

HIGHLAND PALMS SENIOR ESTATES
AND COUNTRY CLUB, INC.



POLICIES, RULES, AND REGULATIONS

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IMPORTANT INFORMATION

EMERGENCY (Sheriff, Highway Patrol, Fire, Paramedics).....	911
Sheriff (non-emergency crime reporting)	800-950-2444
Sheriff (Perris Station)	951-776-1099
Fire Department (Station 54, Homeland)	951-926-2433
Animal Control	951-358-7387
Riverside County Building & Safety	951-955-1800

EARTHQUAKE PREPAREDNESS. Residents should have emergency supplies on hand in case of an earthquake. For example, you should have a portable radio, flashlight, fresh batteries, first-aid book and kit, a fire extinguisher, enough bottled water for 3-4 days per person, canned and dry food for one week per person, a mechanical can opener, sanitary needs (toilet paper, etc.), fresh matches, a Swiss Army Knife, tools such as pliers, screw drivers, electrical tape, hammer, and a small crowbar.

INTRODUCTION

Welcome to the Highland Palms Senior Estates and Country Club, Inc. (Association). The Association is a planned residential community, governed by its Articles of Incorporation, CC&Rs, Bylaws, and Policies, Rules, and Regulations. These Policies, Rules, and Regulations will help you become acquainted with the Association and how it operates. Our goal is to maintain the highest standards of privacy, comfort, and safety for our residents. While we have no interest in the personal lifestyle of our residents, rules have been developed over time to help avoid disputes and to provide the highest level of well-being for the owners.

RULES & REGULATIONS

ARTICLE 1: GENERAL INFORMATION

- 1.1 Governing Documents. In addition to various laws, the Association is governed by the following documents:
 - A. Articles of Incorporation. This document states the purposes of the Association as a nonprofit, mutual-benefit corporation.
 - B. CC&Rs. The Declaration of Covenants, Conditions, and Restrictions is recorded with the County of Riverside and creates the restrictions which are binding on each successive owner when taking title to a property in the development.
 - C. Bylaws. The Bylaws provide various rules for governing the Association, including Board meetings, Membership meetings, election of Directors, and removal of Directors, etc.
 - D. Policies, Rules, and Regulations (Rules). The various rules and policies throughout this handbook, which implement and amplify the provisions found in the CC&Rs and the Bylaws. In the event of a conflict between the Policies, Rules, and Regulations of the Association and any other Governing Documents, the other Governing Documents shall prevail.

- 1.2 Governed by Board of Directors. A Board of Directors is elected by the Membership and manages the Association. The Board sets policy and conducts business at meetings at which a quorum (i.e. majority) of the Board is present in person. Directors are accountable to the Membership for the proper conduct of their duties. Directors who fail to perform their duties may be removed from the Board by the Membership, as provided for in the Bylaws.
- 1.3 Member and Tenant Insurance. The Association's insurance does not cover individual Member's or Tenant's person or property. It only covers the Association's common areas.
- 1.4 Insurance Deductibles. In the event a loss is covered by the Association's insurance, payment of the deductible, if any, shall be as follows:
- A. If a loss occurs as a result of the negligence or breach of CC&Rs by a Member or Member's family, Guest, Invitees or Tenants, or as a result of a failure of a portion of the manufactured or mobile home or its improvements within Member's or Member's Tenant's care, custody and control, and the loss results in a payment by the Association's insurance, then that Member shall pay the Association's deductible.
 - B. If a loss occurs as a result of the negligence of the Association or as a result of a failure of a portion of the common areas that are within the Association's care, custody, and control, and the loss results in a payment by the Association's insurance, the Association shall pay the deductible.
- 1.5 Definitions.
- A. Member: A Member is the owner of a Lot located within the Highland Palms Senior Estates and Country Club as more fully defined in the CC&Rs.
 - B. Owner: An owner is any natural person or persons, partnership, trust, corporation or other entity with a publicly recorded ownership interest in, or is named on, the legally recorded title to property in Highland Palms. Ownership does not extend to an interest that is held merely as security for the performance of an obligation. The terms Member and Owner may be used interchangeably.
 - C. Resident: Any person aged 55 years or more or who meets the definitions of qualified exceptions under federal, state, or local laws and who physically resides in Highland Palms. A Resident includes:
 - 1 A Member;
 - 2 A Tenant;
 - D. A conditional buyer (i.e. someone who is in the process of acquiring a property in Highland Palms under a sales contract.)
 - E. Tenant: A non-Member who rents, leases, or otherwise occupies for any duration, with the Owner's consent, a property within Highland Palms and who is at least 55 years of age or who meets the definitions of qualified exceptions under federal, state, or local laws. Tenants must be registered with the Association and must have gone through orientation before using any common facilities. Tenants have the right to use the Association's common area facilities, but are not Members and are not entitled to vote on Association business.
 - F. Caregiver: A person residing with a Resident who provides daily care for

the Resident and who is acting under written instructions of the Resident's licensed medical practitioner. Caregivers do not have Membership rights and are not entitled to vote on Association business and have other restrictions and requirements as are detailed in the Caregiver Policy and in Article 14 of these Rules.

- G. Guest: Any person other than one of those listed above.
- H. Residence: A residence is a manufactured or mobile home used for Residential purposes on a Lot located within Highland Palms. May also be referred to as a home.

1.6 Membership privileges:

- A. Use of common area recreational facilities is reserved exclusively to Residents, Tenants, and to Guests when accompanied by a Resident. Non-Resident Owners who rent or lease their Lot transfer their right to use the common area recreational facilities to their Tenant.
- B. Only Members may vote on Association business.
- C. Members who do not physically reside in Highland Palms are considered Guests and may not use common area recreational facilities, unless accompanied by a Resident.

1.7 Employment: No Member, Resident or Tenant of Highland Palms, or their family Members, may be a paid employee of Highland Palms Senior Estates & Country Club, Inc., or its Homeowner's Association. Family Members include the following relatives, regardless of where they reside: (1) spouse; (2) children (whether dependent or not); (3) siblings; (4) parents; (5) grandparents; (6) grandchildren. Family Members also include any other person related by blood or marriage and living in the same household.

ARTICLE 2: MEMBERS' RIGHTS AND DUTIES

- 2.1 Duty to Follow Governing Documents. Members' obligation is to follow the Association's Governing Documents, which include the Rules.
- 2.2 Contact with Attorney. The Association's attorneys are retained only to represent the Association. Any unauthorized contact with the Association's attorneys will be the financial responsibility of the person making such contact. The attorneys are instructed by the Association not to respond without express authorization by the Board of Directors
- 2.3 Duty to Maintain Manufactured or Mobile home. Members must, at their own expense, maintain, service, and repair their Manufactured or mobile homes and Lot as provided in the CC&Rs. Please see the section on "Maintenance" for further information.
- 2.4 Member Liability for Damage. Members are liable for any damage they cause to the common areas or the property of others caused by the acts, omissions, or misconduct of such Members or their family, pets, Tenants, or Guests.
- 2.5 Voting Rights. Only Members in good standing are entitled to vote and may cast only one ballot per Lot.
- 2.6 Membership Meetings. Meetings of Association Members will be held in the main clubhouse according to the following schedule:

- A. The annual meeting of Members is held on the third Saturday in March at 1:00 pm. At this meeting, Directors shall be elected and other official business within the authority of the Members may be transacted.
 - B. Monthly meetings shall be held on the Second Monday of each month at 10:00 am, except for the months of July and August when no meetings are held. At these meetings, the Board shall report on the status of current business activities, expenditures, and projects, and provide announcements concerning social/recreational activities. (These meetings are for informational purposes only and no Association business may be conducted).
 - C. Special meetings of the Members for any lawful purpose may be called by the President, by the Board, or by a Petition signed by at least five (5) percent of the Membership.
 - D. An Open Forum period shall be provided at all Membership meetings to allow Members to speak.
- 2.7 Board Meetings: Members may attend non-executive sessions of the Board to observe the conduct of the Board’s Business but may not participate in Board business or discussions. However, an Open Forum period will be set aside at every Board meeting so Members may address the Board on any subject. Members will be given three to five minutes per person depending on the number of persons wanting to speak. The right to address the Board does not give Members the right to make slanderous, threatening, or offensive statements. Members who engage in personal attacks or vulgarities shall lose their right to complete their remarks and will be subject to a fine.
- 2.8 No Right to Participate in Board Business. Only Board Members may participate in Board business, except when invited to participate by the Board or when allowed in Open Forum. However, time will be set aside (Open Forum) so Members may address the Board on any subject. Members will be given three to five minutes per person depending on the number of persons wanting to speak.
- 2.9 Right to Address Board. Even though Members may not participate in the deliberations or discussions of the Board, time will be set aside (Open Forum) so Members may address the Board on any subject. Members will be given three to five minutes per person depending on the number of persons wanting to speak. Members who wish to address the Board must sign in before the meeting begins. The right to address the Board does not give Members the right to make slanderous, threatening, or offensive statements. If a Member Members engages in personal attacks or vulgarities, he or she will they shall lose their right to complete their remarks and will be subject to a fine.
- 2.10 No Recording Allowed. No audio/video recording of meetings, including Board meetings, is allowed except that the Secretary may make an audio recording to assist in the preparation of the minutes. Said recording must be erased once the minutes have been prepared This restriction does not apply to video recordings made by the Association’s security system.
- 2.11 Disruption of Meetings. Any person who becomes disruptive during a meeting may be fined or expelled from the meeting or both.
- 2.12 Insurance. Members are responsible for purchasing, at their own expense, premises liability insurance, including bodily injury and property damage, and

- automobile insurance as provided for in the CC&Rs.
- 2.13 Limited Right to Inspect Records. Members of the Association have a limited right by law to inspect the books, records, and minutes of the Association as provided for in the CC&Rs and Civil Code §§5200-5240, inclusive.
- 2.14 Membership List Opt-Out Procedures. Members who have opted-out of having their contact information included in the distribution of the Membership List may be contacted using an alternative process:
- A. Within ten (10) business days after receiving a proper demand for a copy of the Membership List, the Association shall provide a written offer of an alternative method of achieving the purpose identified in the demand.
 - B. The default alternative method is for the demanding Member to submit the mailing in sealed envelopes with adequate postage in a number equal to the number of Members who have opted out. The Association will then address and mail the communication to the Members who have opted out.
 - C. If appropriate, the Association may offer a different alternative method than the default.
- 2.15 Member Information: Members are required to promptly return biannual age verification forms or surveys necessary to comply with federal regulations under the Housing for Older Persons Act and to provide annual reports with updated contact information and the status of their property as required under California Civil Code §4040 and §4041.

ARTICLE 3: SAFETY AND SECURITY ISSUES

- 3.1 Safety and Security. The Homeowners Association and Board of Directors assumes no Liability for actions of individuals, Members, Guests, Caregivers, or organizations, individually and collectively.
- 3.2 Electronic Monitoring. All of the Association's common areas are subject to video monitoring and recording by the Association.

ARTICLE 4: MAINTENANCE OBLIGATIONS

- 4.1 Members' Maintenance Duties. You own, and are responsible to maintain, everything on your property. All Lots, whether occupied or unoccupied, and any improvements placed thereon, shall at be maintained in a manner to prevent their becoming unsightly or dangerous by reason of wild and unattractive growth, accumulation of rubbish and debris, or the natural deterioration of structures thereon. In the event of non-compliance with this rule the Association may enter upon such Lot and perform such maintenance, restoration, and repair as necessary. Expenses incurred by the Association in so doing shall become a Reimbursement Assessment to which such Lot is subject.
- 4.2 Mitigation of Damage. Members will be liable for all expenses incurred by the Association mitigating damages to the common areas and other manufactured or mobile homes caused by water damage, fire, insect or rodent infestation, etc. originating from a Member's mobile home as more fully described in the CC&Rs.

ARTICLE 5: COMMON AREAS & PROPERTIES

- 5.1 Authority. No changes, additions, deletions or repairs shall be made to common areas or which alter the exterior appearance of any Lot or its Improvements without the approval of the Architectural Committee as more fully described in the CC&Rs
- 5.2 Access. Only Residents shall possess and use an access key or access code for entrance to the Clubhouse complex, the golf course, or the recreational vehicle storage Lot. An Owner who leases his property automatically surrenders to the lessee his right to use the common area facilities. If a property is leased, only the Tenant is authorized to have access keys and codes for common area facilities. Keys are registered and issued through the Association office. A Resident in good standing must accompany Guests and Caregivers at all times in common areas.
- 5.3 Liability: Persons using these facilities do so at their own risk. In case of damage to common area property, the Owner responsible will be assessed for the cost of repair or restoration. Owners are responsible for the actions of their Guests. To the extent permitted by law and in consideration of the Members', Residents', Tenants', Guests' and any other person's or party's use of any facility on the common grounds of Highland Palms or the participation/attendance in any function on any common grounds property of Highland Palms, by such use or participation/attendance in such function such persons/parties agree to defend, indemnify and hold harmless Highland Palms and its/their officers, Directors, agents and employees from and against any and all claims, suits, liens, judgments, damages, losses and expenses including reasonable legal fees and costs arising in whole or in part and in any manner from acts, omissions, breach or default of any Member, Resident, Tenant, Guest or any other persons or parties utilizing any facility or common grounds of Highland Palms or participating in any function on any property of Highland Palms. The liability of the Association and its Directors, Officers, Members, employees and agents is limited as set forth more fully in the CC&Rs.
- 5.4 Damage to Common Property: In case of damage to common area property, the Owner responsible will be assessed for the cost of repair or restoration. The Owner is responsible for the actions of his Guests.
- 5.5 Liability insurance. Persons requesting use of any common areas or facilities for private social gatherings must obtain, and provide the Association with proof of, Private Event Insurance providing liability and property damage coverage and, if alcohol is served, host liquor liability coverage. Such coverage must be primary for both the sponsor and the Association and must name the Association as an additional insured.
- 5.6 Commercial Uses. Facilities may not be used for commercial purposes (selling, e.g. insurance, household goods, etc.). Educational and/or recreational classes may be approved by the Association Board and are limited to Residents and their Guests only.
- 5.7 Accident Reporting. Any accident involving personal injury or damage to property occurring on the Common Property or common areas must be reported to the Association office as soon as practical.
- 5.8 Waivers: Events which qualify for exemption under California Civil Code §4515

shall not be considered social, educational, or recreational events and shall not be subject to rental fees, security and cleaning deposits, and insurance requirements. The use, serving, possession, or consumption of alcohol is prohibited at all events which qualify for exemption under California Civil Code §4515.

ARTICLE 6: ARCHITECTURAL REQUIREMENTS & STANDARDS

6.1 Architectural Committee.

- A. Members: Committee Members are appointed by the Board to approve, reject, modify, and give conditional approvals of plans to improve or alter Residential Lots in compliance with these Architectural Requirements & Standards. In the event the Board does not appoint a separate committee, the Members of the Board automatically serve in the dual capacity of Members of the Board of Directors and Members of the Architectural Committee.
- B. Duty: The duty of the Architectural Committee is to control the size and character of mobile homes and other buildings, setbacks, location, elevation, design, landscaping, material, color, and the like of all new mobile home installations, and to review proposed alterations to existing improvements and, in general, make sure that all construction and improvements conform to a reasonably sound and attractive uniform plan of development of Highland Palms. Styles shall be architecturally consistent with the aesthetic concept of surrounding buildings and landscape and shall maintain and enhance Highland Palms Senior Estates and Country Club Inc. as a desirable place to live.
- C. Authority: The Architectural Committee shall have the right to approve or disapprove requests, plans, specifications, variances, waivers, and related materials for the protection of the common interest of the Members as more fully provided for in the CC&Rs Article 5.
- D. Responsibility: The following are subject to the written approval of the Architectural Committee:
 - 1 Installation or replacement of a mobile or manufactured home that meets the specifications defined in the CC&Rs. Said installation or replacement also requires a building permit from Riverside County.
 - 2 Installation of other exterior structures and improvements.
 - 3 Size and location of access driveways. Only concrete driveways are permitted. Concrete slabs may be laid to the property line if needed for golf cart or foot traffic.
 - 4 Additions or modifications to the exteriors of mobile homes, including exterior painting.
 - 5 Installation of awnings, carports, sun screens. Location of utility conduits.
 - 6 All fences, walls, hedges, or unenclosed garbage receptacles require Architectural Committee approval prior to installation. Fences or walls along the side and rear of the home shall not exceed six feet in height and must not extend beyond the front of the home on the side facing the street. From the front of the home to the street curb,

fences and walls shall not exceed one foot in height. Walls made of concrete block, slump stone, or similar building material shall be covered by a matching cap.

- 7 Where Lots back up to embankments, steps shall be taken to prevent soil erosion. Retaining walls more than three feet high require county permit for construction.
- 8 No Storage of items such as cardboard boxes, old furniture (excluding outdoor patio furniture), etc., is allowed on porches, in carport areas or in any other outdoor open area.
- 9 No stripped down, partially wrecked, or junk motor vehicle or any sizeable part thereof shall be parked or left on any Lot in such a manner as to be visible to the occupants of other Lots or from the streets.
- 10 Vehicles parked on a Resident's Lot must be on a paved driveway or in a carport/garage.
- 11 Storage sheds exceeding 120 square feet are not allowed. Only two storage sheds per Lot are allowed. Sheds must be maintained to the same standards required for the manufactured/mobile home.
- 12 Mobile home skirting must be installed within 30 business days of the home's installation on the Lot. The Architectural Committee may extend this time when extenuating conditions indicate.
- 13 No outside toilet or private water well may be constructed on any Lot.
- 14 All commercial signs are prohibited anywhere in the Development except Members may display one sign, which is of reasonable dimensions and design, advertising that the property is for sale or lease, as allowed by law. Non-commercial signs, posters, flags, or banners, may be placed on or in an owner's separate interest, except as required for the protection of public health or safety or if the posting or display would violate a local, state, or federal law. Non-commercial signs and posters are limited to 9 square feet in size. Non-commercial flags and banners other than the flag of the United States, a flag of a state of the United States, a POW flag, or flags of the US military are limited to 15 square feet in size. Non-commercial signs, posters, flags or banners may be made of paper, cardboard, cloth, plastic, or fabric and may be posted or displayed from the yard, window, door, or outside wall of the owner's property. If such signs involve an event, they must be removed promptly after conclusion of the event promoted by the signs. The flag of the United States may be displayed in the manner allowed by Civil Code §4705. No more than one flagpole, not to exceed 25 feet in height, may be installed on any Lot and no more than two flags or banners may be displayed or flown on any Lot at any one time.
- 15 Storage tanks for liquefied gas, gasoline, or fuel oil are prohibited. Exceptions: five-gallon maximum size for automobile fuel and two Liquefied Petroleum Gas containers with a capacity of not more than 20 pounds each.

- 16 Decorative front yard light poles of up to five feet high are permitted.
- 17 Home workshops are permitted subject to County and Board approval and may be operated only between the hours of 8 am and 10 pm.
- 18 Garden plots in a Member's backyard or side yard are restricted to "plant crops" as defined in the California Civil Code, which means plants that bear edible "fruits or vegetables." Marijuana or any unlawful crops or substances are specifically excluded from the definition of "plant crops" and are prohibited.

6.2 Lot Preparation. It is the responsibility of each homeowner to establish his or her mobile home according to the requirements of the Riverside County building code and the Covenants, Conditions, and Restrictions of Highland Palms Senior Estates and Country Club, Inc.

- A. Plans. Plans for plot layout, showing home size and location to be in compliance with all setback and easement requirements, shall be submitted to the Architectural Committee for recommendations and approval before the home is moved onto the Lot. The Member is responsible to know the easement and setback requirements for his particular Lot.
- B. Grading. Lots shall be graded to provide drainage toward the street. (Some Lots facing the golf course may be drained towards the golf course.) You are responsible for damage to your neighbor's property caused by water drainage from your property.
- C. Low Profile Installations. Low profile installations require a permit for both grading and installation from Riverside County.
- D. Utilities. All utility lines - electric, gas, water, telephone, and cable - are underground. The electrical pedestal and the terminus of other supply lines shall be located near each other at a point providing easy connection to the home. All utility lines and connections shall comply with the Riverside County Building Code and the regulations of the supplying utility and must be inspected and approved by the supplying utility before service is turned on.
- E. Setbacks and Easements. It is the Property owner's responsibility to obtain a variance from Riverside County for any encroachment onto setbacks and easements. The designated setbacks for most Lots are 20 feet from the front edge of the curb at the front of the home and five feet on either side and at the rear. Column support for patio and carport awnings shall comply with setback requirements, and other permanent vertical structures shall comply with the County Building Code. Corner Lots, side streets and special easements may alter conditions. Any encroachment on the setbacks requires approval both by the Architectural Committee and Riverside County.
- F. Other enclosures. Trash and garbage receptacles, air conditioners, evaporative coolers, and water softener equipment shall be placed to the rear of the Lot and screened from the street. Such equipment shall not be so located as to be offensive to your neighbors. For Lots facing the golf course, such equipment may be placed at the side of the home, or between

the home and the street, provided the equipment is screened from view. Evaporative coolers also may be roof-mounted.

- 6.3 Landscaping. Landscaping shall be completed within 90 days after a home is placed on the Lot. The Board may grant an extension for extenuating circumstances.
- A. Types. Rock landscaping, grass lawn, artificial grass, or a combination of these with shrubbery, is mandatory. Wild grass and weeds are not permitted.
 - B. Drainage. Landscape design shall insure that drainage from your property does not encroach upon your neighbors' property.
 - C. Aesthetics. The landscape plan shall be compatible with or enhance the general aesthetics of the neighborhood.
 - D. When inorganic ground covers are used (rock, decomposed granite, etc.) an underlying membrane is suggested.
 - E. Trees shall be selected and maintained for decoration and shade as desired and must take into consideration the effect on the neighbor's views. Property owners are responsible for cleaning up leaves and other debris from their trees before they are blown into their neighbor's yard.
- 6.4 Applications. All applications for Association approval must be in writing and must be accompanied by a scale drawing of the proposed project, including all measurements and setbacks. The Architectural Committee will review the drawing and the Lot and provide in writing its conclusion within 14 business days of reviewing the request. Any request not acted upon within 45 business days shall be deemed approved unless the request violates the Governing Documents or the law. Any disapproval will include the reason for the disapproval. An owner whose project is not approved has the right to request a hearing before the Board to review the plan and the reason(s) for the disapproval. Approval will be valid for one year from date of issue and any action or work approved must be completed within that year.
- 6.5 County Permits. It is the responsibility of the homeowner to obtain any permits required by Riverside County. Approval by the Architectural Committee of any plans for changes to the exterior of a residence does not waive any required county permits.
- 6.6 Garage or yard sales. No applicant may hold more than two sales during any period of 12 consecutive months, nor shall more than two sales be conducted upon any Lot during any period of 12 consecutive months.
- A. This rule applies to any estate sale, moving sale, garage sale, yard sale, home sale, patio sale, or any other sale similarly conducted in, at, or upon any residential lot in the development.
 - B. An application form is available at the Association office and a fee is required. Sales cancelled or shortened due to inclement weather may be rescheduled through the Association office at no additional cost.
 - C. Applications must be approved by the office manager.

- D. No applicant may hold more than two (2) sales during any period of 12 consecutive months. All sales must be held on the property of the applicant or, in the case of estate sales, on the property of the deceased Member.
 - E. Sales may not last longer than three days, plus one-half day each before and after for setup and cleanup. An exception may be made to allow estate sales a second three-day period within two consecutive weeks.
 - F. No sales may be conducted before 8 a.m. or after 8 p.m.
 - G. No items offered for sale may be displayed or stored on adjoining public sidewalks, streets, or rights-of-way.
 - H. Only one sign or banner, not more than four (4) square feet in size may be posted at the site of the sale. Signs advertising the sale may not be posted more than five (5) days before the sale and must be removed at the conclusion of the sale. No signs may be displayed on the public streets or rights-of-way.
 - I. Applicants are responsible for complying with all relevant county or state laws.
- 6.7 Operation of a Business: No Member may occupy or use a Residence for anything other than for Residential purposes, except Residents may conduct lawfully licensed home businesses in their Residence and Lot, provided that such activities are:
- A. Not noticeable from the street, neighboring homes, or common areas,
 - B. Not interfering with the stability, enjoyment, and peace and quiet of neighbors or the common areas,
 - C. Not creating a nuisance, disruptive traffic, or noise, and
 - D. Not violating any provisions of the Association's Governing Documents.
- 6.8 Construction. No work may be started prior to obtaining approvals from the Association and any required permits from the county, except for emergency repairs to correct hazardous conditions or to comply with health and safety requirements.
- 6.9 Street Addresses. Street address number must be clearly visible on the part of the home facing the street or on a decorative pole. Per state and county ordinances, the numbers must be at least 3 (three) inches in height and must be in a contrasting color to the structure on which they are displayed. On corner Lots, the front of the home is considered to be the side facing the street that matches the Lot's mailing address. Addresses may be painted on the curb, but such numbers are in addition to, not in place of, the numbers on the structure.
- 6.10 Trash. No trash, garbage, or other refuse shall be dumped, thrown, or left on any Lot or common property.
- 6.11 Damaged Improvements. Partial or total destruction of the common area or Improvements on a Member's Lot shall be restored and repaired as provided for in the CC&Rs within three months of the destruction or, if the loss is covered by insurance, the payment of insurance proceeds for restoration and repair, whichever is later.
- 6.12 Nuisances. No noxious or offensive activities shall be carried on or permitted on any Lot or premises, nor shall anything be done that becomes an unreasonable annoyance or nuisance to the Residents.
- 6.13 Utility Enclosures. The doors to the water heater, electrical, and furnace

- enclosure(s) shall be readily accessible and no permanent structure shall interfere with such access.
- 6.14 Miscellaneous structures. No trailer, camper, tent, shed, or temporary structure of any kind shall be erected, constructed, permitted, or maintained on any Residential Lot without written approval of the Architectural Committee. Pagodas, gazebos, privacy screens, etc. shall not encroach upon the required setbacks. Location and construction of such structures shall be approved by the Architectural Committee prior to commencing the project.
- 6.15 Garage Doors. Construction plans must be approved by the Architectural committee prior to commencement of work on the project. Garage doors are permitted at the carport entrance to the driveway and the open side of the carport may be partially enclosed with a framed wall. Framing and color shall match the home as closely as possible.
- 6.16 Solar Panels. Solar panels are subject to both Architectural Committee and Riverside County and/or state approval. Rooftop panels are preferred, but exceptions may be made for small auxiliary panels.
- 6.17 Antennas. All antennas, including satellite and/or microwave reception dishes, may not exceed a height of five feet above the peak of the roof of the mobile home. All antennas shall be located as far as possible from the street. All satellite and/or microwave reception dishes must be no more than one (1) meter in diameter.
- 6.18 Transmitters. Any device that transmits electronic signals must not cause interference with electronic devices used on adjacent properties.
- 6.19 Drones. Operation of any remotely piloted aerial vehicles, sometimes referred to as drones or UAVs, is prohibited from or over any location within the boundaries of Highland Palms, except as otherwise permitted by law.
- 6.20 Variances. The Architectural Committee may permit slight variances from the strict letter of these rules in order to avoid practical difficulties or unnecessary hardship. However, such variances only may be considered when they are in conformity with the intent and purposes of these rules. Variances that may affect adjacent property require 10 business days notice to the owners thereof, at the applicant's expense, before being considered for approval.

ARTICLE 7: RECREATIONAL FACILITIES

- 7.1 General. The recreational facilities are for the use and enjoyment of the Association's Residents and their Guests. The following rules are intended to make the facilities safe and enjoyable. All persons using the recreational facilities must observe any posted rules.
- A. Association employees shall be allowed to use the Association's recreational facilities (except for the exercise room) during hours when they are not scheduled to work and may bring up to two guests.
- 7.2 Guests. Guests, Companions, live-in caregivers, or family Members under the care of a senior homeowner, as they are defined in California Civil Code §51.11(b)(3) shall be considered guests and must be accompanied by a legal Resident in Good Standing at all times while using the recreational facilities or other amenities. Exceptions are made for Caregivers performing their duties to the

Resident, including picking up the mail for the Resident or visiting the Association office at the Resident's request, or assisting the Resident in the use of the recreational facility.

A. The maximum time per visit per Guest(s) is 60 days during any 12-month period. A visit is considered an overnight stay. The 12-month period for any specific Guest(s) shall start from the beginning of the first visit and further visits from the same Guest(s) within that same 12-month period will be cumulative to the 60-day maximum. This limit does not apply to live-in caregivers or to family Members under the care of a senior homeowner, as defined in California Civil Code §51.11(b)(3). Exceptions to this rule must be approved by the Board.

7.3 Keys. Members shall obtain Access keys and Mailbox keys as specified in Article 11 of these Rules. Access keys may not be loaned to anyone and must be surrendered to the office upon termination of residency. Tenants are expected to receive their mailbox and access keys from their landlord. When a Tenant must obtain Access keys from the Association office, a refundable deposit is required and the Association will provide a receipt for the transaction. The deposit will be refunded when the key and the receipt is returned to the Association. Mailbox key fees are not refundable. Lost or duplicate keys may be obtained from the Association office for a fee.

7.4 Proper Attire in common areas. Shoes or sandals should be worn at all times in all common areas, except when in the pool or the spa. Swimwear is restricted to the pool and spa areas only and must be covered with a robe or other appropriate garment when passing through common areas. Nudity is prohibited.

7.5 No Glass. Glass containers are not permitted in the pool or spa areas.

7.6 Trash Cleanup. All trash must be cleared away before leaving at the conclusion of any event.

7.7 No Smoking or Vaping. Smoking, including use of electronic cigarettes and medical marijuana, is prohibited in all indoor common areas, in the pool, spa, and patio areas at the main clubhouse, in the mailroom and its foyer, and within 20 feet of clubhouse entrances.

7.8 Alarms: Security alarms are automatically activated 30 minutes after the posted closing time for all recreational facilities. All persons using the facilities must leave the facility prior to that time or the alarm will be triggered. Anyone triggering an alarm will be subject to a fine and/or a suspension of Membership privileges.

7.9 Main Clubhouse Use:

A. Access. The Main clubhouse and recreational facilities shall normally be available to Members and their Guests from 6 am to 11 pm daily unless other hours for social functions are established in advance or unless closed for maintenance and/or repairs.

B. General Statement of Use.

1 This facility is provided for social functions conducted by owners' groups for Members and their Guests and for private social gatherings where larger groups are appropriate. The Board of Directors must approve all events. Requests for use must be submitted on a form available in the Association's business office

and coordinated with other scheduled events. Proof of Private Event Insurance coverage is required (see Section 5.5 of these Rules) except as otherwise provided by law. Commercial and sales promotion functions are prohibited, except that some sponsored events that benefit the Membership as a whole may be approved by the Board on a case-by-case basis. Religious services are prohibited except for non-denominational memorial services for Members or former Members and non-denominational weddings for Members or members of their immediate family.

2 This facility shall not be available for non-Residents' events.

3 Anyone causing disruption will be required to leave and may be subject to further action.

4 The bulletin boards in the foyer adjacent to the mailroom shall not be used for religious purposes, except for notices regarding funeral or memorial services for present or past Highland Palms Residents. All material must comply with any rules posted in the foyer. In addition, the following are prohibited:

- (a) Profanity or obscenity;
- (b) Speech that promotes actual violence or harm;
- (c) Terrorist threats;
- (d) Expressions that may constitute criminal or civil harassment;
- (e) Defamation;
- (f) False advertising;
- (g) Criminal trespass;
- (h) Defacing notices posted by others.
- (i) Promotion of any unlawful activity.

C. Conference Room. The conference room shall be available to Member groups only, on a first-come basis. Requests for use must be submitted on a form available in the Association's business office and coordinated with other scheduled events. The room shall be left in a tidy condition with all furniture returned to its proper location.

D. Exercise Room. The use of exercise equipment is restricted to this room. Only Residents may use the Exercise Room.

1 Proper clothing. Proper athletic clothing is required. Shirts, trunks, and shoes must be worn at all times.

2 Towels. Persons using the Exercise Room must towel off equipment after use.

E. Kitchen. Only groups with authorized events may use the kitchen. The group shall be responsible for cleaning equipment & facility and for turning off all gas and electric kitchen appliances at the conclusion of the event.

F. Game Room. The Game Room shall be used only for playing pool, billiards, or other games provided by the Association. Guests under eighteen (18) years of age are not permitted to use this facility.

G. Swimming pool, Spa, and patio area: Use of the swimming pool, spa, and patio area is restricted to Residents, employees, and Guests accompanied

by a Resident.

- 1 Assumption of Risk. NO LIFEGUARDS ON DUTY. Use of the swimming pool or spa is at user's own risk and Residents assume full responsibility for their own safety as well as that of their Guests.
 - 2 Proper Swimming Attire. Appropriate attire designed and intended for swimming must be worn. Inappropriate swimming attire includes, but is not limited to, long pants, cut-off shorts, jeans, long shirts, thong bathing suits, and any footwear not designed for use in a pool or spa.
 - 3 Diapers. No diapers, including infant or adult diapers and swim diapers, are permitted in the pool or spa. Incontinent persons are prohibited from entering the pool or spa.
 - 4 Rough Play. Boisterous conduct and rough play are prohibited.
 - 5 Diving. Diving is prohibited.
 - 6 Showering. Anyone using the pool or spa must shower before entering the water.
 - 7 Flotation Devices. Only noodles, water wings, one person floating device or vest-style life preservers may be used. Flotation devices may not be left in the pool when not in use. Persons using flotation devices may not obstruct other users.
 - 8 Age Restrictions for Pool and Spa use.
 - (a) No one under the age of 18 is permitted to use the spa.
 - (b) Children under three (3) years of age are not permitted in the pool /patio area.
 - (c) Children three to 18 (3-18) years of age are permitted in the pool area between the hours of 10 am and 2 pm. Children must be accompanied by, and under the direct supervision of, an adult Resident at all times. Extended hours of 10 am to 5 pm apply on Fathers' Day, Mothers' Day, and on all Federal legal holidays and on weekends.
 - 9 Food and drinks are restricted to the tables in the patio area. Glass containers are prohibited.
 - 10 Persons not wearing shoes and a covering over their swim attire are required to enter and leave through the southwest patio area door or the mail room.
 - 11 Pool or spa Equipment. No tampering with pool or spa equipment.
- H. Craft Room. The craft room is intended for the use of the Craft Club. However individual Members may use the facilities on an as-available basis.
- I. Card Room. Groups wishing to use the card room may reserve times on an as-available basis through the Association office. Priority will be given to recognized groups of card players.
- J. Sauna (dry heat only). Persons are advised to consult with their physicians prior to using this room. No one under eighteen (18) years of age shall be permitted to use this facility. It is recommended that this room not be used

without the presence of another adult.

- K. Showers and Restrooms. Members and Guests shall leave these areas in a neat and clean condition after use.

7.10 Golf Clubhouse.

- A. The Golf Clubhouse is provided for functions conducted by owners' groups for Residents and their accompanied Guests and for private social gatherings where larger groups are appropriate. The Board of Directors must approve all events. Requests for use must be submitted on a form available in the Association's business office and coordinated with other scheduled events.
- B. All applicable rules for the use of the main Clubhouse extend to the Golf Clubhouse.

7.11 Golf Course.

A. Access.

- 1 The Golf Course is available for golf to Residents and Guests from 7 am (10 am on Mondays) to sunset, except during tournaments or special events approved by the Board of Directors.
- 2 Use of the golf cart paths for bicycle riding or walking is prohibited at all times.
- 3 Unless the course is otherwise reserved for a tournament or other approved event, children over the age of 10 may use the course provided each has his/her own golf bag and set of clubs, is accompanied by a Resident in good standing, and Guest fees are paid for each child. Children under the age of 10 are prohibited at all times.
- 4 The course is reserved on Tuesdays and Wednesdays from 8 am to 3 pm for the weekly tournaments sponsored by the Men's and the Women's golf clubs respectively.
- 5 Eligibility. Qualification for play on the golf course requires each player to be a Resident in good standing, a Guest, or an employee of the Association.
 - (a) Guests may play only when accompanied by a Resident in good standing. Each Guest must be registered in the Golf Clubhouse and must pay the posted fee.
 - (b) Association employees using the course are limited to a maximum of two guests, who must pay the posted guest fees.

B. Regulations.

- 1 Collared shirts must be worn while on the course or in the Golf Clubhouse.
- 2 All persons using the course shall wear only flat shoes without metal spikes.
- 3 Each player must have a set of golf clubs and a golf bag.
- 4 Golf cart users must follow the 90-degree rule as defined in the Golf Course Rules. All carts, including pull carts, are to be kept at least 15 feet from the edge of all greens and putting surfaces and may never be taken into traps or on to tee boxes.

- 5 Only designated areas may be used for practice.
- 6 Availability. The course is available for open play except when posted as closed for tournament play, maintenance, or weather conditions.

7 All persons riding on a golf cart must be in a designated seat.

C. Housekeeping.

- 1 Bunkers must be raked after playing from them.
- 2 All ball and spike marks on the greens must be repaired.
- 3 All divots, including on the tee boxes and in the fairways, must be repaired or replaced.
- 4 Playing. The game shall be played in accordance with the USGA rules of golf except as provided in the local course rules.

D. Etiquette.

- 1 The preferred playing group is a foursome.
- 2 Slower groups must allow faster playing groups to play through. This is mandatory when an open hole is ahead of them.
- 3 A golfer hitting a ball into the RV storage Lot or among residences near the course is responsible for determining whether any damage resulted and is responsible for repairing any said damage.

7.12 7.12 Pickleball Court.

A. Access.

- 1 Play at your own risk.
2. The Pickleball Court is available for Pickleball Play to Residents and Guests from 7 am to sunset, except during tournaments or special events approved by the Board of Directors.
3. Unless the court is otherwise reserved for a tournament or other approved event, children over the age of 16 may use the court provided each is accompanied by a Resident in good standing. Children under the age of 16 are prohibited at all times.
4. Eligibility. Qualification for play on the pickleball court requires each player to be a Resident in good standing, a Guest, or an employee of the Association.
 - a. Guests may play only when accompanied by a Resident in good standing.
 - b. Association employees using the court are limited to a maximum of two guests.

B. Regulations.

1. All persons using the court shall wear only flat shoes with non-marking soles.
2. Each player must have a pickleball racket and pickleball ball.
3. Availability. The course is available for open play except when posted as closed for tournament play, maintenance, or weather conditions.
4. No food or glass containers are allowed on the pickleball court. Keep food in the bench area outside the pickleball court.
5. No animals are allowed on the pickleball court.

6. No bicycles, roller blades or skateboards are allowed on the pickleball court.
7. Do not climb on pickleball nets or fencing. No adjustments may be made to the pickleball court or net. Please notify the HOA office if adjustments need to be made.
8. Any damage to the pickleball court, net or fence that you do will be at your expense.

C. Housekeeping.

1. Take all the litter and garbage with you and do not leave any trash or litter on the pickleball court or pickleball benches outside the court.

D. Etiquette.

1. If other guests are waiting to play pickleball, please limit the play to one game at a time.
2. Please refrain from profanity or foul language. Please pay attention to golfers near the pickleball court when they are hitting golf balls.

ARTICLE 8: PET RULES

- 8.1 Types of pets. A pet is any domesticated bird, cat, dog, or aquatic animal kept within an aquarium or in an appropriate secure cage. Other types of pets may be allowed at the discretion of, and approval by, the Board.
- 8.2 Limitation on dogs and cats. No more than two dogs and four cats per household shall be permitted. All dogs must be licensed, chipped, and have all required vaccinations.
- 8.3 Kept under control. All Residents must retain control over their pets at all times. No pets shall be allowed to roam free in the development at any time. Dogs must be kept on a leash except when inside the owner's residence or when confined within a fenced yard, kennel, carrying container, or vehicle. Violations may result in a fine and/or suspension of Membership privileges,
- 8.4 Prohibited Pets. The following animals may not be kept as pets within Highland Palms:
 - A. Reptiles (except small aquatic turtles kept within an aquarium);
 - B. Rodents;
 - C. Insects;
 - D. Birds that make loud screeching noises that disturb the peace and quiet of neighbors;
 - E. Farm animals, including but not limited to: Horses, cows, pigs, goats, sheep, geese, pea fowls, chickens, ducks, or any other animal or fowl commonly found on farms, including miniature versions;
 - F. Any animal which the Board determines to be aggressive or dangerous, pursuant to evidence provided at a noticed hearing or which has been so designated by the Riverside County Department of Animal Services. The Board may determine whether an animal is dangerous or a nuisance in its sole and absolute discretion based upon the evidence presented.
- 8.5 Common Areas. No pets are permitted in the common areas, except as follows.

- A. When in an area designated by the Association as a pet exercise/recreation area, or traveling to and from said area on a leash, in a carrying container, or in a vehicle;
 - B. When confined within a vehicle, including a golf cart, or an appropriate carrying container while transiting the main clubhouse parking Lot or while picking up the mail at the mail room, provided the pet remains contained at all times.
- 8.6 Service & Assistance Animals: Service and Assistance animals as defined by law are exempt from some portions of Article 8 to the extent that it interferes with the performance of their assistive role. Emotional Support Animals are subject to all of the pet rules in this Article 8, unless provided otherwise by law.
- 8.7 Nuisance. No animal shall be allowed to unreasonably annoy Residents, to endanger cause or threaten danger to the life or health of other animals or persons, or to substantially interfere with the quiet enjoyment of others. Residents shall be subject to fines and/or suspension of Membership privileges if their pets:
- A. Are allowed to run free (off leash) off their owner’s premises (except in an area designated by the Association as a pet exercise/recreation area);
 - B. Consistently or constantly make excessive noise, i.e. unprovoked excessive, unrelenting or habitual barking, howling, crying or other noises or sounds, occurring continuously and/or incessantly for a period of ten minutes or intermittently for one-half hour or more on five or more separate days within a thirty (30) day period. When determining if the noise is a violation, consideration will be given to the time of day, duration, and frequency of the noise;
 - C. Cause damage to or destruction of another's property;
 - D. Cause unsanitary, dangerous, or offensive conditions, including the fouling of the air by offensive odor emanating from excessive excrement;
 - E. Create a pest, parasite or scavenger control problem which is not effectively treated;
 - F. Chase, run after, or jump at vehicles moving on streets and alleys;
 - G. Attack, bite or injure a person, or snap, growl, snarl, jump upon or otherwise threaten persons without provocation. These acts shall be considered a violation whether or not the pet is confined by fence, chain or leash, or under the voice control of a responsible person;
 - H. Feed from, overturn, or otherwise disturb garbage containers.
- 8.8 Potentially dangerous or vicious dogs:
- A. A dog shall be considered to be potentially dangerous or vicious if it has been so designated by a court order, an official of the Riverside County Department of Animal Services, or if, pursuant to evidence provided at a noticed hearing, it has been found to have, without provocation, done any of the following:
 - 1 Engaged in behavior off of the owner’s property that required a person to take defensive action to protect themselves;
 - 2 Bitten somebody causing an injury;
 - 3 Injured or killed another domestic animal off of the owner’s property twice in the last 36 months;

- 4 Attacked, snapped at, growled at, snarled at, or jumped upon or otherwise threatened another person or animal without provocation regardless of whether or not the pet is confined by fence, chain, or leash, or is under the voice control of a responsible person.
 - B. Any potentially dangerous or vicious dogs must be contained or controlled at all times. They must be kept either indoors, inside a fenced yard, or in a kennel. When the dog is taken off the owner’s Lot, the person responsible for the dog must be able to control the dog, must retain control of the leash at all times, and the dog must be muzzled.
- 8.9 Pit bulls:
- A. As provided under Riverside County Ordinance 921, no person shall own or possess a pit bull over the age of four (4) months that has not been spayed or neutered, except as provided in the ordinance. A pit bull is defined as “any Staffordshire Bull Terrier, American Pit Bull Terrier, or American Stafford Terrier breed of dog, or any mixed breed of dog which contains, as an element of its breeding, any of these breeds so as to be identifiable as partially of one or more of these breeds.”
 - B. In the case of a mixed-breed dog that appears to be a pit bull, the owner has the burden to show the dog is not a pit bull by providing a copy of the results of a breed determination made by the Riverside County Department of Animal Services.

ARTICLE 9: VEHICLES AND PARKING

- 9.1 Street Parking. Street parking of trucks exceeding one ton capacity and any type trailer, fifth-wheel, camper or motor home is limited to 72 hours. Inoperable or disabled motor vehicles may have this time extended by written permission of the Board.
- 9.2 Repair of Vehicles. Construction, repair, service, or maintenance of any vehicle in the common areas or on the public streets within the development is prohibited except for emergency repairs to the extent necessary solely for the movement of the vehicle to a proper repair facility. Such work is prohibited on Residential Lots except in an area not visible from the common areas or neighboring properties. Regular maintenance such as checking oil, adding water to golf cart batteries, washing and/or waxing cars, checking or changing tires, or vacuuming the interior is permitted on Residential Lots.
- 9.3 Parking on Common Property. No vehicle may be parked on common property for more than 72 hours.
- 9.4 Golf Carts. All golf carts must be identified with the applicable Owner's Lot number in the location and size specified by the Board of Directors. Decals can be obtained from the Association’s office and must be placed on the cart within 30 days of acquisition. Owners are responsible for any damages to, or caused by, their golf carts.
- 9.5 Parking on Residential Lots: Parking on Residential Lots is restricted to passenger vehicles, including golf carts, motorcycles, and pickup trucks. Parking of Trailers, Recreational Vehicles, Boats, Commercial Vehicles, inoperable or disabled vehicles, or similar vehicles is prohibited unless fully contained within an

enclosed garage or carport.

ARTICLE 10: RECREATIONAL VEHICLE STORAGE

- 10.1 Storage Control Committee (SCC). The Storage Control Committee shall consist of the Director of Common Property, who serves as chair and who may appoint at least two additional Residents as Members of the Committee. The Committee will handle space assignments, Lot maintenance, and parking regulations. Use of the Lot is at the user's own risk. The SCC shall be the final authority on space assignment, subject to an appeal to the Board of Directors of the Association.
- 10.2 Use of the Storage Lot. Use of the storage Lot is limited to Residents who physically reside in Highland Palms. All vehicles using the facility must be recreational vehicles (boats, campers, motor homes, or trailers) and must have a valid government-issued vehicle registration certificate and proof of property and liability insurance at the time of applying for a space. Owners with more than one RV may be assigned an additional space, if available. If necessary, the SCC will establish a waiting list to provide spots on a first-come, first-served basis. The SCC must be notified if a Resident changes RVs or license number and the vehicle must be removed within 30 days of the Resident moving out of Highland Palms.
- 10.3 Current Registration & Insurance: Owners of vehicles in the storage facility must maintain a valid, current property and liability insurance policy and either a current valid registration certificate or a valid certificate of non-operability. Failure to do so may result in fines, suspension of Membership privileges, and/or having the vehicle removed/impounded at the Owner's expense.
- 10.4 Additional Spaces. If additional spaces are available, trailers that are not considered recreational vehicles (including but not limited to motorcycle trailers and golf cart trailers) will be allowed on a first-come, first-served basis, pending inspection and approval by the SCC. Such trailers must be street legal with a valid vehicle registration certificate and proof of property and liability insurance. Under no circumstances shall such vehicles be used for storage. If there are insufficient spots for recreational vehicles, these trailers will be required to vacate the storage Lot on a last-in, first-out basis.
- 10.5 Maintenance. RV owners are responsible for the housekeeping duties necessary to maintain their spaces in weed-free and debris-free condition. The Association will provide installation and repair of access surfaces, fencing, lighting, and perimeter security alarm systems at its discretion. Failure to maintain the assigned space may be cause for loss of space assignment and the RV removed at Owner's expense.
- 10.6 Security. The Lot access gate must be locked at all times, except when required for entrance and exit. Only RV owners that have assigned RV Lot spaces shall be provided access codes or keys, which may not be disclosed or transferred to any other person.
- 10.7 Limitation. At no time shall there be any overnight camping or other Residential use of this site.
- 10.8 Towing. Any vehicle left for more than 30 days after the owner has moved out of

Highland Palms, or for whom an owner cannot be identified may be considered abandoned and is subject to towing and/or sale.

ARTICLE 11: SELLING, RENTING OR LEASING

- 11.1 Change of occupancy or ownership. When occupancy or ownership of a Lot changes, whether by sale, assignment, quitclaim, lease, or other means:
- A. The departing occupants shall surrender to the Association or the new owner their common property access keys.
 - B. The Owner must notify the Association of the name and address of the new owner(s) or Tenant(s) and the nature of the change.
- 11.2 Selling, renting or leasing. The Owner must notify prospective buyers, Tenants, or renters that Highland Palms is a 55+ community as defined in the CC&Rs prior to entering into any sort of rental or lease agreement. The Owner also must advise prospective buyers/Tenants/renters of the requirement to attend an orientation interview with the Board of Directors (or a committee appointed by the board).
- A. When selling, it is the responsibility of the seller to transfer to the new owner the access keys and the mailbox keys during the escrow process. If the keys are not provided, the cost of the replacement keys shall be included in the fees to be collected from the seller at the time the escrow closes.
 - B. When leasing, it is the responsibility of the Member to transfer to the Tenant the access keys and mailbox keys. When a Tenant must obtain Access keys from the Association office, a refundable deposit is required. The deposit will be refunded to the Tenant when the key and the receipt showing payment of the deposit is surrendered to the Association.
 - C. When renting, it is the responsibility of the Member to ensure the renter is at least 55 years of age and that they attend an orientation with the Board.
- 11.3 Signage: Any signs posted offering a property in Highland Palms for sale or lease must include a statement that Highland Palms is a 55+ community.
- 11.4 Transfer of ownership. When ownership of a Lot changes, whether by sale, assignment, quitclaim or other means, the Owner must notify the Association of the name and address of the transferee and the nature of the transfer.
- 11.5 Verification of Age. It is the responsibility of the persons who will be occupying the residence to provide age verification, which must be by one of the following documents:
- A. Birth certificate;
 - B. Driver's license;
 - C. Passport;
 - D. Immigration card;
 - E. Military ID;
 - F. Any other local, state, federal, or international documentation containing information regarding the age of the person;
 - G. A sworn statement under penalty of perjury by an adult Member of the household that at least one occupant is 55 years of age or older.
- 11.6 Assessments. The Owner of a property in Highland Palms is responsible for keeping the Homeowners Assessment fees current through close of escrow. In the

case of a leased property, the Owner remains responsible for the assessments regardless of whether the lease agreement requires the lessee to pay said assessments.

- 11.7 Lease Restrictions. Only leases with an initial term of not less than 30 (thirty) days are permitted. Owners must provide copies of said leases (financial arrangements may be redacted) along with the full names, previous addresses and verified ages of the Tenants within 15 days of signing the lease. The lease agreement must include at a minimum the following clauses:
- A. Tenants agree to comply with the Association's Governing documents and failure to do so constitutes a default under the lease agreement;
 - B. There is no right of assignment or sublease;
 - C. Tenant agrees to obtain and maintain insurance with appropriate limits to protect against property loss and personal injury;
 - D. Tenant and other occupants of the residence agree to attend an orientation interview with the Board of Directors (or a committee appointed by the Board) within 15 days of moving in.
- 11.8 Orientation Interview. At the orientation interview for new buyers/Tenants/renters, the Association will issue to the buyers/Tenants/renters copies of the Association's governing documents. If the access keys and/or mailbox keys had not been transferred to the new buyers/Tenants, the Association will make the appropriate arrangements at this time.

ARTICLE 12: INSPECTIONS AND COMPLAINTS

- 12.1 Resident Complaints. Complaints by Residents about possible violations of the Association's governing documents must be submitted in writing and must be signed. The Association will not act on anonymous or oral complaints, unless they can be independently verified.
- 12.2 Right to View Complaints. Written complaints will be kept confidential except that the person accused of the violation will have the right to view, but not copy, the complaint.
- 12.3 Inspections. The Association's representatives and vendors may enter the exterior portion of Residential Lots, common areas, and Exclusive Use common areas, subject to the restrictions spelled out in the Right of Entry provisions of the CC&Rs:
- A. To inspect and perform necessary maintenance or repairs to the common areas and/or Exclusive Use common areas;
 - B. To mitigate damages;
 - C. To inspect the Lot and its Improvements to ensure compliance with the Governing Documents. Such persons, acting in good faith, shall not be liable for trespass;
 - D. To bring the Lot into compliance with the governing documents when the Member has failed to maintain the property.

ARTICLE 13: ENFORCEMENT PROCEDURES

- 13.1 Remedies for Enforcement. The Highland Palms Board will follow California law to enforce the governing documents. In addition to all other permitted legal

remedies, the following remedies may apply:

- A. Warning letters;
- B. Monetary penalties;
- C. Suspension of Membership privileges;
- D. Internal dispute resolution;
- E. Alternative dispute resolution (arbitration or mediation);
- F. Litigation.

13.2 Rules Committee. The Board of Directors may appoint a Rules Committee and delegate to said Committee the authority to conduct hearings into alleged violations of the Association's governing documents. In addition, the Committee may meet from time to time to review and/or to recommend changes to the Association's Policies, Rules, and Regulations.

- A. If appointed, Membership in the Committee shall be:
 - 1 Two Members of the Association's Board of Directors, one of which shall be the vice president who serves as committee chair, and the second shall rotate among the other Board Members; and
 - 2 Three Residents of the community, including at least two Members of the Association. The third may be a Tenant or a non-Member spouse of either a Member or a Tenant.
- B. No Member of the Committee may be a relative of any other Member of either the Committee or the Board.
- C. Appointments to the Committee are for a term of one year and Members serve at the pleasure of the Board.

13.3 Notice and Hearing Procedures. The notice and hearing procedures shall be as set forth in the Enforcement Policy which is appended to these Rules.

- A. Notice of Hearing. Notice of the hearing will be sent at least ten (10) business days prior to the hearing and will be given either personally or by prepaid first-class mail to the most recent address shown in the Association's records. The notice 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, and a statement that the Member has a right to attend and may address the committee and present evidence at the meeting.
- B. Opportunity to Be Heard. Members have the right to send a letter, to send a representative, or to appear in person to present evidence as to why they should not be disciplined. The hearing will be held in executive session.
- C. Rescheduled Meetings. Upon written request and for good cause, an accused party may be granted one continuance. Any other continuances shall be at the discretion of the Committee. If a person fails to appear for a hearing, the Board will review the evidence presented and make its decision accordingly.
- D. Correction of Violation. In the event the violation is corrected prior to the hearing date, the Committee may dismiss the proceedings.
- E. Notice of Decision. Within fifteen (15) calendar days of the Committee's decision, the Member will be given written notice of the decision.
- F. Conflicts of Interest. If a Committee Member has a possible conflict of interest (i.e., originated an otherwise independently unverifiable complaint

or is the subject of the complaint) that Member must disclose it to the Committee and may not participate in the hearing or any related discussions without Board approval.

- G. Monetary Penalties. Fines may be imposed in accordance with the Association's schedule of fines.
 - H. Suspension of Privileges. The Committee may suspend the common area privileges of Members and their family, Tenants, and Guests as provided for in the CC&Rs §10.1(b).
 - I. Judicial Enforcement. In addition to monetary penalties and suspension of privileges, the Association may file a lawsuit for damages and/or injunctive relief as provided for in the CC&Rs.
- 13.4 Reimbursement Special Assessments. The Board may levy reimbursement special assessments against Members for expenses incurred by the Association arising out of actions or omissions of such Members or their family, Tenants, Guests, or pets as provided for in the CC&Rs.
- 13.5 Failure to Pay Assessments. Unpaid assessments may be enforced as provided for in the CC&Rs.
- 13.6 Cumulative Remedies. The enforcement rights described in this section are cumulative and the Association may exercise one or more of its rights or remedies, including those which may not be listed, singly and/or in such combination as the Board determines to be appropriate to be effective. The Association has the right to pursue one or more remedies simultaneously.
- 13.7 Alternative Dispute Resolution. California law may require that before the Association or a Member files a lawsuit against one another, the filing party must submit the dispute to Alternative Dispute Resolution.
- 13.8 Attorneys' Fees. Attorneys' fees may be levied against and collected from Members as provided for in the CC&Rs.

ARTICLE 14: PERMITTED TEMPORARY LIVE-IN HEALTH CAREGIVER(S) (PTL-IHC)

- 14.1 Occupancy. A qualified legal Resident of Highland Palms has the right to hire a Caregiver (s). The Board of Directors, upon a showing pursuant to law, will approve the Caregiver (s). Family Members or friends of the Caregiver (s) are governed by the Guest rules and are controlled by the qualified legal Resident. The occupancy of a Caregiver is permitted under the following circumstances:
- A. The Caregiver is retained to provide live-in, long-term, short-term, or terminal health care to a qualified legal Resident, or
 - B. The Caregiver is a family Member of the qualified legal Resident providing that care. For the purpose of this section, the care provided by a Caregiver must be substantial in nature and must provide either assistance with necessary daily activities or medical treatment or both.
- 14.2 Application Process. An application by a qualified legal Resident for approval of an existing, new, or different Caregiver must be made on forms available at the Association office. The application requires any qualified legal Resident applying to have, to continue to have, or to change, a Caregiver residing with them in their residence in Highland Palms to comply with the following requirements and to

submit any legally required information to the Association's Board of Directors with the application:

- A. The qualified legal Resident, or his/her legal guardian, must submit certification by a medical practitioner licensed by the state of California, on the Association's form. Alternately, the certification may be submitted by the medical practitioner on the medical practitioner's letterhead stationery, provided it contains all the information required on the form.
- B. The qualified legal Resident shall make available to any existing or prospective health Caregiver a copy of the current Covenants, Conditions, and Restrictions ("CC&Rs") and current Policies, Rules, and Regulations.

14.3 Approval for Caregiver(s).

- A. Upon receipt of a full and complete application, the Board shall determine whether the current or prospective Caregiver qualifies. The Association may conduct criminal background checks on all Caregivers prior to approval. All criminal background checks will be conducted on a case-by-case basis. In coming to a decision, the Association shall take into account, amongst other factors, the nature and severity of the conviction, the amount of time that has passed since the convicted crime occurred, the facts and circumstances surrounding the criminal conduct, the age of the Caregiver at the time of the crime, and any evidence of rehabilitation. The Association shall have the right to prohibit all Caregivers who have been convicted of the following crimes:
 - 1 Elder abuse per California Penal Code §368;
 - 2 Domestic Violence per California Penal Code §13700;
 - 3 Any offense that disqualifies the caregiver from residency in Public Housing per Title 24, §982.553 of the Code of Federal Regulations.
- B. Applications shall be considered at the next open Board meeting after receipt of the application. Decisions shall be rendered within 15 days of that meeting or within 15 days of the completion of a background check, whichever is later. Pending action on the application, the applicant will be allowed to reside in the community as a Guest of the qualified legal Resident. The decision of the Board shall be recorded in the minutes of the meeting, along with the reasons for the decision, and the period of time the Caregiver will be allowed to reside on the property.
- C. The Caregiver's right to reside with the qualified legal Resident shall be valid for a time period determined by the Board or until the qualified legal Resident (1) has moved from Highland Palms, (2) dies, (3) no longer needs the authorized health care, whichever is shorter. Once the authorized time period has passed or the approved health care is no longer necessary, the Caregiver must cease residing on the property within 30 days, unless the qualified legal Resident has been granted approval for the Caregiver to continue based upon a new application.
- D. The Caregiver's right to reside with the qualified legal Resident applies only to the approved Caregiver and not to the caregiver's family Members or Guests.

14.4 Violations. Violations of the governing documents, including this article, by any health Caregiver will subject the qualified legal Resident to disciplinary action to

the fullest extent allowed by the governing documents and the law, including:

- A. Imposition of monetary fines according to the current fine schedule;
- B. Suspension of common area privileges;
- C. Legal action to remove any Caregiver, or any other person not qualified and approved to be a Caregiver, from the property, including recovery of attorneys' fees and costs as allowed by law.

ARTICLE 15: SEVERABILITY

- 15.1 Conflicts Severability. These Rules shall be enforced to the fullest extent permitted by law. If there is a conflict between any provision of these Rules and any statute, law, ordinance, rule, order or regulation, the latter shall prevail, and in such event the provision of these Rules at issue shall be curtailed and limited only to the extent necessary to bring it within applicable legal requirements. Each provision of these Rules shall be considered as separate and divisible, and, in the event any provision of these Rules is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remaining provisions of these Rules shall continue to be in full force and effect without being impaired or invalidated in any way, to the extent possible.

ARTICLE 16: Harassment

- 16.1 Harassment Policy: The Highland Palms Senior Estates & Country Club ("Association") hereby adopts the following restrictions against Harassment (as defined below) of any person that enters, stays, resides within, or works within the Association's development (the "Development").
- A. Definitions. The term "Harassment" includes words, gestures, correspondence (whether in print or online), or any other action that tends to annoy, alarm, intimidate, or abuse another person. Harassment includes but is not limited to: (1) following, bothering, and/or stalking someone to the point of causing the person annoyance, distress, fear or harm; (2) sending abusive, threatening, repetitive or voluminous written correspondence to the person causing annoyance, distress, fear or harm. To annoy is to disturb, irritate or cause significant discomfort. Abuse includes without limitation insulting, hurtful, or offensive wrongs or acts. If there is a dispute regarding the meaning of the term "Harassment", the Board of Directors holds the power and authority to interpret the term "Harassment" and its interpretation shall be binding on the parties. The term "Harassment" shall not include enforcement action initiated by the Association.
 - B. No Harassment.
 - 1 The Association will not tolerate Harassing behavior of any kind, whether verbal, physical, written, online cyber bullying, social media attacks, or otherwise.
 - 2 All owners (including their Tenants, Residents, Guests, occupants, and all other persons affiliated with the owners' units) are prohibited from engaging in any Harassing behavior of any kind and from any form of intimidation or aggression directed at the Association's

Members, Residents, Guests, occupants, invitees, or directed at the Association's agents, employees, Board Members, Officers, or vendors.

- 3 All owners (including their Tenants, Residents, Guests, occupants, and all other persons affiliated with the owners' units) are prohibited from stalking, harassing, or obstructing the Association's vendors, employees, board Members, officers, and workers. Verbal Harassing behavior (whether oral or written via letter or online) such as berating, belittling, insulting or threatening Association Board Members, vendors, employees, Residents, owners or others is not acceptable and is a violation of the governing documents.
- 4 At all times, Association employees and the individual Members of the Board of Directors shall be treated with courtesy and respect by owners (including the owner's Residents, Guests, family Members, Tenants, trustees, and all other persons affiliated with the owner's unit). No Harassing behavior or language will be tolerated. Unless authorized by the Association in writing, owners (including their Tenants, Residents, Guests, occupants, and all other persons affiliated with the owners' units) shall not communicate with an Association vendor.

SCHEDULE OF FEES

Escrow/Transfer of Property Title	\$250 00
Facilities Use Fee (Mandatory for all new property owners)	\$2,000.00
New Homeowner Information Package	\$50 00
Homeowners Leasing Package	\$50 00
Monthly Assessment	\$130.00
Legal Fees to Process Liens	Actual Cost
Administrative cost for extra office work	\$25.00 per hour
Returned check (unpaid by bank)	\$25.00
Approved private social gathering: Main Clubhouse (excluding kitchen use) - \$100.00 of deposit is refundable if clubhouse is left clean.	\$150.00
Approved private social gathering Golf Clubhouse (excluding kitchen use) - \$100 00 of deposit is refundable if clubhouse is left clean	\$125.00
Use of kitchen facilities with either clubhouse (\$100 00 of deposit is refundable if kitchen is left clean):	\$200.00
Golf Course Guest fee (per day)	\$5.00
Photocopies - each page (single sided)	\$0.20
Photocopies – each page (double-sided)	\$0.30
Fax - each page sent	\$1.50
Fax - each page received	\$0.20
Mailbox key replacement	\$25.00
Clubhouse entry fob replacement	\$20.00
Clubhouse entry fob for Tenants	\$25.00 refundable deposit
Garage/Yard sale	\$10.00

~ALL FEES ARE SUBJECT TO CHANGE~

Late Fees: Payments are due and payable in advance on the first day of each month. If payments are delinquent past the fifteenth of each month, a late payment fee of 10 percent will be assessed. A lien may be recorded against the property to collect delinquent dues and late charges.

POLICIES

MEMORIALS

It is the policy of the Association to encourage contributions of trees, shrubs or other items in memory of a deceased Resident. The Board of Directors must approve placement of such contributions on common areas/Property.

BULLETIN BOARDS

The Association provides public bulletin boards for the exclusive use of its Members and the clubs established within the community. Persons or clubs posting are solely responsible for the content of their postings and no endorsement by the Association is given or implied. In addition to rules posted in the bulletin board area, and subject to change without notice by action of the Board, specific rules on the type of material which may not be posted is included in Section 7 of the Rules & Regulations section of this document.

PARKING & TRAFFIC ENFORCEMENT

The streets within Highland Palms are public thoroughfares subject to state and county laws. Although the Association has no authority to enforce the vehicle code, the Davis-Stirling act gives the Association authority to regulate parking by Members, Residents, Tenants, Caregivers and Guests, as well as Members of their families, on the public streets within the development. See Section 9, Vehicles and Parking.

CAREGIVERS

Residents are entitled to have a live-in health Caregiver when it is medically necessary. Unfortunately, neither state nor county laws in California, with one noticeable exception, have adequately regulated home health Caregivers who are hired privately to assist seniors. There have been many instances where that right has been abused; therefore, the Board has imposed requirements for, and restrictions on, Caregivers that are detailed in Section 14 of the Rules & Regulations section of this document.

EMAIL ADDRESSES

Any Members wishing to include their email address as part of their Membership records may do so with the understanding that said email address is part of the public records of the Association that is subject to review and copying upon the request of any other Member of the Association. The Association shall not require Members to provide an email address unless they opt for electronic delivery of notices.

ENFORCEMENT POLICY

The following policies and associated fines constitute the enforcement procedures governing Members of the Association who violate the governing documents of Highland Palms Senior Estates & Country Club, Inc.

These policies and fines were adopted by the Board of Directors at an open Board Meeting on Sept. 12, 2016 following publication for a 30-day comments period by the Membership as provided for in Article 6 of the Bylaws and amended Nov. 5, 2020, Aug. 12, 2021, and Aug. 3, 2023 following the same procedure.

The policies stated herein apply to violations of any of the governing documents of the Highland Palms Senior Estates & Country Club, Inc., including the Articles of Incorporation, the Bylaws, the Covenants, Conditions, and Restrictions (CC&Rs) or the Policies, Rules, and Regulations (Rules).

1. **COMPLAINTS:** Disciplinary proceedings may be based on complaints from other Members or residents or upon the initiative of the Board if a Member of the Board personally observes a suspected violation. All complaints must be submitted in writing and signed by the complaining party (complainant). The Association will only act on anonymous or verbal complaints if the information in the complaint can be verified independently. Upon receipt of a complaint, the vice president shall investigate to determine whether the complaint can be resolved without a hearing, be dismissed with the consent of the Board, handled with a violation notice, or scheduled for a hearing before the Rules Committee. Complainants must be prepared to appear at any disciplinary hearing based on their complaints to testify as to the nature of the alleged violation(s). As provided for in the governing documents, Members are responsible for any violations committed by them as well as those committed by their family Members, Tenants, pets, Guests, Caregivers, or visitors or the pets of any of said persons.
2. **COURTESY NOTICE:** Accused Members (respondents) will be given a Courtesy Notice when a violation is reported and will have 15 business days from the date of the notice to correct the matter or dispute the allegation in writing.
3. **VIOLATION NOTICE:** If respondent fails to respond or fails to correct the reported violation, a formal violation notice will be issued giving the respondent 10 business days to cure the violation.
4. **HEARING:** In the event the respondent(s) fail to respond in writing within the designated period, challenges the allegation that they are in violation of the governing documents, or if the Board believes the proffered explanation is insufficient, a hearing (as provided in Article 10 of the CC&Rs) shall be scheduled to ascertain the facts. Respondents shall be given 10 business days written notice of the date and time of the hearing, delivered either in person or by first-class mail. At the time stated, respondents may appear in person or may submit a written response and may present witnesses and evidence on their behalf. If the allegations stemmed from a complaint, the complainant shall be required to appear to testify about the complaint, unless the complaint has been independently verified by the Board. All hearings are held in executive session and are closed to the public. Hearings

- will be conducted by the Association's Rules Committee, except in cases involving allegations of harassment or discrimination, which will be heard by the Board of Directors.
5. **POSTPONEMENTS:** Requests for postponements to accommodate respondents for medical reasons should be submitted in writing at least two business days in advance of the hearing date and will be routinely granted. Respondents must confer with the Board to arrange a mutually acceptable alternative date. All other requests for postponements must be submitted in writing at least four business days in advance of the hearing. As a general rule, only one postponement for reasons other than medical accommodations will be granted and may not be for more than 14 days.
 6. **DECISIONS:** Upon completion of the hearing, the Board will deliberate and must provide respondents with a written notice of its findings and any disciplinary action within 15 business days of the conclusion of the hearing. The decisions must be noted in the minutes of the next open Board meeting, but only in general terms to include the nature of the charges and the decision, but without identifying complainants or respondents.
 7. **PENALTIES:** If the Board finds the respondents guilty of violating the governing documents, the following penalties may be imposed, either individually or in any combination.
 - A. For one-time (non-continuing) violations:
 - (i) Suspension of Membership privileges, including the use of all common property facilities, i.e., the clubhouses, the swimming pool, and the golf course, for up to 30 days;
 - (ii) A fine of up to \$1,000 for each violation.
 - B. For continuing violations, which are defined as violations that persist, the penalties may be imposed as follows (either individually or in any combination):
 - (i) Suspension of Membership privileges, including the use of all common property facilities, i.e., the clubhouses, the swimming pool, and the golf course, for as long as the violation persists.
 - (ii) A fine of up to \$1,000 for each violation. Because each day that the violation persists constitutes a new violation, the fine may be imposed on a daily, weekly, or monthly basis, and continues for as long as the violation persists.
 - C. Repeat offenses: Upon finding respondents guilty of repeat violations of the same offense, all fines shall be doubled, subject to a maximum of \$2,000 for a single occurrence and \$500/day for a continuing violation.
 - D. Safety violations: The maximum penalty for a safety violation is \$2,000, which may be imposed either as a one-time fine or, if it is a continuing violation, on a daily, weekly, or monthly basis for as long as the violation persists.
 - E. For a first violation, the Board may waive the monetary penalty or issue a warning. In addition, the Board may, as an incentive to ensure compliance, offer to waive any monetary penalties if the violation is corrected within 30 days of the close of the hearing.
 8. **APPEALS AND RECONSIDERATIONS:** Rulings of the Rules Committee of the Highland Palms Senior Estates & Country Club, Inc. may be appealed to the Board of Directors. In addition, respondents may request reconsideration if they have new or different facts not presented in the original hearing. Such requests must be submitted in writing within 15 business days of receiving the Notice of Decision. A respondent also may file a written demand for Internal Dispute Resolution.

9. **SCHEDULE OF FINES:** Following is a list of the schedule of monetary penalties (fines) that may be imposed following a properly noticed disciplinary hearing. These fines may be imposed in addition to any other penalties authorized by the governing documents (see item 7 above). All fines are in addition to any actual costs, damages, or expenses, including attorney’s fees, incurred by the Association in obtaining compliance with the governing documents. Any violation not specifically listed below is subject to a minimum fine of \$25 and a maximum fine of \$1,000 (\$2,000 maximum for a second offence or \$2,000 maximum for a safety violation.) Fines are due and payable within 30 days of the date of the hearing decision notice. The Board shall review the schedule of fines every other year (odd years) to determine whether the schedule needs to be amended.

SCHEDULE OF FINES

Violation	Single Occurrence	Continuing violation
Age violation (each unauthorized person under age 55 is a separate violation)	Up to \$500 per person	Not less than \$75 per day per person
Architectural	Up to \$500	\$25 per day
Excessive noise	Up to \$500	\$25 per day
Harassment/intimidation	Not less than \$100 per day per occurrence.	\$200 per occurrence
Parking in Handicapped Space	\$25.00	
Violation of rules for parking on Residential Lot	Warning on first offence, \$25 for each subsequent offence	\$25 per day
Parking or stopping in a no parking zone or at red curb	A warning for first offence, \$25 for a 2 nd , each subsequent offence increases by \$25.	
Pet (over limit)	Up to \$500	\$25 per day
Pet (excessive barking)	Up to \$500	\$50 per day
Pet (leash violation)	\$25 per occurrence	
Pet (common property)	\$25 per occurrence	
Smoking in clubhouses, pool area, courtyard or golf clubhouse covered patio	Up to \$500 (doubled for repeat violations within 1 year).	
Storage violation	Up to \$500	\$25 per day
Trash cans	Warning on first offence, \$25 for each subsequent offence	
Trash left on common property	\$50 (Doubled for repeat violations within 1 year)	
Yard/Estate sale (unauthorized)	\$50	

COLLECTION POLICY

The HIGHLAND PALMS SENIOR ESTATES AND COUNTRY CLUB, INC (the "Association") has the right and duty under the Association's governing documents and California law to impose and collect assessments so that the Association can, among other things, manage, maintain and operate your development.

Timely payment of assessments is of critical importance to the Association. Although most property Owners consistently pay their assessments on time, the failure of any Owner 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 Association's financial obligations. Therefore, to encourage the prompt payment of assessments and as required by law and/or the Association's governing documents, the Board of Directors has enacted the following policies and procedures (this "Collection Policy") concerning collection of delinquent assessment accounts, subject to Civil Code §4340, et seq., if applicable.

1. **DUE DATES.** All Regular Assessments shall be due and payable, in advance, in equal monthly installments, on the first day of each month. 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 Members for approval. In no event shall a Special Assessment be due and payable earlier than thirty (30) days after it is imposed.
2. **PAYMENT / RECEIPTS / OVERNIGHT PAYMENT LOCATION.** The Association will be the collectors of the assessments (current and delinquent), late charges, interest, and collection costs (which may include attorneys' fees). Assessments may be paid by personal check, bank drafts, cashier's checks and/or money orders, as well as by electronic payment, if available. A charge of \$25.00, in addition to late fees, if applicable, will be assessed against any account whose check has been returned for Non-Sufficient Funds (NSF). When an Owner makes a payment, the Owner may request a receipt and the Association will provide such receipt, which will indicate the date of payment and person who received such payment. (Civil Code Section 5655) Any Owner is entitled to inspect the Association's accounting books and records. Any request for a receipt of payment must be submitted directly to the Association's business address (separately from any actual payment). Overnight payment of assessments may be sent/delivered to the following address:
HIGHLAND PALMS SENIOR ESTATES AND COUNTRY CLUB, INC.
3077 BUTIA PALM AVE.
HOMELAND, CA 92548
3. **APPLICATION OF PAYMENTS.** Payments received on delinquent assessments shall be applied to the Owner's account in the following order of priority: First, the principal on the assessments owed; then to accrued interest and late charges; then to attorneys' fees; then the title company and foreclosure service company charges and other reasonable costs of collection. Payments on account of principal shall be applied in reverse order so that the oldest arrearages are retired first.
4. **LATE CHARGE:** All assessments shall be delinquent if not paid within fifteen (15) days after they become due and will result in the imposition of a late charge of ten percent (10%) of the delinquent assessment or ten dollars (\$10.00), whichever is greater. Furthermore, the

Association shall be entitled to recover any reasonable collection costs, including attorneys' fees, that the Association then incurs in its efforts to collect the delinquent sums.

5. LATE LETTER. If a delinquent assessment payment is not paid within fifteen (15) days after it becomes due, a late letter or current ledger may be sent to the Owner reminding the Owner of their delinquent account status. The Association, however, is in no way required to send a late letter or ledger before sending a pre-lien letter referenced below. .
6. INTEREST. If an assessment payment is not paid within thirty (30) days of its original due date, interest may be imposed on all sums due, including the delinquent assessment, attorneys' fees, collection costs, and late charges, at an annual percentage rate of twelve percent (12%) or the rate specified within the CC&RS, whichever is less.
7. SECONDARY ADDRESS. Upon receipt of a written request by an Owner identifying a secondary address for the purposes of assessment collection notices, the Association shall send collection notices required by this Collection Policy to the secondary address provided. The Owner's notice of a secondary address must be in writing and mailed to the Association in a manner that shall indicate that the Association has received it. The Association shall only send notices to the indicated secondary address at the point in time the Association receives the written request.
8. PRE-LIEN LETTER. If an assessment payment from the Owner is not paid within thirty (30) days after its original due date (for example, if an Owner fails to pay an assessment which was due on June 1st and the failure to pay continues through July 1st, then the June assessment would not have been paid within 30 days after its original due date), a notice of delinquency (Pre-Lien Letter) may be sent to the Owner by regular first-class mail and certified mail, return receipt requested. The Pre-Lien Letter shall provide at least 30 days written notice to a delinquent Owner prior to recording an Assessment Lien and further provide an itemized statement of the charges owed, including a breakdown of the following items: (a) The principal amount owed; (b) any late charges with the method of calculation used to determine such charges; (c) any attorneys' fees incurred; and (d) a description of collection practices, including the right of the Association to the reasonable costs of collection. A copy of the Association's collection policy shall be attached to the Pre-Lien Letter.
9. ALTERNATIVE DISPUTE RESOLUTION PROCESS.
 - a. Assessment Lien. Prior to recording an assessment lien, the Association shall offer the Owner and, if so requested by the Owner, the option of participating in dispute resolution, consistent with Civil Code §§5910 and 5915, et seq. The Association's offer shall either be placed within the Association's Pay or Lien Letter or in a separate written communication to the Owner. An Owner who desires to accept the offer to "meet and confer" under this section shall elect such option by submitting a written request to the Association or the Association's legal counsel, which written request must be received by the Association within twenty (20) days from the date of the offer to "meet and confer." If the offer to "meet and confer" under §5910 and §5915, is accepted by the Owner, the Association shall designate a prompt date and time for the meet and confer, at a location that shall either be the Association's principal office or another convenient location as designated by the Association. The Association shall designate a Board officer to participate in the meet and confer with the Owner.
 - b. Foreclosure. Prior to initiating foreclosure proceedings against an Owner's separate interest, the Association shall offer the delinquent Owner, and if so requested by the Owner, to meet and confer with a delinquent Owner (Civil Code §5910 and §5915) OR

Alternative Dispute Resolution (Civil Code §5925, et seq.) to resolve any dispute related to the total amount of delinquencies owed by the delinquent Owner to the Association and/or the Association's Collection Policy ("ADR Offer"). The Association's ADR Offer shall either be placed within the Association's Pay or Lien Letter or in a separate written communication to the delinquent Owner. An Owner who wishes to accept the ADR Offer must do so by submitting their written request to facilitate the ADR that is elected with the Association, which written request must be received by the Association within thirty (30) days from the day the ADR Offer is submitted to the delinquent Owner. The Association shall designate a prompt date and time for the elected ADR. If a "meet and confer" is elected by the delinquent Owner, the Association shall designate a Board Member to participate in the meet and confer with the delinquent Owner. The decision to pursue dispute resolution or a particular type of Alternative Dispute Resolution shall be the choice of the Owner, except that binding arbitration shall not be available if the Association intends to initiate a judicial foreclosure.

10. **SUSPENSION OF MEMBERSHIP PRIVILEGES.** Additionally, any Owner whose Assessments become delinquent in excess of 60 days shall have their privileges for use of the common area/recreational facilities (hereinafter collectively "Membership Privileges") suspended until the assessment is brought current or until the Owner has entered into a payment plan to bring the assessment current. The Owner shall have the right to request a hearing to challenge the suspension of privileges in accordance with the notice and hearing procedures in the governing documents for the Association.
11. **ASSESSMENT LIEN.**
 - a. If the delinquent Owner does not bring their account current within the deadline set forth in the Pay or Lien Letter, the Board of Directors may proceed with recording an assessment lien against that Owner's separate interest.
 - b. The decision to record a lien for delinquent assessments shall be made only by the Board of Directors of the Association and may not be delegated to an agent of the Association. Prior to causing an assessment lien to be recorded, the Board of Directors must approve the recordation of an assessment lien against the delinquent Owner's separate interest. The Association's Board of Directors shall approve the decision to record an assessment lien by a majority vote in an open meeting and the vote shall be recorded in the minutes of that meeting. The Board's action should refer to the Unit or account number of the property that is delinquent, rather than the name of the Owner.
 - c. The Assessment Lien shall be recorded in the County Recorder's Office itemizing all sums that are then delinquent, including the delinquent assessment(s), the then current monthly assessment amount which will also accrue and be a part of the lien, interest, late charges, collection costs and reasonable attorneys' fees. Recording this notice creates a lien, which may be foreclosed upon by the Association.
12. **FORECLOSURE.**
 - a. ADR Procedure. The Association, prior to initiating foreclosure proceedings against a delinquent Owner's separate interest, must comply with the Alternative Dispute Resolution procedure set forth above (except that the timeline for the delinquent Owner to accept a meet and confer would be thirty (30) days from the date of the Owner's receipt of this pre-foreclosure offer) or Alternative Dispute Resolution consistent with Civil Code §§5925, 5910 and 5915. ("IDR/ADR Offer"). The Owner shall have thirty (30) days from the date of the IDR/ADR Offer to decide whether or

not the Owner wishes to pursue dispute resolution or a particular type of Alternative Dispute Resolution (except that binding arbitration is not available to any delinquent Owner if the Association intends to initiate a judicial foreclosure).

- b. Board Approval. Prior to initiating foreclosure proceedings, the Board of Directors must, in executive session, approve the decision to proceed with foreclosure by a majority vote. The decision to initiate foreclosure of a lien for delinquent assessments that has been validly recorded shall be made only by the Board of Directors of the Association and may not be delegated to an agent of the Association. The Board shall record the Board's executive session decision in the minutes of the next meeting of the Board open to the Members by referencing the Unit or account number of the property that is delinquent, not the name of the delinquent Owner. A Board vote to approve foreclosure of a lien shall take place at least thirty (30) days prior to any public sale. The Board of Directors shall provide notice by personal service to an Owner of a separate interest who occupies the separate interest or to the Owner's legal representative, if the Board votes to foreclosure upon the separate interest. If the Owner does not occupy the subject Lot/unit, the Board shall provide written notice via first-class mail to the most current address shown on the books of the Association.
- c. Threshold. The Board of Directors shall not proceed with any form of foreclosure unless and until the amount of delinquent assessments (exclusive of any accelerated assessments, late charges, fees, costs of collection, attorneys' fees, or interest) equals or exceeds One Thousand Eight Hundred Dollars (\$1,800.00) or the assessments have been delinquent for more than twelve (12) months ("Threshold"). Once the Threshold has been met and all other requirements identified above have been completed, the Board may proceed with foreclosure of the assessment lien pursuant to the Association's governing documents and Civil Code §§5700, 5705, 5710, 5715 and 5720. Unless otherwise provided herein, the procedure used shall be private foreclosure pursuant to Civil Code §2924, et seq., and Civil Code §§5700 and 5710. The foreclosure action shall include, but is not necessarily limited to the following procedures:
 - i. Notice of Default (NOD). A NOD will be recorded at the County Recorder's office. The cost of all attorneys' fees and/or trustee's fees will be added to the debt.
 - ii. Notice of Trustee's Sale (NOS). If the delinquency is not paid within ninety (90) days after the NOD is recorded (and a lawsuit has not been filed), the Association will proceed with the recording and publishing of an NOS. The Owner is responsible for all publication, recording, posting, and mailing costs, as well as attorneys' and/or trustee's fees.
 - iii. Sale of Property by Public Auction. If the trustee's sale proceeds, it is conducted as a public auction in the county in which the separate interest is located, during normal business hours on any business day. ANY OWNER WHOSE SEPARATE INTEREST IS IN FORECLOSURE IS URGED TO CONSULT WITH COMPETENT LEGAL COUNSEL OF THE OWNER'S SELECTION IN ORDER TO BE PROPERLY ADVISED OF THE OWNER'S RIGHTS AND OPTIONS AND THE TECHNICAL REQUIREMENTS OF THE FORECLOSURE PROCESS.

- iv Right of Redemption. The Trustee's Sale shall be subject to a statutory right of redemption, which shall terminate ninety (90) days after the trustee's sale is completed
13. **MONEY JUDGMENT OPTION.** If the Association determines that the property is over-encumbered, or otherwise makes a determination that a lawsuit is appropriate, the Association may file a personal lawsuit against the delinquent Owner to recover all delinquent assessments owing to the Association. If a lawsuit is necessary to collect the delinquent assessments from the Owner, all expenses, costs and attorneys' fees in connection with said lawsuit, including but not limited to pre- and post- judgment costs for filing fees, personal service, witness fees, interest, execution of judgment and/or writ fees shall be recovered from the Owner defendant. The Association may also refer certain accounts to collection agencies.
14. **RELEASE OF LIEN.** When a delinquent Owner has paid in full all delinquent assessments and charges, the attorney shall prepare a Release of Lien, which shall be recorded in the County Recorder's Office within twenty-one (21) days of receipt of the sums necessary to satisfy' the delinquent amount and mail a copy of the lien release to the Owner of the residential Lot.
15. **PAYMENT PLANS.** An Owner of a separate interest which is not a timeshare or who is not a developer may, if mailed to the Association within fifteen (15) days of the postmark date of the pay or lien notice, submit a written request to meet with the Board to discuss a payment plan for the payment of any delinquency. The Association shall provide the Owner with the Association's standards for payment plans, if any exist. The Board shall meet with the Owner in executive session within forty-five (45) days of the postmark of the request, unless there is no regularly scheduled Board meeting within that period, in which case the Board shall designate a committee of one or more Members to meet with the Owner. Payment plans may incorporate any assessments that accrue during the payment plan period. Payment plans shall not impede an Association's ability to record a lien on the Owner's separate interest to secure payment of delinquent assessments. Additional late fees shall not accrue during the payment plan period if the Owner is in compliance with the terms of the payment plan. In the event of a default on any payment plan, the Association may resume its efforts to collect delinquent assessments from the time prior to entering into the payment plan. The Association shall have the power and authority to include (without limitation) the following elements/terms in any payment plan agreement that is reached with the Owner:
- a. That the Owner complies with the governing documents during the course of the payment plan agreement;
 - b. That the Owner waives any defenses or claims related to the Association's collection efforts;
 - c. That the Association may place a lien against other real or personal property owned by Owner;
 - d. That the Owner agrees to waive any homestead rights he/she may have relative to the delinquent assessments;
 - e. That the Owner turns over to the Association all amounts owed under any rental/lease agreement; and,
 - f. That the Owner be required to provide identifying information, including social security number, driver's license number, off-site address(es), phone numbers, etc.

16. **PARTIAL PAYMENTS.** Once a delinquent account has been turned over to the Association's legal counsel, owners shall not send any assessment payments to the Association; such payments shall only be accepted by the Association's legal counsel. Any payments delivered to the collection agent shall be forwarded to the attorney's office; the attorney shall then release the lien if payment in full was made by the delinquent Owner.
17. **PERSONAL OBLIGATION TO PAY ASSESSMENTS AND CHARGES.** Assessments, together with late charges, reasonable fees and costs of collection, reasonable attorneys' fees, and interest determined in accordance with California Civil Code §§5600 and 5605 and the Association's governing documents are a debt of the Owner of a separate interest (the Owner's Lot) at the time that the assessment or other charges are levied. Whether or not the Association records a notice of delinquent assessment (lien) on your property, the Association has a right to look to the Owner, personally, to pay the debt and pursue collection of that debt in a court action. The Association is also entitled, upon compliance with the requirements of California law and provided certain criteria and procedures as specified by law are satisfied, to record a lien against your property and to take enforcement action to sell your property without court action by non-judicial foreclosure. The recording of a lien against your property does not limit the right of the Association to pursue any Owner personally for payment of all monies due.
18. **COURTESY STATEMENTS AND TIMELY PAYMENTS.** It is the Owner's responsibility to allow ample time to drop off or mail all monies due before the delinquency date. As a courtesy only, invoices or statements for regular assessments may be regularly sent to an Owner by first-class mail addressed to the Owner at their address as shown on the books and records of the Association. However, it is the Owner's responsibility to be aware of the assessment payment due dates and to pay any and all assessments when due, whether or not an invoice or statement has been sent. Owners should promptly advise the Association of any changes in the Owner's mailing address. The Association also reserves the right to send out coupon booklets in lieu of sending invoices or statements.
19. **RIGHT TO REQUEST VALIDATION OF DEBT.** An Owner has the right to request validation of the debt by notifying the Association in writing of such request within thirty (30) days of the Association's initial communication to the Owner. Upon such request being made, an account history or other document reflecting the delinquent balance will be forwarded to the Owner. Any information obtained in the collection process or obtained from an Owner will be used for the purpose of collecting any monies owed.
20. **COMPLIANCE WITH CIVIL CODE SECTIONS 5730 AND 5310.** The following notice is set forth to comply with the Civil Code.

NOTICE ASSESSMENTS AND FORECLOSURE

This notice outlines some of the rights and responsibilities of owners of property in common interest developments and the Associations that manage them. Please refer to the sections of the Civil Code indicated for further information. A portion of the information in this notice applies only to liens recorded on or after January 1, 2003. You may wish to consult a lawyer if you dispute an assessment.

ASSESSMENTS AND FORECLOSURE

Assessments become delinquent 15 days after they are due, unless the governing documents provide for a longer time. The failure to pay Association assessments may result in the loss of an owner's property through foreclosure. Foreclosure may occur either as a result of a court action, known as judicial foreclosure, or without court action, often referred to as nonjudicial foreclosure. For liens recorded on and after January 1, 2006, an Association may not use judicial or nonjudicial foreclosure to enforce that lien if the amount of the delinquent assessments or dues, exclusive of any accelerated assessments, late charges, fees, attorney's fees, interest, and costs of collection, is less than one thousand eight hundred dollars (\$1,800). For delinquent assessments or dues in excess of one thousand eight hundred dollars (\$1,800) or more than 12 months delinquent, an Association may use judicial or nonjudicial foreclosure subject to the conditions set forth in Article 3 (commencing with §5700) of Chapter 8 of Part 5 of Division 4 of the Civil Code. When using judicial or nonjudicial foreclosure, the Association records a lien on the owner's property. The owner's property may be sold to satisfy the lien if the amounts secured by the lien are not paid. (§§5700 through 5720 of the Civil Code, inclusive)

In a judicial or nonjudicial foreclosure, the Association may recover assessments, reasonable costs of collection, reasonable attorney's fees, late charges, and interest. The Association may not use nonjudicial foreclosure to collect fines or penalties, except for costs to repair common area damaged by a Member or a Member's guests, if the governing documents provide for this. (§5725 of the Civil Code)

The Association must comply with the requirements of Article 2 (commencing with §5650) of Chapter 8 of Part 5 of Division 4 of the Civil Code when collecting delinquent assessments. If the Association fails to follow these requirements, it may not record a lien on the owner's property until it has satisfied those requirements. Any additional costs that result from satisfying the requirements are the responsibility of the Association. (§5675 of the Civil Code)

At least 30 days prior to recording a lien on an owner's separate interest, the Association must provide the owner of record with certain documents by certified mail, including a description of its collection and lien enforcement procedures and the method of calculating the amount. It must also provide an itemized statement of the charges owed by the owner. An owner has a right to review the Association's records to verify the debt. (§5660 of the Civil Code)

If a lien is recorded against an owner's property in error, the person who recorded the lien is required to record a lien release within 21 days, and to provide an owner certain documents in this regard. (§5685 of the Civil Code)

The collection practices of the Association may be governed by state and federal laws regarding fair debt collection. Penalties can be imposed for debt collection practices that violate these laws.

PAYMENTS

When an owner makes a payment, the owner may request a receipt, and the Association is required to provide it. On the receipt, the Association must indicate the date of payment and the person who received it. The Association must inform owners of a mailing address for overnight payments. (§5655 of the Civil Code)

An owner may, but is not obligated to, pay under protest any disputed charge or sum levied by the Association, including, but not limited to, an assessment, fine, penalty, late fee, collection cost, or monetary penalty imposed as a disciplinary measure, and by so doing, specifically reserve the right to contest the disputed charge or sum in court or otherwise.

An owner may dispute an assessment debt by submitting a written request for dispute resolution to the Association as set forth in Article 2 (commencing with §5900) of Chapter 10 of Part 5 of Division 4 of the Civil Code. In addition, an Association may not initiate a foreclosure without participating in Alternative Dispute Resolution with a neutral third party as set forth in Article 3 (commencing with §5925) of Chapter 10 of Part 5 of Division 4 of the Civil Code, if so requested by the owner. Binding arbitration shall not be available if the Association intends to initiate a judicial foreclosure.

An owner is not liable for charges, interest, and costs of collection, if it is established that the assessment was paid properly on time. (§5685 of the Civil Code)

MEETINGS AND PAYMENT PLANS

An owner of a separate interest that is not a time-share interest may request the Association to consider a payment plan to satisfy a delinquent assessment. The Association must inform owners of the standards for payment plans, if any exists. (§5665 of the Civil Code)

The board must meet with an owner who makes a proper written request for a meeting to discuss a payment plan when the owner has received a notice of a delinquent assessment. These payment plans must conform with the payment plan standards of the Association, if they exist. (§5665 of the Civil Code)

21. **EFFECTIVE DATE OF THIS POLICY.** This policy shall be deemed effective once it is approved by the Board of Directors after compliance with Civil Code §4340, et seq. This policy was approved by the Board of Directors at a special open Board meeting held Oct. 18, 2021, in compliance with Civil Code §4340, et seq., and amended at an open Board meeting on Aug. 3, 2023.

CLUBS POLICY

Clubs provide an important opportunity for all Highland Palms residents to pursue common interests in hobbies, recreational, social, and cultural endeavors. Because clubs and interest groups use common properties, transparency and accountability are essential. Therefore, the Board has instituted this policy to guide the formation, activities, and affairs of HOA-supported clubs and interest groups. All clubs/interest groups are also subject to the restrictions/conditions of the Association's governing documents.

1. **Organizing a club.** Residents who are interested in pursuing a particular hobby, vocation, recreational, or cultural interest may apply for a charter to operate under the auspices of the HOA. Application for approval as a club shall be submitted to the HOA Board Secretary, and shall include the reason for the club, a list of prospective officers, a set of bylaws, a schedule of dues/fees, and a Membership list. Any clubs in existence at the time this policy is enacted shall also provide a copy of their minutes and financial statements for the preceding 12 months.

2. Organizing an interest group. Recognizing that some activities do not lend themselves to the formal structure outlined in item 1, a separate category is authorized for “interest groups,” which shall include (but is not limited to) small groups organized around crafts, card playing, dominoes, exercise, or similar activities. An application for an interest group may be submitted by any group of at least 5 residents and do not require bylaws. Interest groups may not charge dues but will be responsible for accounting for any monies collected or expended by the group.
3. Board approval. Upon receiving the application, the Board will schedule an open Board meeting for the sole purpose of hearing arguments for or against the club/interest group and shall decide, by majority vote at the meeting, whether to grant a charter. The charter will remain valid unless and until revoked by the HOA Board or surrendered by the club/interest group.
4. Non-Profit status. All clubs and interest groups shall function as not-for-profit organizations and shall be responsible for any reporting requirements and/or taxes imposed by the local, county, state, or federal government.
5. Bylaws. Bylaws of all clubs must include specific provisions/protections as outlined in the accompanying set of sample bylaws. Any changes in the bylaws must be reviewed and approved by the HOA Board before taking effect. Interest groups are not required to have bylaws or officers but must have a mission statement and must select a person to be responsible for reporting its activities and financial information to the HOA Board at the conclusion of each calendar year.
6. Membership. Membership in all clubs and interest groups is restricted to residents (including tenants) of Highland Palms. Guests are permitted if accompanied/sponsored by a resident. Non-resident HOA Members, caregivers and Qualified Legal Residents are considered guests.
7. Club Year. Clubs and interest groups shall operate on a calendar year basis, beginning in January, and shall, at the beginning of each year, provide the Board with an updated list of officers and a copy of its audited financial statement for the previous year.
8. Facility use. Except as otherwise provided for under California law or the HOA’s governing documents, approval of club status by the HOA Board confers on the club priority for facility use, authorization for temporary exclusive use of common properties for specific HOA Board approved activities, waiver of facility fees, reserved facility storage space, limited administrative support from the HOA, and extended coverage under the Association’s insurance policies. Interest groups may be allocated storage space at no cost, subject to the discretion of the HOA Board, and their use of facilities without payment of any facility fees shall be on an as-available basis. All reservations for use of common property facilities must be cleared in advance with the keeper of the Association’s official calendar.
8. Admission Charges. Clubs/interest groups may charge an admission fee or request a donation for attendance at any of its sponsored events, subject to prior approval by the Board of Directors.
9. Alcoholic Beverages.
 - A. No alcoholic beverages may be sold on HOA premises.
 - B. In accordance with California State Law, no one under the age of twenty-one shall be served an alcoholic beverage while on the premises. If alcoholic beverages are served at the function, no minors are to be present without a consenting parent or guardian. Any party

or event where minors have consumed alcoholic beverages, including beer or wine, will be immediately discontinued.

- C. It is the responsibility of the sponsoring club/interest group to monitor the dispensing of alcohol to remain within legal limits as well as to ensure the safe driving conduct of their family and guests.
10. Revocation of Charter. If the HOA Board receives written complaints alleging serious improprieties in the management of a club or interest group that cannot be resolved under the club's bylaws, the HOA Board shall convene an open Board hearing to investigate. If it determines the complaints are valid, the HOA Board may:
- A. Remove any or all of the club's officers and appoint a temporary conservator pending a Membership election to select replacements. Club Board Members so removed shall be prohibited from again serving on the club's Board;
 - B. Revoke the club's charter, thereby dissolving the club and taking custody on behalf of the Association of all assets and records of the club, including its name.
11. Dissolution. If the Members of a club or interest group voluntarily disband, all assets and records of the organization, including its name, shall be surrendered to the HOA.
12. Grandfathering. Clubs and Interest Groups established and recognized by the HOA prior to the date of the adoption of this policy are exempted from the application process in sections 1 and 2 above, but are subject to all other provisions of this policy.

This policy was adopted by the HOA Board of Directors on May 9, 2018 and amended Aug. 3, 2023.

Election Rules

In accordance with requirements of the California Civil Code, the Board of Directors of the Homeowner's Association of Highland Palms Senior Estates & Country Club has adopted these Election Rules.

1. Effective Date: These rules were adopted at a properly noticed open Board meeting held on Dec. 5, 2019 and were properly posted on and took effect as of that date. They were amended Nov. 16, 2023 following publication for a 28-day comments period by the Membership as provided for in Article 6 of the Bylaws. These election rules shall not be amended less than 90 days before any election.
2. Secret Ballot for Specified Matters:
 - A. Notwithstanding any other law or provision of the governing documents, the following matters require a vote by secret ballot in accordance with the procedures set forth herein:
 - i. Any assessment legally requiring a vote;
 - ii. Election and removal of Members of the Association's Board of Directors;
 - iii. Amendments to the CC&Rs and Bylaws
 - iv. The grant of exclusive use of common area property;
 - v. Any other matters requiring Membership approval under the CC&Rs and/or Bylaws.
 - B. A quorum shall be required only if so stated in the governing documents of the Association or other provisions of law. If a quorum is required by the governing documents, each ballot received by the Inspector of Elections shall be treated as a Member present at a meeting for purposes of establishing a quorum. A quorum is

50 percent (50%) of the total number of lots in the development, which is equal to 267.5 and is rounded up to 268. The number will be noted on the voting instructions provided with each ballot.

3. Fairness in Elections:

- A. The Association shall ensure that equal access to Association media shall be provided to all candidates and/or Members advocating a point of view, including those not endorsed by the Board, for purposes that are reasonably related to the election. The Association shall not edit or redact any content from these communications, but may include a statement specifying that the candidate or Member, and not the Association, is responsible for that content.
- B. The Association shall ensure access to the common area meeting spaces during a campaign, at no cost, to all candidates, including those who are not incumbents, and to all Members advocating a point of view, including those not endorsed by the Board, for purposes reasonably related to the election. Such use shall be subject to availability, as determined by the published monthly calendar and shall be limited to no more than two events per day, each of which may not exceed two (2) hours in duration.
- C. Association funds shall not be used for campaign purposes in connection with any Association Board election. Association funds shall not be used for campaign purposes in connection with any other Association election, except to the extent necessary to comply with duties of the Association imposed by law. For the purpose of this section, the term “campaign purposes” includes but is not limited to:
 - i. Expressly advocating the election or defeat of any candidate that is on the Association election ballot
 - ii. Including the photograph or prominently featuring the name of any candidate on a communication from the Association or the Board, excepting the ballot and ballot materials, within 30 days of an election, provided that this is not a campaign purpose if the communication is one which requires that equal access be provided to another candidate or advocate.

4. Inspector of Elections:

- A. At least ninety (90) days prior to the date of the Annual Meeting, the Board shall, at an open meeting of the Board, select either one (1) or three (3) independent third party(ies) as Inspectors of Elections to:
 - i. Ensure that the Association mails out the ballots and a copy of the election rules at least 30 days prior to the Annual Meeting;
 - ii. Oversee all ballot measures and elections, including the election of Directors;
 - iii. Hear and determine all challenges and questions regarding any aspect of the election;
 - iv. Receive and maintain custody of all returned ballots;
 - v. Determine when the polls shall close, consistent with the governing documents;
 - vi. Conduct and supervise the opening and counting of ballots;
 - vii. Determine the tabulated results of the election results; and

- viii. Do such other acts as may be proper to conduct the election with fairness to all Members in accordance with the Davis-Stirling Act, the Corporations Code, and all applicable rules of the Association regarding the conduct of the election that are not in conflict with the Davis-Stirling Act.
 - B. For the purposes of this section, an independent third party includes, but is not limited to, a volunteer poll worker with the county registrar of voters, a licensee of the California Board of Accountancy, or a notary public. An independent third party may be a Member of the Association, but may not be a Member of, a candidate for, or a relative of a Member or candidate for, the Board of Directors. In addition, an independent third party may not be a person, business, or subdivision of a business entity who is currently employed or under contract to the association for any compensable services other than serving as an inspector of elections.
 - C. The Inspector(s) of Elections may appoint as many additional assistants as are needed to assist in fulfilling the duties of the office. Said assistants are subject to the same restrictions as the Inspector, as outlined in paragraph 4B above.
 - D. At any time during the voting period, the Board of Directors may require from the Inspector of Elections a list of the lot numbers of Members who have submitted ballot envelopes.
 - E. In the case of an election in which ballot counting is conducted at a Board meeting, the Board may, by majority vote, adjourn the meeting between 5 and 30 days. The Inspector of Elections may extend the voting period for the same period of time.
 - F. The Inspector of Elections shall perform these duties impartially, in good faith, to the best of the Inspector's ability, as expeditiously as practical, and in a manner that protects the interest of all members of the Association. If there are three inspectors of elections, the decision or act of a majority shall be effective in all respects as the decision or act of all. Any report made by the inspector or inspectors of elections is prima facie evidence of the facts stated in the report.
5. Qualifications for Candidates:
- A. The Association shall disqualify a person from nomination as candidate for not being a member at the time of nomination. If title to a separate interest parcel is held by a legal entity that is not a natural person, the governing authority of that legal entity shall have the power to appoint a natural person to be a member for purposes of these election rules.
 - B. All candidates for the Association's Board of Directors must meet the following:
 - i. Must have been a Member of the Association for at least one year prior to the date the ballots will be counted;
 - ii. Must not have a recorded co-ownership interest in a lot with another person who is concurrently serving as a Director or who is a candidate for the Board;
 - iii. Must not be delinquent by more than 30 days-in the payment of regular and special assessments unless (1) paid under protest, or (2) entered into a payment plan.

- iv. Must not have a past criminal conviction that would either prevent the Association from purchasing the fidelity bond coverage required by §5806 should the person be elected or terminate the association's existing fidelity bond coverage as to that person should the person be elected.
 - C. Notwithstanding paragraph 6B(iii) above, the Association may not disqualify a nominee for nonpayment of fines, fines renamed as assessments, collection charges, late charges, or costs levied by a third party.
 - D. Before the Association disqualifies a person from nomination pursuant to this section, the Association must afford the person the opportunity to engage in Internal Dispute Resolution pursuant to Civil Code § 5900 et seq.
- 6. Qualifications for voters
 - A. In all matters submitted for a Membership vote, Members shall be entitled to one (1) ballot per Lot (regardless of the number of Members having an interest in the Lot).
 - B. The Association shall not deny a ballot to a member for any reason other than not being a member at the time the ballots are distributed. For purposes of this paragraph, a member includes a person with general power of attorney for a member. A ballot cast by person with general power of attorney for a member must be counted if returned in a timely manner.
 - i. Where there is more than one owner of a property subject to the Association's CC&Rs, all such co-owners shall be Members and may attend any meeting of the Association, but only one co-owner shall be entitled to exercise the vote to which the property is entitled. Fractional votes shall not be allowed.
 - ii. Unless the Inspector of Election receives a written objection prior to the close of balloting from a co-owner, it shall be conclusively presumed that the voting Member is acting with the consent of his or her co-owners.
- 7. Nominations
 - A. Each year at the last general Membership meeting before the deadline for submitting nominations, the Board shall-solicit nominations of candidates for election to the Board of Directors. The solicitation also shall be published in Association media, newsletters, or Internet websites and posted on the public bulletin Board in the development.
 - B. The notice shall include the qualifications for election to the Board of Directors.
 - C. All nominations must be received no later than 30 days before the deadline for the membership to be given a list of the candidates and to be advised of the time and date of the Annual Meeting/vote.
 - D. Nominations may be made in writing or from the floor during a Membership meeting. Qualified candidates may nominate themselves, provided they do so prior to the close of nominations.
 - E. If a person is nominated by a third party, the nominee must be given an opportunity to verify their willingness to be on the ballot.
 - F. Write-in candidates and nominations from the floor are not permitted.
 - G. If the number of candidates nominated for the Board are equal to or less than the number of vacancies, the Board shall schedule a properly noticed open Board meeting to elect the candidates by acclamation, as provided for in Civil Code §

5103(d) and cancel the scheduled election. The new Directors shall take office at the conclusion of the Annual Meeting at which the results of the election would have been announced.

8. Balloting Procedures

- A. At least ninety (90) days prior to the Annual Meeting and at least 30 days before any deadline for submitting a nomination, the Association shall give notice of the election procedure, the deadline for submitting nominations, and where to submit nominations. Members may request individual delivery of the nomination notice pursuant to Civil Code §4040. Except for the meeting to count the votes required in section 9, an election may be conducted entirely by mail.
- B. At least 30 days before the ballots are distributed, the Board shall prepare a voter list and a candidate registration list. The voter list shall include each voter's name, voting power, lot number, and mailing address.
- C. At least 30 days before the ballots are distributed, the Association shall notify members of the right to verify the accuracy of their individual information on the voter list and the candidate registration list. The Association or member who discovers an error or omission on either of these lists must report the error or omission to the inspector of election who must make the correction within two business days.
- D. At least 30 days before the ballots are distributed, the Association shall give notice of:
 - i. The date, time, and address to return ballots;
 - ii. The date, time, and location of the meeting where ballots will be counted; and
 - iii. The list of candidates.
- E. At least 30 days before an election, the Inspector of Elections must mail, or cause to be mailed both of the following:
 - i. The ballot or ballots; and
 - ii. A copy of these election rules.
 - (1) Delivery of these election operating rules may be accomplished by either of the following methods:
 - 1. Posting the election operating rules to an internet website and including the corresponding internet website address on the ballot together with the phrase, in at least 12-point font: "The rules governing this election may be found here."; or
 - 2. Individual delivery with the ballot package.
- F. Proxies and Cumulative voting are not permitted.
- G. A quorum is not required for election of Members of the Board of Directors.
- H. Ballots and two (2) envelopes shall be mailed by first-class mail or delivered to every Member not less than thirty (30) days prior to the deadline for voting. In order to preserve voter confidentiality, a voter may not be identified by name, address, Lot, or parcel on the ballot.
 - i. The ballot itself is not signed by the voter but is inserted into a blank envelope that is sealed and inserted into a second envelope that is preaddressed to the Inspector of Elections. The voter seals the second

envelope and prints their name and address in the upper left-hand corner, then signs the envelope in the space provided.

(1) If the outer envelope is not signed, or if the voter failed to provide a valid residence address, the envelope must be marked "Void" and is set aside unopened. However, the ballot is counted towards any quorum requirement. If the Inspector of Elections is able to determine the identity of the voter, the Inspector may, at his discretion, contact the Member and offer them the opportunity to correct the envelope as long as it is done in the Inspector's presence and prior to the cutoff date for receiving ballots.

(2) A ballot is not invalidated if the Member has inadvertently signed it.

- ii. The second (outer) envelope is addressed to the Inspector of Election, who will be tallying the votes. The envelope may be mailed or delivered by hand to a location specified by the Inspector of Election. The Member may request a receipt for delivery.
- iii. Once a secret ballot is received by the Inspector of Elections, it shall be irrevocable pursuant to Civil Code §5120(a).
- iv. Ballots returned by mail or dropped into the Association's official ballot box must be received by the deadline specified on the ballot. However, in the case of the election of members of the Board of directors, Members may hand deliver their ballot to the Inspector at the Annual Meeting as long as they are received before the Inspector begins opening and counting the ballots.
- v. No ballots may be returned to any employee, officer, or Board Member of the Association. An exception is made for ballots returned by mail to the Association office provided they are turned over unopened to the Inspector of Elections in a timely manner.

I. The Ballot itself shall:

- i. Set forth the proposed action;
- ii. Provide an opportunity to approve or disapprove each item submitted for a vote;
- iii. Set forth the number of ballots needed to satisfy the quorum requirement;
- iv. Specify the percentage of votes required to pass the proposal; and
- v. State a deadline by which the ballot must be returned in order to be counted.

9. Determining the Voting Outcome

- A. All votes shall be counted and tabulated by the Inspector of Election in public at a properly noticed open meeting of the Board of Directors or of the General Membership. A quorum of Members need not personally attend such a meeting. Any candidate or other Member of the Association may witness the counting and tabulation of the votes. No person, including a Member of the Association or a Member of the Board of Directors shall open or otherwise review any ballot prior to the time and place at which the ballots are counted and tabulated. However, the Inspector of Election, or his or her designee, may verify the Member's

information and signature on the outer envelope prior to the meeting at which the ballots are tabulated.

- B. The tabulated results of the election shall be promptly reported to the Board of Directors of the Association and shall be recorded in the minutes of the next meeting of the Board of Directors and shall be available for review by Members of the Association.
- C. In the event of a tie in an election for the Board, a runoff shall be held unless both candidates agree to allow the Inspector of Elections to determine the winner by a coin flip or by the drawing of names.
- D. Within 15 days of the election, the Board shall publicize the tabulated results of the election in a communication directed to all Members.

10. Recounts

- A. Any Member of the Association may demand a recount provided:
 - i. it is made in writing to the Inspector of Elections within five days after the election results have been announced;
 - ii. the Member pays in advance for the cost of the recount. Monies advanced by the Member shall be refunded by the Association if the outcome of the election is changed by the recount; and
 - iii. The recount is conducted in a manner that preserves the confidentiality of the vote.
- B. The recount must commence not more than seven days following the request for the recount must be supervised by the Inspector of Elections. The recount may be observed by Members of the Association.
- C. No election materials may be touched or handled by any person without the express consent of the Inspector of Elections and under the supervision of the Inspector.
- D. The results of the recount must be reported to the Board of directors and the Membership and must be recorded in the minutes of the next Board meeting.

11. Custody of Election Materials

- A. Prior to the close of voting, the sealed ballots, signed voter envelopes, voter list, and candidate registration list shall at all times shall be in the custody of the inspector or inspectors of elections or at a location designated by the inspector or inspectors until after the tabulation of the vote.
- B. After the votes have been tabulated, the Inspector of Elections shall retain custody of all election materials for one year, ~~and~~ until the time allowed by Civil Code §5145 for challenging the election has expired, at which time custody shall be transferred to the Association.
- C. In the event of a recount or other challenge to the election process, the inspector (s) shall, upon written request, make the ballots available for inspection and review by Association Members or their authorized representatives. Any recount shall be conducted in a manner that shall preserve the confidentiality of the vote.
- D. After the transfer of the ballots to the Association, the ballots shall be stored by the Association in a secure place for no less than one year after the date of the election.

- 12. Conflict: In the event of a conflict between these rules and any provision of any other governing documents, the other governing documents (e.g. Articles, CC&Rs, Bylaws)

shall control as provided for in Civil Code §4205, provided that the conflicting governing document provisions are consistent with the law.