

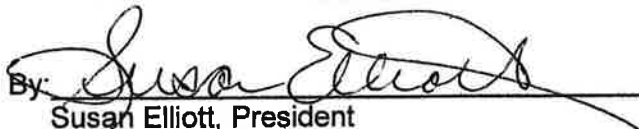
RESOLUTION
VIOLATIONS – FINES AND PROCEDURES
STONECROFT HOMEOWNERS ASSOCIATION

WHEREAS, the Board of Directors of the Stonecroft Homeowners Association, pursuant to the Indenture of Trust and Restrictions, Article 3 C, Section 3.17 (h), is empowered to adopt, amend and rescind rules and regulations and to impose sanctions for any violation of the Governing Documents (Section 3.24 (a) through (c))

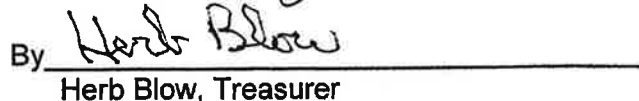
NOW, THEREFORE, BE IT RESOLVED that the following procedures are hereby adopted by the Board:

1. Fines shall be imposed for violation of the Association's Indenture, rules and / or regulations according to the following schedule:
 - A. \$50.00 for the first violation.
 - B. \$75.00 for the second violation.
 - C. \$100.00 for each subsequent violation of the same provision.
2. Any violation which continues for over thirty (30) days will be subject to additional fines which double for each subsequent thirty (30) days that the violation continues.
3. Any homeowner or other person against whom a fine is assessed shall have a period of ten (10) days from the date the fine notice was sent to contest the fine in writing and/or to request a hearing before the Board. The Board shall have the right to conduct any hearing in an informal manner (with no formal rules of evidence) but the person being fined shall have the right to see all information the Board has received as well as have the opportunity to present his own information and testimony.
4. Homeowners shall be responsible for any violation caused by member(s) of their families, their guest(s), Lessee(s), resident(s), roommate(s), children, pet(s) or employee(s). All fines shall be due within 20 days after the original notice was sent or after final determination if an appeal is taken and heard.

IN WITNESS WHEREOF, we, being all the members and directors of The Stonecroft Homeowners Association, have hereunto set our hands this 3rd day of October, 2006.

By: 
Susan Elliott, President

By: 
Rick Myers, Secretary

By: 
Herb Blow, Treasurer