

**EXHIBIT D  
TO THE BYLAWS**

**Wade Settlement  
Declaration of Covenants, Conditions and Restrictions**

**ARTICLE 12**

**NOTICE AND HEARING; SCHEDULE OF FINES**

12.01 Notice and Hearing.

(a) Prior to the imposition of any fine for a violation of this Declaration or the levying of any special assessment on an Owner, the Association will give at least one (1) regular notice to the Owner and at least one (1) Fine Warning Notice in compliance with Section 209.006 of the Texas Property Code (the "**Property Code**"), as the same may be hereafter amended. Such notice shall be as follows:

(i) Regular notices will be delivered by U.S. mail. Fine Warning Notice(s) shall be delivered by certified mail, return receipt requested.

(ii) Notices must describe the violation or property damage that is the basis for the fine for such violation, and state any amount due the Association from the Owner.

(iii) The Fine Warning notice must inform the Owner that the Owner is entitled to a reasonable time to cure the violation and avoid the fine and that the Owner may request a hearing under this Section 12.01 and Section 209.007 of the Texas Property Code on or before the 30th day after the Owner receives the notice.

(b) In compliance with Section 209.007 of the Texas Property Code, if the Owner submits a written request for a hearing, the Association shall hold a hearing not later than the thirtieth (30th) day after the date the Board receives the Owner's request, and shall notify the Owner of the date, time and place of the hearing not later than the tenth (10th) day before the date of the hearing. The Board or the Owner may request a postponement, and, if requested, a postponement shall be granted for a period of not more than ten (10) days. Additional postponements may be granted by agreement of the parties. If the hearing is to be held before a committee appointed by the Board, the notice described in Section 10.1(a) hereof shall state that the Owner has the right to appeal the committee's decision to the Board by written notice to the Board.

(c) If a violation has not previously been cured, **the Association may, but is not required,** to send (i) a second notice at least ten (10) days after the first notice of violation is delivered by the Association to an Owner in accordance with Section 12.01(a) above, and (ii) a third notice at least ten (10) days after the second notice of violation is delivered by the Association to an Owner in accordance with Section 12.01(a) above. If the violation is not cured to the reasonable satisfaction of the Association after at least ten

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(10) and no more than thirty (30) days after delivery of the first notice of violation delivered in accordance with Section 12.01(a) above, provided that such Owner has not requested a hearing in accordance with Section 12.01(b) above, then the Association shall levy and send notice of the fine assessed for such violation. The Association is not entitled to collect a fine from an Owner to whom it has not given notice and an opportunity to be heard, pursuant to Section 209.006 and Section 209.007 of the Texas Property Code.

(d) Fines levied by the Association for violations shall be in accordance with the Schedule of Fines (herein so called) listed below. Any fine levied shall be reflected on the Owner's periodic statements of account or delinquency notices. **The number of notices set forth below does not mean that the Board is required to provide each notice prior to exercising additional remedies as set forth in the Declaration.** The Board may elect to pursue such additional remedies at any time in accordance with applicable law. The Board also reserves the right to set fine amounts on a case by case basis, provided the fine is reasonable in light of the nature, frequency, and effect of the violation.

**FINES:**

<b><u>Violation:</u></b>	<b><u>Fine Amount:</u></b>
Notice of violation -1 <sup>st</sup> Notice	<b>\$50.00</b> (may be avoided if Owner cures the violation by the time specified in the notice)
Notice of violation -2 <sup>nd</sup> Notice	<b>\$75.00</b>
Notice of violation -3 <sup>rd</sup> Notice	<b>\$100.00</b>
Notice of violation -4 <sup>th</sup> Notice	<b>\$125.00, plus an additional \$50 per week or partial week thereafter until violation cured</b>

The policy set forth in this Section 12.01 may be revoked or amended from time to time by the Board. This policy will remain effective until the Association records an amendment to this policy in the county's official public records.