences:

The leasing and rental of residences in the Development is permitted, subject to the rules and restrictions set forth in Section 2.04 of the Declaration and these Rules and the Placer County Short Term Rental Ordinance initially adopted February 8, 2022, as amended from time to time. Owners are responsible for ensuring that their tenants comply with all Rocky Ridge Rules and the restrictions set forth in the Declaration. Subparagraph (a) of Section 2.04 reads as follows:

Any Owner may delegate his or her rights of use and enjoyment, including easements, in the Development to the members of his or her family, tenants, contract purchasers, guests and invitees, subject to the terms of this Section 2.04 and any applicable local laws and ordinances relating to short-term rentals. Upon the leasing or rental of a Residence, or upon occupancy of a Residence by a Contract Purchaser, the Owner shall be deemed to have delegated and assigned all such rights exclusively to the tenants or contract purchasers of such Lot and Residence for the term of the lease, rental agreement, or the duration of the contract of sale. On request of the Association, and in any event for any lease or rental that is for a term in excess of four (4) months, the Owner-lessor shall notify the Secretary of the Association or the Association's Property Manager of the names of any tenants or any such contract purchasers of such Owner's Residence and Lot.

The Association's Rental Information and Acknowledgement Form can be downloaded at http://www.rr-tahoe.com/files/Rental-Form.pdf or obtained at the Association office. Once completed and signed, the Form can be scanned and emailed to rentalform@rr-tahoe.com, or mailed to the Rocky Ridge Property Owners Association,

P.O. Box 432, Tahoe City, CA 96145. Owners who are leasing or renting their Residences are encouraged to read Section 2.04 of the Rocky Ridge Declaration of CC&Rs ("Delegation of Use and the Rental and Leasing of Residences") in its entirety.

2. General Rules Regarding Use of the Beach and Clubhouse Facilities:

During the high-use summer periods (i.e., Memorial Day Weekend through the Labor day weekend) each Allowed User using the Beach and Clubhouse Facilities, including any groups of Allowed Users (regardless of the group's size), should act in a welcoming manner that facilitates the use of the Beach and Clubhouse Facilities by others at the same time – no group should monopolize the facilities or make other Allowed Users feel that their use is subordinate in priority.

To enforce these principles, the Board of Directors and the Development's Property Manager have the right to sanction an Owner (or other Allowed User) whose group monopolizes the Rocky Ridge Beach and Clubhouse Facilities in a manner that is inconsistent with these principles. Usage of the Beach and Clubhouse Facilities by groups greater than 15 people in size (regardless of the number of Residences in which the groups are occupants) will be particularly scrutinized, though groups larger than 15 times the number of Residences participating in the group will be allowed so long as they meet the other tests (e.g., no monopolization) set forth in this section.

Use of the Beach and Clubhouse Facilities in a manner that is inconsistent with these principles may lead to imposition of a sanction if, in the Board's determination (or in the judgment of Development's Property Manager and his/or her on-site personnel), the observed usage unreasonably interferes with the reasonable concurrent use of the Beach and Clubhouse Facilities by other Owners and Allowed Users.

Owners are encouraged to advise the Allowed Users of the Owner's Residence of these use requirements and restrictions.

Permission and Rights to Reserve the Beach and Clubhouse Facilities:

The Beach and Clubhouse Facilities may only be reserved for group usage from one day after Memorial Day to June 25th, and from the first Thursday immediately following Labor Day to October 15th. These time periods are referred to in these Rules and Policies as the "*Potential Limited Use Period*." The Beach and Clubhouse Facilities may not be reserved, to the exclusion of other Allowed Users, during any periods of the year other than the Potential Limited Use Period.

Reservations for use of the Beach and Clubhouse Facilities during the Potential Limited Use Period can be made only by Owners for events involving the Owner or the Owner's immediate family (e.g., a wedding or other large event). Any Owners so using the Beach and Clubhouse Facilities are advised that they will be using the facilities on an "As Is" basis and without any obligation of the Association to provide services (EX: the Association shall have no responsibility to remove snow).

Renters and non-Owners cannot make reservations for use of the Beach and Clubhouse Facilities during the Potential Limited Use Period (or during any other periods of the year). The determination of those individuals who are the subject of the wedding or other event as "immediate family members" shall be at the discretion of the Property Manager and staff at the time the reservation date is requested.

Failure to honor the Rules at any time may result in the loss of one's privilege to use the Beach and Clubhouse facilities, fines, and/or other penalties as determined by the Board. Please report problems and apparent unauthorized use of the Beach or Clubhouse by persons who are not Allowed Users to the Property Manager at (530) 583-1736, or the Sheriff's Office at (530), 583 4244 or 911.

Reservation Procedures:

See the Beach and Clubhouse Agreement and Reservation Form for making a reservation application for use of the Beach and Clubhouse Facilities during the Potential Limited Use Period, and for additional requirements. The form is on the Rocky Ridge POA website or can be obtained from the Property Manager.

Reservations may be submitted by Owners to the Property Manager by mailing, emailing, or faxing the completed Reservation Form. The mailing address is: P.O. Box 432, Tahoe City, CA 96145. The email address is: rrpoa@sbcglobal.net.

Reservations are on a first-come-first-served basis. Approval will be at the discretion of the Board and/or the Property Manager. Notice of the reservation will be made available electronically to all Owners, and a sign will be posted at the Beach and Clubhouse Facility.

A security deposit of \$1,500 (\$2,500 for weddings), or as determined by the Board or Property Manager, will be required to be posted prior to approval of the reservation request.

Failure to Clean Up; Repairs Resulting from Damage Associated with Reserved Owner Events:

If the Beach, lawn areas, and/or Clubhouse require additional cleanup after a reserved event, or if repairs are required as a result of damage or other conduct during the event, the Association will charge the Owner who applied for the reservation what the Board and/or the Property Manager deem to be an appropriate amount (including any costs incurred by the Association as a consequence of the event).

Obligation to Accommodate Other Uses at Time of Reservation:

Even when the Beach and Clubhouse Facilities are reserved for special events, as provided above, the Owner reserving the Beach and Clubhouse Facilities is obligated to ensure that the event is conducted in a manner that permits reasonable access to the Beach and Clubhouse Facilities by other Allowed Users, including, without limitation, the bathrooms, the pier, the mooring field, the beach, and swim areas. For this purpose, the Owner reserving the Beach Facilities my designate reasonable access routes so as allow such access without unreasonably interfering with the Owner's event. Such routes will be subject to the reasonable approval of the Property Manager.

3. Boat and Buoy Rules and Restrictions:

Permission and Rights of Use of Buoys in the Association Mooring Field:

Having a boat on a buoy in the Association mooring field is a privilege. Owners are not guaranteed the use of a buoy. The buoy use privilege may be revoked by the Board if, in its sole discretion, the actions of the Owner to which the buoy has been allocated (or his family or guests) may cause harm, have violated the Rocky Ridge Rules or Policies, or are a nuisance.

Boats may be moored on or after May 15th, weather permitting, and must be removed for winter storage on or before October 15th of each year. The Association may charge an additional fee to Owners that do not timely remove their boats.

Insurance and Liability Relating to Owner Boats in the Association Mooring Field:

Owners who have a permitted boat in the Association's mooring field must carry public liability insurance in the amount of \$1,000,000.00 (or \$500,000.00 and an umbrella policy of at least \$500,000.00) and property damage insurance in the amount of \$25,000.00 for each boat allocated a buoy. Evidence of coverage must be provided to the Association management with the Owner's buoy allocation application.

Owners must add the Rocky Ridge Properties Owners Association as an "additional insured" to their liability coverage.

Owners bear all risk of damage to their boat that occurs while in the Rocky Ridge mooring field (including on a buoy, at the pier, or in transit to and from the Association beach and pier area) regardless of cause.

Buoy Allocation Procedures:

Buoys will be allocated by the Property Manager upon application by an Owner through the Buoy Allocation Program (see below), subject to the conditions set forth in these Buoy Rules.

Evidence of boat registration and insurance in the Owner's name for each boat must be supplied with the Buoy Application. Boat trailer license numbers must be provided on the application.

By signing the application, the Owner agrees to all rules, terms and conditions.

Buoy Application Forms will be sent to Owners who request them and only will be considered if submitted by the deadline dates established by the Property Manager. A link to the 2023 Application Form is in Part "H" of these Rules.

Buoys will be allocated to Owners on the basis of the priorities stated on the Buoy Application Form (see "Priorities" below) and in accordance with the procedures that follow when the demand for buoys exceeds availability. Allocations shall only be made to Owners who are current in the payment of Assessments to the Association and otherwise in Good Standing.

Number of Buoys In the Mooring Field.

The number of Rocky Ridge buoys that are available in the community mooring field in 2023 and beyond may be limited by Tahoe Regional Planning Agency, California State Lands Commission, and/or subsequent regulations or court decisions. As of February 1, 2023 there are 31 useable buoys in the Rocky Ridge Community Mooring Field (plus two marker buoys).

Eligibility/Boat Requirements:

To be eligible for the buoy lottery, an applicant for a buoy in the Community Mooring Field must be an Owner who is current in the payment of all assessments owing to the Association, the boat must be registered in the Owner's name, and the required insurance must also be in the Owner's name. No application will be eligible to enter the lottery for a buoy until this information is received.

Because the number of buoys in the Association's Community Mooring Field is limited there is no guarantee that an Owner who was allocated a position in the field in a prior year will be receiving a buoy allocation in subsequent years.

Boats must be less than 30 feet in length to use buoys in the Association mooring field and all boats must have proper mooring lines as specified by the Property Manager. Any mooring lines that are deemed inadequate must be replaced and if a mooring line fails for any reason, the resulting loss and damage is the sole responsibility of the boat owner.

Restrictions:

Only the boat that is identified on the valid application for a buoy mooring allocation will be allowed to use the assigned buoy unless otherwise approved by the Property Manager (which still must meet the application requirements). No Owner may be assigned more than one buoy in the same Period unless there are unused buoys.

Priority Mooring Field Allocations.

Past Board of Director Presidents and current Board members have priority for buoy allocations.

Expense Pass-Through; Reimbursement Assessments.

Each Spring the charge for obtaining a reserved buoy in the Association's Community Mooring Field shall be determined by the Board and announced by the Property Manager. The expenses recovered by the Association through the buoy Reimbursement Assessments include but are not limited to:

- The buoy/beach attendant's expenses.
- The premiums paid by the Association for any insurance pertaining to ownership or operation of the
 pier and the buoys, or any liability or damage pertaining thereto. Such insurance premiums shall
 include without limitation the premiums for any marine insurance costs for the buoy/beach
 attendants.
- The buoy maintenance expenses.
- Any other operational costs of the dinghy and motorized tender
- The current season buoy lease and permit fees for buoys imposed by the California State Lands Commission and the Tahoe Regional Planning Agency.

NOTE: The Board shall review these expenses and determine, in its reasonable discretion, the portion of the various buoy and pier related expenses which are reasonably attributable to buoy usage, and thus included within the pool of expenses that are charged to buoy users and recovered by the Association through the annual Reimbursement Assessments.

Buoy Allocation Periods.

If necessary to accommodate the demand for buoy allocations during the summer season allocations shall be divided into two periods:

- Period One May 15th to July 28th
- Period Two July 29th to October 15th

Application and Payment for an Annual Buoy Allocation.

A notice will be sent to all Owners regarding buoy applications at a date determined by the Property Manager and/or Board each year. The notice will set the deadline for submitting applications for assignment of a buoy in the mooring field. Only one application is permitted per Rocky Ridge Residence. Owners are required to include a check in the amount of the estimated charges for the Buoy Reimbursement Assessment for the entire summer season with the Owner's application (see "Expense Pass-Through; Reimbursement Assessment" above) as well as the required documentation (e.g., the buoy application, a copy of the boat registration, evidence of

procurement of the requisite insurance, evidence that the Association has been added as a named insured). If an applicant is awarded a buoy for only one summer use period pursuant to the lottery process described in the next succeeding paragraph, then one-half of the estimated buoy Reimbursement Assessment (as paid by the applicant in connection with the Owner's buoy application) shall be returned to the applicant; if the applicant is not awarded a buoy for either summer use period pursuant to the lottery process, then the full amount of the estimated Reimbursement Assessment will be returned to the applicant.

Lottery for Allocation of Buoys.

Current Board members and past Board of Director presidents who submit valid applications will be awarded a buoy for both Periods if they so desire. One week after the deadline, a lottery will be held to award buoys in both summer use periods to other Owners. The first buoys awarded will be for Period 2. Applicants who were not awarded buoys in Period 2 are eligible to be assigned a buoy for Period 1. If after the Period 2 lottery there are more applicants remaining than the number of buoys available for Period 1, then the names will be drawn from the valid applicants who did not win Period 2 buoys in order to award the remaining buoys in Period 1. If after the Period 2 lottery there are less applicants remaining than number of buoys available for Period 1, then all the valid applicants who failed to receive a buoy allocation for Period 2 will be awarded a buoy in Period 1, and the Property Manager shall determine how to allocate the remaining Period 1 buoys.

Assignment of Buoys.

Owners winning a buoy allocation in the lottery will be advised of the Period won, and the Property Manager in its discretion will assign a specific buoy to each Owner who is awarded a buoy for each Period.

Enforcement:

The Board will use fines and the removal of buoy privileges for the following infractions: (i) boats violating pier and buoy rules; (ii) boats tied to the pier in violation of these Rules; (iii) Owners allowing boats that are not identified in their application to use their assigned buoy; and (iv) other violations of the Rocky Ridge Rules.

Pier/Dock Usage:

The Association pier is for loading and unloading boats only; boats may not be left unattended while tied to the pier. Overnight tie up is forbidden except for overnight behind (closer to shore) the davits.

4. Prohibitions on Commercial and Public Facility Usage of Common Areas and Common Facilities and Related Rules:

Prohibition of Commercial Activities in Residences and Common Areas:

No Owner can collect a fee or rent for the use of any part of the Common Area. No commercial enterprises may use any part of the Common Area, even if rent free, and even if an Allowed User participates. Owners and Allowed Users are directed to Section 7.04 of the Declaration for the covenants and restrictions that are imposed on the use of Residences for business and/or commercial activities ("Restrictions on the Conduct of Business Activities from Residences or Use of a Residence as a Business Site").

Public Recreation Use of Association Common Facilities is Prohibited:

The Rocky Ridge Common Area recreational facilities are not public recreation facilities and as such the use of such facilities or any other part of the Common Area is limited to Allowed Users and are, at all times, subject to reasonable regulation by the Association and its management staff.

Fundraising Events:

Fundraising events, regardless of the cause, are prohibited within any Common Facility or other Common Areas of Rocky Ridge.

5. Rules Pertaining to Remodeling Projects

Approval Process, if Required:

Unless a particular alteration to a Residence first has been approved by the Association's Architectural Control Committee, no Owner may undertake an alteration to its Residence if the alteration will affect:

- The structural support of any portion of the Building within which the Owner's Residence is housed;
- Important systems within the Building within which the Owner's Residence is housed, such as plumbing, electrical, HVAC or utility systems, if the same may adversely affect the manner in which important Building systems provide service or otherwise operate for other Residences; or
- The exterior appearance of the Building within which the Owner's Residence is housed.

Interior changes to a Residence which, in the opinion of the Property Manager, may affect the structural integrity of the Building, or which may adversely affect the manner in which important Building systems provide service or otherwise operate with respect to other Townhome Residences, will require review by the Property Manager and permission of the Architectural Control Committee before the proposed change may be undertaken. Residence Owners are advised that the Architectural Control Committee's general policy is to require an opinion of a licensed structural or civil engineer (which opinion must be satisfactory to the Architectural Control Committee, in its discretion) before approving such structural changes, and that the Architectural Control Committee similarly may require expert input before approving proposed changes that may affect other important Building systems.

As a result of the concerns underlying the above concepts, Owners must provide written notice to the Property Manager in advance of undertaking any interior remodeling activity of a material nature (e.g., before moving any beams or other improvements arguably affecting structural support, or before undertaking changes that could affect plumbing, electrical or HVAC improvements or operations for other Owners). The notice should describe (i) the nature of the work that the Owner intends to undertake, and (ii) the Owner's perspective as to whether the work will involve alteration of structural elements, alteration of important Building systems which may adversely affect other Owners, or alteration of the exterior appearance of the Residence. The application and its accompanying materials also may benefit from discussion of logistical details pertinent to the undertaking of the proposed work (e.g., the nature of the Owner's plans for complying with the rules set forth below in "Remodeling Project Rules for Owners and Contractors"), discussion of the proposed schedule for completion of the work, and discussion of any circumstances which suggest expedited review and an expedited decision from the Architectural Control Committee might be important or appropriate. The Property Manager and the Owner next shall proceed as follows:

• If the Owner, in its notice to the Property Manager, asserts that the work will involve structural alterations, alterations important to Building systems which may adversely affect the manner in which such systems service other Townhome Residences within the affected Building, or alteration of the exterior appearance of the Residence in question, then the Owner must submit an application to the Architectural Control Committee for approval of the proposed work.

- If the Owner, in its notice to the Property Manager, asserts that the work will <u>not</u> involve structural alterations, alterations to important Building systems which may adversely affect the manner in which such systems service other Townhome Residences within the affected Building, or alteration of the exterior appearance of the Residence in question, and if the Property Manager agrees with this assertion, then the Property Manager shall so inform the Owner, and the Owner shall have the right to proceed with the work as described in the Owner's notice to the Property Manager.
- If the Owner, in its notice to the Property Manager, asserts that the work will not involve structural alterations, alterations of important Building systems which may adversely affect the manner in which such systems service other Townhome Residences within the affected Building, or alteration of the exterior appearance of the Residence in question, but the Property Manager does not agree with this assertion, then the Property Manager shall inform the Owner as to the nature of the Property Manager's assessment and the basis for the Property Manager's conclusion. Except as otherwise provided below, the Property Manager further shall inform the Owner that before proceeding with the work, the Owner must obtain an approval from the Architectural Control Committee. In such case, the Owner (a) may work with the Property Manager to address the Property Manager's concerns, and/or (b) may submit an application to the Architectural Control Committee for approval of the proposed work.
- If pursuant to the foregoing the Owner is required to obtain the approval from the Architectural Control Committee as a condition to the work described in the Owner's notice, then:
 - The Owner may determine the nature of the materials to be included in the application submitted to the Architectural Control Committee by the Owner, keeping in mind that the materials should provide the Architectural Control Committee with sufficient and appropriate (yet reasonably concise) information so as to permit it to consider the proposed work and the nature of the alleged structural alterations, alterations to important Building systems and/or alterations to the exterior appearance of the Residence. The Owner also should consider whether drawings of aspects of the contemplated work or its appearance might be helpful. Further, in cases involving alleged structural ramifications or alterations to important Building systems, the Owner should consider including expert input from a licensed structural or civil engineer and/or other experts.
 - The application should be in a form (e.g., computer files) which will permit ready distribution to, and analysis by, the members of the Architectural Control Committee.
 - The Property Manager and the other Owners also shall have the right to submit materials with respect to the application, and the Property Manager and the other Owners also shall have a right to participate in the meeting of the Architectural Control Committee to consider the application (subject to such reasonable limitations as may be established by the chair of the Architectural Control Committee).
 - The Architectural Control Committee shall consider the Owner's application at the first scheduled meeting of the Architectural Control Committee (or of the Board, in a circumstance where the Board is acting as the Architectural Committee) which is scheduled to be held at least 10 days after submission of such application; provided, however, that if (i) the scope of the materials submitted in the application, or the complexity of the scope of the work, is too expansive to permit reasonable assessment within said 10-day period, or (ii) the materials submitted in support of the application

are insufficient or inappropriate to permit reasonable assessment within said 10-day period, then the Property Manager may postpone the Architectural Control Committee's consideration of the application for a reasonable period (in the context of the review required) for up to 80 additional days. Said 10-day and 80-day periods are provided to facilitate the meshing of the approval process with the requirements of Section 5.08 of the Declaration of CC&Rs ("Time Limits for Approval or Rejection of Proposed Improvement Projects"); notwithstanding the permitted extensions contemplated hereby, it is the policy of the Architectural Control Committee that its review and decision making should be completed in a reasonable and expeditious manner (so long as such review and decision making may be completed without imposing unreasonable burdens upon the members of the Architectural Control Committee).

- The Architectural Control Committee shall consider the application and any other information provided at the meeting with respect to the proposed work. The Architectural Control Committee's decision with respect to the work proposed by the Owner shall be subject to the requirements of Section 5.07 of the Declaration of CC&Rs ("Basis for Approval of Improvements"). The decision of the Architectural Control Committee also is subject to appeal to the Board of Directors as provided in Section 5.08(b) of the Declaration of CC&Rs.
- Notwithstanding the foregoing, if the Property Manager determines that the work proposed by the Owner will involve structural alterations, alterations affecting important Building systems, or alteration of the exterior appearance of the Residence in question, but that such work and the resulting improvements are de minimus in nature or substantially likely to be approved by the Architectural Control Committee (i) in accordance with the Declaration of CC&Rs (including Section 5.07 thereof) and (ii) in a manner reasonably consistent with the analysis applied to past applications provided to the Architectural Control Committee, then the Property Manager shall be authorized to approve the proposed work on behalf of the Architectural Control Committee, and the Owner shall have the right to proceed with the work as described in the Owner's notice to the Property Manager. Should the Property Manager provide any such approvals in this manner, the Property Manager shall provide to the Board a description of such changes (and of the Property Manager's analysis) in a reasonably diligent manner (which may consist of an oral report at the next meeting of the Board).
- Even when interior work will involve neither structural alterations, nor alterations of important Building systems, nor alteration of the exterior appearance of the Residence, it is highly possible that the work may create issues related to the storage of construction materials, the parking of construction vehicles, and the disposal of wood, sheetrock, appliances and other discarded materials. The Owner shall cause its contractors to consult periodically with the Property Manager, as reasonably appropriate, to assure that the work is completed in compliance with the construction rules set forth in these Rules and Policies (see "Remodeling Project Rules for Owners and Contractors", below).
- Review and approval by the Architectural Control Committee of any proposals, plans or other submittals pertaining to Improvements or work related thereto shall in no way be deemed to constitute satisfaction of, or compliance with, any building permit process or any other governmental requirements, the responsibility for which shall lie solely with the Owner who desires to undertake such work or to construct, install or modify the contemplated Improvement.

Remodeling Project Rules for Owners and Contractors:

The following rules and restrictions must be observed by Owners and contractors with respect to all Residence improvement and remodeling projects:

- Hours of Permitted Construction Activity. Construction and remodeling work is permitted Monday through Friday, 8:00 AM to 5:00 PM, WEEKDAYS ONLY. Work is prohibited on weekends or holidays.
- <u>Storage of Building Materials.</u> No building materials may be stacked on the roofs of Residences (except during active application of roofing materials) or kept on the exterior of any Residence, or in the parking areas adjacent to the construction site.
- <u>Prohibition of Construction Activity Outside of Residences.</u> No work may be done outside the Residence, such as cutting tile or wood.
- <u>Prohibition on Bringing Dogs to Construction Sites.</u> Contractors and subcontractors are not permitted to bring dogs to the Rocky Ridge development.
- Parking of Construction Vehicles. Vehicles may be parked on paved parking areas only and shall not be parked in a manner that encroaches or impedes the free flow of vehicles on the adjacent roadway. The location for the parking of construction vehicles must be approved by the Property Manager.
- Notification to Property Manager Regarding Exterior Painting and Staining Projects. Advance notification to the Property Manager is required before spraying lacquer or oil based paints on Residence exteriors.
- <u>Prohibition on Use of Association Dumpsters for Disposal of Construction Debris.</u> Contractors cannot use association Common Area dumpsters as disposal sites for construction debris.
- <u>Contractor Rented Dumpsters; Location Restrictions.</u> Contractors may rent dumpsters. However, the placement of a rented dumpster in the Common Areas, and the duration for which the dumpster can remain in the Development, must be approved by the Property Manager.
- <u>Obligation to Manage Snow Events.</u> During snow events, contractors should manage their work as reasonably appropriate to facilitate snow removal and management and to prevent ice buildup.
- <u>Legal Requirements.</u> Contractors must be licensed by the State of California. Contractors also shall undertake their work in a manner which reasonably complies with all applicable laws (including laws conditioning work upon prior receipt of an applicable permit).
- <u>Contractor Insurance Requirements.</u> Contractors must have workers compensation and liability Insurance in the amount of at least \$1,000,000 naming the Association as an additional insured and Contractors must provide a release of liability to the Association if required by the Property Manager or the Board.
- Execution of the Association Contractor Access Agreement. Before commencing work at any site within the Development, all contractors must execute a Contractor Access Agreement with the Association which addresses rights of access, construction rules, construction hours, indemnity and insurance requirements. The Form can be accessed at the website noted in the section "H" of these Rules.

6. Sports Apparatus:

No basketball standards (including portable basketball standards) or similar sports apparatus shall be placed upon or attached to any Residence or erected in the Common Area.

F. Enforcement of the Rocky Ridge Covenants, Restrictions and Association Rules:

1. Handling Misconduct Reports:

The Association has in the past and will in the future make every good faith effort to handle reports of misconduct and violations of the Association Governing Documents and these Rules by Owners and other Allowed Users as informally and as quickly as possible. This will be handled by the Association (either the Property Manager or a Board Member) making reasonable best efforts to contact the Owner or renter whose family or guests are alleged to have caused the problem (and also the parties who originated the complaint). This contact will take place by speaking face to face or by telephone, unless the circumstances involve a threat of personal injury, property damage, or conduct late at night such that actual contact with the parties is not feasible. The conversation will describe the event as reported, who was involved, why the conduct or incident appears to be an infraction of the Association's Rules or other Governing Documents, possible penalties, etc. If these informal efforts to handle and eliminate the situation or conduct that appears to be in violation of these Rules or the other Governing Documents of the Association by phone or face to face encounters, the Association will respond by email or mail. The Owner, Allowed User and/or parties who were alleged to have caused the problem will be given an appropriate opportunity to explain the circumstances and to respond in a reasonable time.

Although the immediately preceding paragraph accurately describes the normal protocols for responding to alleged violations of the Association Rules or other covenants and restrictions that are set forth in the Association's Governing Documents, situations may arise where the facts and circumstances require an immediate response by the Association, the management staff, or perhaps by local law enforcement personnel in order to effectively respond to a situation that requires immediate attention. Under those circumstances the Board is authorized to impose penalties and/or to levy fines immediately and without necessity of providing prior notice to either the Owner or to that Owner's tenants, guests and/or invitees.

2. Board Action:

If the Board perceives the response from an Owner, an Allowed User, or other involved parties was inadequate, lacking in good faith, late, etc., the Board may choose to pursue additional penalties and/or enforcement remedies as described in subparagraphs 3 through 6, below.

3. Penalties for Infractions:

The Board has the authority to determine whether a penalty is to be imposed, and what that penalty will be in the event of an infraction of the Rules or other misconduct. Owners are referred to the Rocky Ridge Declaration of CC&Rs which are incorporated herein by reference, with respect to the powers of the Board, and the manner in which penalties will be enforced (see, particularly, Article XI of the Declaration of CC&Rs entitled "Enforcement"). Civil Code section 5855 states that when the Board meets to consider or impose discipline upon a Member, or to impose a monetary charge as a means of reimbursing the Association for costs incurred by the Association in the repair of damage to Common Areas and Common Facilities caused by a Member or the Member's guest or tenant,

the Board shall notify the member in writing, by either personal delivery or individual delivery pursuant to Civil Code Section 4040, at least 10 days prior to the meeting. The notification shall contain, at a minimum, the date, time, and place of the meeting, the nature of the alleged violation for which a Member may be disciplined or the nature of the damage to the common area and facilities for which a monetary charge may be imposed, and a statement that the Member has a right to attend and may address the board at the meeting. The Board shall meet in executive session if requested by the Member. NOTE: The foregoing notification requirement does not apply to preliminary Board discussions intended to ascertain facts pertaining to a potential violation, so long as the Board does not, during such discussions, commence material consideration of proposed discipline that may be imposed upon the pertinent Member as a consequence of the violation.

If the Board imposes discipline on a Member or imposes a monetary charge on the Member for damage to the Common Area and/or any Common Facilities, the Board shall provide the Member a written notification of the decision, by either personal delivery or individual delivery pursuant to Civil Code Section 4040, within 15 days following the Board's decision.

4. What Constitutes a "Violation"?

A violation of the Rules and/or the Declaration of CC&Rs shall be defined as a single act or omission, although as noted below, under certain circumstances a violation has a continuing impact until it is resolved or is terminated. Furthermore, any violation of the Rules shall be deemed a nuisance as defined by California law. Any activity or condition which constitutes a public or private nuisance (Civil Code section 3479) or violation of law shall also be deemed a violation. Each violation of and Association Rule or other Governing Document shall warrant a separate or additional penalty. If the detrimental effect of a violation continues for additional days, discipline imposed by the Board may include one component for the violation and, at the Board's discretion, a per diem component for so long as the detrimental effect continues. Similar violations on different days shall justify cumulative imposition of disciplinary measures. The Board may, in its discretion, take reasonable action to mitigate, repair or avoid the continuing damaging effects of a violation or nuisance at the cost of the responsible party.

5. Jurisdiction of the Association:

The Rocky Ridge Association, through its Board of Directors, shall have jurisdiction over any person or animal within the Rocky Ridge Common Areas or with rights in the Property and any real and/or personal property or animal on the Property.

6. Enforcement Options:

In the event of a breach or violation of any of the Rules or of any property use restrictions set forth in the Declaration of CC&RS by any Allowed User, the Board may impose penalties and enforce compliance with the Rules/CC&Rs through the use of such remedies against the Owner of the Residence involved as are deemed appropriate by the Board, including, but not limited to, the following:

- (a) <u>Suspension of Rights</u>. The Board may suspend the right to use the Recreation Area facilities, the Common Area, and/or the right to vote.
- (b) <u>Imposition of Fines</u>. The Association has the authority to impose fines for various commonly recurring infractions of the Association Rules or the other Governing Documents so long as the Association has adopted a schedule of fines and has distributed that schedule to all Owners by some means of Individual Delivery (Civil Code section 4040). Fines are enforceable by lien and/or foreclosure. The following shall be deemed a reasonable fine schedule for each violation:

(1) First violation: Warning Letter unless the Board decides immediate imposition of

a penalty is warranted. Then the amounts below or as set by the

Board.

(2) Second violation: \$ 500.00
(3) Third violation: \$1,000.00
(4) Fourth violation: \$2,000.00
(5) Subsequent violation(s): \$5,000.00

7. Each Owner Has Ultimate Responsibility For Violations By the Owner's Allowed Users; Penalties:

Each Owner shall bear ultimate responsibility for the proper conduct of its Allowed Users and their pets. Should an Allowed User violate these Rules or the CC&R provisions, or if an Allowed User causes damage to the Common Areas, Common Facilities, or the Residences or vehicles of other Allowed Users, then the Association may impose some or all of the resulting sanctions upon (and recover some or all of any related damages suffered by the Association from) the Owner of the Residence used by the Owner's Allowed User.

8. Additional Penalties

Violations of certain Rules and/or CC&R provisions also carry the following additional penalties:

<u>Violation of the Beach and Clubhouse Reservation Rules</u> may result in a fine of up to \$2000 per violation as determined by the Board, and loss of the privilege to reserve the Beach and Clubhouse Facilities for such time as the Board determines is appropriate. The cap of \$2000.00 shall not apply to subsequent violations of the group usage rules by the same Owner or the same group of Owners.

<u>Violation of the Rocky Ridge Rules</u> may also result in Owner's loss of use of rights to access and use the Common Area recreational facilities.

<u>Violation of the Pier and Buoy Rules</u> may result in the loss of an Owner's buoy mooring privileges as well as such fines as the Board determines are appropriate. Under such circumstances resulting in a final determination that Governing Document provisions pertaining to the Community Mooring Field or related infractions pertaining to the operation of watercraft in the field or in and around the Association Pier and swim area have occurred, the offending Owner shall not be entitled to any refund of previously paid Community Mooring Field Reimbursement Assessments.

9. Attorney Fees:

In the event that employment of legal counsel by the Association, or enforcement actions are undertaken in connection with infractions of these Rules or other Association Governing Documents, including without limitation, actions to interpret, enforce, obtain clarification of or obtain benefits from or relating to the Rules or the Governing Documents:

1) the prevailing party shall recover his/her/its reasonable attorney fees, costs and related disbursements jointly and severally from the opposing parties (Civil Code section 5975(c));

- 2) the prevailing party shall have the option of seeking fees by motion after suit under Civil Code § 1717 or in the suit; these attorney fees, costs and disbursements shall be the greater of reasonable fees, costs and disbursements as viewed by the court or the amounts incurred by the prevailing party;
- 3) it is further expressly provided that this right to recover attorney fees, costs and disbursements shall survive any decree, judgment or order so as to entitle the prevailing party to recover said amounts post judgment in connection with actions including, without limitation, appeals, enforcement of judgment proceedings and actions; and that it is expressly provided that the attorney fee portion of these Rules does not merge into any judgment or award.

10. Compliance with California Civil Code Governing Document Enforcement Procedures:

In addition to this Rules booklet, the Rocky Ridge Properties Owners Association has promulgated separate Rules documents that set forth the procedures that must be followed under the Davis-Stirling Act when disputes arise concerning: (i) the meaning or application of California's Nonprofit Mutual Benefit Corporation Law or the Davis-Stirling Act; or (ii) the rights, duties, or liabilities of any Member under the Association's Governing Documents. If those sorts of disputes cannot be resolved through the informal, neighbor-to-neighbor efforts summarized above, California's Davis-Stirling Act (Civil Code sections 5850 through 5965) contemplates a progressive process of dispute resolution that is aimed at settling most disputes among Owners, Residents and the Association through internal dispute resolution procedures and alternative dispute resolution procedures that can be successful without the need to resort to more expensive and protracted civil court litigation.

Unless the circumstances of a dispute involve situations that merit an immediate response, such as potential destruction of property, physical harm, or a significant disruption of the quiet enjoyment of Rocky Ridge residents, the Davis-Stirling Act procedures begin with notification of an Owner or Resident of a potential or observed violation of the Governing Documents and notice of a Board meeting at which the imposition of a fine will be considered if the situation persists.

Internal dispute resolution (IDR) is the next level of formality and the procedures for IDR are set forth in Civil Code sections 5900 through 5915. Those IDR procedures involve issuance of a notice to an offending Owner or Resident inviting that person_to attend a "meet and confer" session with a representative or representatives of the Board in an effort to discuss and resolve the alleged violation. If it is an Owner who feels that he or she is the aggrieved party, that Owner may also tender a request to the Board to participate in a meet and confer session. If the procedure is invoked by an Owner, the Association must agree to participate, however if the Association is the initiating party, the recipient Owner can decline to participate. The law expressly states that the Association's IDR procedures must be fair, reasonable and expeditious.

If those informal IDR_efforts fail to resolve the matter and it appears that resort to civil litigation may be required, the Civil Code statutory rules call for the parties to engage in alternative dispute resolution (ADR) involving a third party neutral mediator or arbitrator. The rules for ADR proceedings are set forth in Civil Code sections 5925 through 5960 and the process begins with the service on the other party of a document called a "Request For Resolution". That document must set forth: (i) a brief description of the nature of the dispute; (ii) a request for alternative dispute resolution; (iii) a notice that the recipient of the Request must respond within 30 days or the Request is deemed to have been rejected; and (iv) when the recipient of a Request for Resolution is an Owner the Request must also include a copy of the Civil Code ADR provisions. Although the Civil Code is

not clear on this subject, a properly drafted Request for Resolution should not just state: "demand is made that the recipient participate in ADR" because Alternative Dispute Resolution can be arbitration, mediation, conciliation, or any other non-judicial procedure. Accordingly the Request should present a proposal for some specific form of ADR process and procedure.

Owners and Residents are encouraged to carefully read the Rocky Ridge IDR and ADR enforcement procedure documents as well as Article XI of Declaration of CC&Rs for Rocky Ridge ("Enforcement"). Civil Code section 5310(a)(9) obligates the Association to distribute to all Members, as one component of the Association's Annual Policy Statement, a summary description of the Association's dispute resolution procedures (both IDR and ADR) which must be provided to the Members pursuant to Civil Code sections 5920 and 5965. The Annual Policy Statement must be provided to all Members, by some form of Individual Delivery (Civil Code section 4040) not less than thirty (30) nor more than ninety (90) days before the end of the Association's fiscal year.

G. Association Policies: The Association has adopted the following additional Policies to provide guidance with respect to the manner in which the Association will apply the Rules:

1. Tree Trimming and Removal Policy:

The Association follows all local, state, federal, and TRPA laws and guidelines such as TRPA's restriction on removal of healthy trees 6 inches in diameter or more (measured at a prescribed code height of about four feet (4') feet from the ground) without a permit.

TRPA regulations allow, and the Association has the option, to remove dead trees without TRPA approval.

The Association has the option of trimming the bottom one third of a tree for view enhancement and/or fire prevention.

The Association has the option to trim trees for a clearance up to 6 feet from the buildings, decks and roadways; and up to ten feet (10') from chimneys.

The Association regularly removes small trees (under 6 inches in diameter):

- To prevent views from being blocked.
- To create distance from building.
- To promote the general health of the forest.

The Association employs a defensible space plan which is of critical importance for fire safety within the Rocky Ridge development and the promotion of healthy growth of trees within the Development.

The Association understands that Owners may have a material interest in the trimming, removal or unaltered condition of existing trees. For example, particular trees (or the trimming or removal of such trees) may affect the view or ambience of a Townhouse. Accordingly, before undertaking the trimming or removal of a tree which is likely to have a material impact upon the views or ambience of a Townhouse (or multiple Townhouses), the Association shall apply reasonable efforts to ascertain and consider the perspectives of the Owners of such Townhouses. The decision of the Board of Directors with respect to whether to proceed with such trimming or removal shall be final and binding.

2. Satellite Dish Policy:

The Association has the right to control location of satellite dishes installed by Owners, although Owners generally have the right under applicable laws to install satellite dishes with a diameter or diagonal measurement of 36 inches or less at a location that provides good reception, the Association can impose prior approval requirements as to the proposed location of the dish and other reasonable approval requirements (Civil Code section 4725). The basic guidelines for satellite dish installations in Rocky Ridge are:

- Not visible above the ridgeline of any Residence structure.
- Not or minimally visible from adjacent unit decks or windows.
- Not or minimally visible from the Common Areas.
- Not or minimally visible from pedestrians or cars.
- Preferred location is below the lowest deck with the dish placed in such that the whole dish is under the deck.
- If and when the technology allows it, Owners are encouraged to share a dish if the Owners in the same building have contracted with the same dish service.
- If such sharing opportunity becomes available, the Association retains the right to limit the maximum number of dishes in any building to the number of different dish services available.

The process for an Owner installing a satellite dish is:

- Owner has the satellite dish company locate potential sites for the dish with satisfactory signal reception that attempt to meet above guidelines.
- Owner informs the Property Manager who may invite neighboring Owners' comment.
- Property Manager chooses the best location among those with suitable reception. The Board will
 decide any disputes.
- If an Owner places a dish at a location expressly not approved by the Property Manager, the Association has the right to relocate the dish and charge the Owner for the cost to relocate it. If the relocation is done by an Association employee, the charge will be at the rate established from time to time by the Property Manager.
- For dishes already installed prior to the Property Manager approval requirement, the Board retains the right to change the dish location to a location that, in the judgment of the Property Manager, best meets the guidelines. If the relocation is done by an Association employee, the charge will be at the rate established from time to time by the Property Manager.

3. Bear Mat Policy

On April 22, 2022, the Board of Directors adopted a policy requiring that each Owner either (i) install an electrified bear mat (in a form approved by the Property Manager) at the front entrance of his or her Residence or (ii) "bear" the responsibility of opting out. These mats serve as a deterrent to the bear intrusion problem at Rocky Ridge. Policy details can be found on the RRPOA Legal Notice to Owners page on the Rocky Ridge website. A link to the Policy is included in Part "H" of these Rules and Policies.

In general terms, the bear mat policy (A) clarifies that the share of the damage emanating from a particular bear "break in" incident that will be borne by the Association (rather than the Townhouse Owner) is limited in scope and (B) if the bear "break in" occurs to a Townhouse unit which has not installed a bear mat, or which was

not operating at the time of the break in, then the share of the damage borne by the Association (rather than the Townhouse Owner) is even further limited.

There is inherent risk of electrical shock to Owners and their tenants or guests due to operation of the bear mats. Owners should make their families, tenants and guests aware of the appropriate recommended safety steps to avoid inadvertent shock from the bear mats. Homeowners should be particularly careful with pets and children to make sure they do not step on the mat (or a neighbor's mat) when the mat is "on".

4. Air Conditioning and HVAC Equipment Installation Policy

No equipment related to an heating, ventilation or air conditional systems for a Townhome Residence shall be installed outside of the interior walls of a Townhome Residence unless the installation and operation has been approved by the Association's Architectural Control Committee (sometimes referred to in the Declaration of CC&R's as the "ACC" of the Association). A link to the Policy is included in Part "H" of these Rules and Policies. Townhouse Owners are encouraged to consider the procedures (and approval requirements) applicable to these systems before committing to the installation of equipment involved in such systems or incurring material expense with respect to such projects. In planning their work, Owners and Contractors also should keep in mind that the approval process may infuse further time requirements into the work schedule for the project.

5. Architectural Review and Approval Policies:

The Rocky Ridge Declaration of CC&Rs (see particularly Article V of the Declaration) and the Association's Bylaws give the Architectural Control Committee authority to control the exterior appearance of all Residence structures within Rocky Ridge. These documents also condition an Owner's right to implement any structural changes to the Residences upon approval of the Architectural Control Committee, and these documents further set forth certain limitations on the Architectural Control Committee's authority to grant approvals for such alterations. The Board also has determined that except with the prior review of the Property Manager and that approval of the Architectural control Committee, no Owner shall undertake any changes to important Building systems (such as such as plumbing, electrical, HVAC or utility systems) which may adversely affect the manner in which important Building systems provide service or otherwise operate with respect to other Townhome Residences.

Generally speaking, the Declaration of CC&Rs does not permit approval of an alteration that changes the structural support or the exterior appearance of a Residence unless the Board first finds that (i) the proposed improvement will be inharmony with the external design of other improvements within Rocky Ridge, (ii) the proposed improvement will not interfere with the reasonable enjoyment of the Development of other Owners, and (iii) the proposed improvement will be generally consistent with the aesthetic standards exhibited by other Buildings in Rocky Ridge.

An Owner seeking an alteration that would change the structural support within a Building, or which might affect important Building systems and the manner in which such systems provide service or operations for other Residences, or the exterior appearance of a Residence, must submit an application to the Board. See the section entitled "Rules Pertaining to Remodeling Projects" (within Section E.5, above) for certain Rules and Policies regarding the procedures for Owners, the Property Manager and the Board to follow with respect to pursuit of the requisite approvals.

Townhouse Owners are encouraged to consider the procedures (and approval requirements) applicable to their renovation projects before committing to proceed with such projects or incurring material expense with

respect to such projects. In planning their work, Owners and Contractors also should keep in mind that the approval process may infuse further time requirements into the work schedule for the project.

6. Association Assessment Delinquency and Collection Policies:

Timely payment of Regular and Special Assessments is of critical importance to the Association. Owners' failure to pay Assessments when due creates a cash flow problem for the Association and causes those Owners who make timely payments of their Assessments to bear a disproportionate share of the community's financial obligations.

All Regular Assessments shall be due and payable, in advance, in equal quarterly installments, on the first day of January, April, July and October of each year. Special Assessments shall be due and payable on the due date specified by the Board in the notice imposing the Assessment or in the ballot presenting the Special Assessment to the Owners for approval. Assessments are an obligation of the Owner of the assessed Residence at the time the Assessment is levied.

Regular and Special Assessments shall be delinquent if not paid within thirty (30) days after they become due.

If any installment payment of a Regular or Special Assessment is not made within thirty (30) days after it has become due, a late payment charge equal to ten percent (10%) of the late payment shall be imposed, and the Association shall be entitled to recover any reasonable collection costs, including attorney fees, that the Association then incurs in its efforts to collect the delinquent sums.

If an Assessment payment is delinquent for more than 30 days, interest shall be imposed on all sums due, including the delinquent Assessment, collection costs and late charges at an annual percentage rate of ten percent (10%).

Any further Assessment collection efforts must adhere to a progressive assessment collection process that is set forth in Civil Code sections 5658 through 5685 and Section 4.10 of the Declaration of CC&Rs. That process begins with a written, certified, notice to a delinquent Owner (the "Pre-Lien Notice") which must include an itemized statement detailing the amount of the delinquency and other information regarding the recipient Owner's rights to either pay or dispute the assessment amount or to request a meeting with the Board of Directors or to request that the Association participate in alternative dispute resolution. If no action is taken to resolve the dispute or to pay the Assessment and other delinquent sums within the 30 days the next step is for the Association to record a Notice of Delinquent Assessment. It is that notice that creates a lien in favor of the Association on the Owner's Residence. The Association also has the option to pursue collection in a civil court action, rather than exercising its rights to foreclose on the Owner's property. Every year, as part of the Association's Annual Policy Statement (Civil Code section 5310) the Association must provide each Owner with a statement describing the Association's policies and practices in enforcing lien rights or other legal remedies that may be pursued in response to a default in the payment of Assessments and also a statutory notice (Civil Code section 5730) that summarizes the Assessment collection remedies of owner associations.

H. Forms - Available via the Association's Website:

The following forms are available via the Association web site. The web site is at:

http://www.rr-tahoe.com

The Forms page is under the Owners' section of the site at:

http://www.rr-tahoe.com/owner/forms.php

Forms which can be found there include:

- Consent to Receive Documents via Email
- Buoy Application Form
- Kayak/SUP Rack Application Form
- Beach and Clubhouse Reservation Form
- Contractor Access Agreement

Documents Pertaining to Association Policies which can be found on the website:

- Bear Mat Policy
- Air Conditioning and HVAC Equipment Polic

