

Superior Shores Lakehome Association

RULES AND REGULATIONS

Table of Contents

Goal of the Rules and Regulations-----	1
I. Guidelines for Protection of Owners and Others -----	2
II. Unit Use-----	2
III. Restricted Activities -----	3
IV. Prohibited Conditions-----	5
V. Permitted Unit Access -----	5
VI. Membership Procedure -----	5
VII. Unit and Garage Leasing/Renting -----	6
VIII. Safety-----	7
IX. Deck and Patio Restrictions -----	7
X. Common Elements and Services-----	8
XI. Architectural and Exterior Regulations -----	8
XII. Complaint and Enforcement Procedures -----	9
XIII. Board's Authority Review -----	11
XIV. Notice to Members of Rules and Regulations Changes-----	13
XV. Forms of Notice and Methods of Delivery-----	13
XVI. Captions -----	13

RULES AND REGULATIONS

**Established In Accordance With
Article 5 Section 5.10 of the Declarations
and
Article XIII of the By Laws
for
Superior Shores Lakehome Association**

GOAL OF THE RULES AND REGULATIONS

It is the goal of these Rules and Regulations to provide reasonable guidelines for Superior Shores Lakehome Association so that the highest quality lakeshore experience can be attained.

The enclosed Rules and Regulations have been prepared and adopted by Superior Shores Lakehome Association Board of Directors (Board herein) with the Owners and occupants comfort and convenience as the first priority. These guidelines, rules and regulations have been established for the benefit of all, thus cooperation is essential if this goal is to be attained. All Owners and occupants, as well as their tenant guests and invitees are required to comply with the Rules and Regulations and associated Governing Documents of Superior Shores Lakehome Association.

Enforcement of these Rules and Regulations will be accomplished by the Superior Shores Lakehome Association Board of Directors and/or their designee within the bounds of, and with the authority given to, the Association by the Governing Documents. The Board or Board appointee has full discretion in identifying activities or conditions in violation of the Governing Documents and will use discretion in determining reasonable remedies and/or fines commensurate with the infraction.

Since it is impossible to foresee all potential situations and problems that may arise within the Association, the Board has the authority to adopt and modify these rules as needed to address these changing circumstances. It is expressly intended that the Board have discretion to approve or disapprove items, or other considerations consistent with the established guidelines. As such, while something may be approved or permitted for one Unit under one set of circumstances; the same thing may be disapproved for another Unit under a different set of circumstances. The Board's exercise of discretion in approving/disapproving requests or enforcing Superior Shores Lakehome Association Rules and Regulations, shall not be construed as a waiver of approval or enforcement rights, nor shall it preclude the Board from taking enforcement action in any appropriate circumstance.

Some of the items in this document are included as a summary/reminder or enhancement of specific Articles or Sections in the Declaration and By-Laws. While specific references have been provided this is not an assurance that all applicable references have been identified.

I. Guidelines for Protection of Owners and/or Occupants.

All Rules for the Association shall comply with the following provisions:

- a. Similar Treatment.** All Units shall be treated similarly; however, the Rules may vary by Unit depending on use and services required.
- b. Displays.** No rule shall abridge the Owner's right to display political, religious or holiday symbols and decorations in his or her Unit of the kinds normally displayed in residential condominium units. However, the Association may adopt time, place, and manner restrictions with respect to signs, symbols and displays visible from outside the Unit, including reasonable limitation on size and number.
- c. Household Composition.** No Rule shall interfere with an Owner's freedom to determine household composition, except that the Association may impose and enforce reasonable occupancy limitations and conditions based on Unit size, facilities, and its fair share use of the Common Area and services.
- d. Activities Within the Units.** No Rule shall interfere with the activities carried on within a Unit, except that the Association may prohibit activities not normally associated with residential condominium property, restrict or prohibit activities that create monetary costs for the Association or other Owners, that create a danger to anyone's health or safety, that generate excessive noise or traffic, that create unsightly conditions visible from outside the dwelling or that are an unreasonable source of annoyance to other Owners and/or Guests.
- e. Allocation of Burdens and Benefits.** No rule shall prevent the Association from adopting generally applicable rules for the use of Common Areas and services or from denying use privileges or services to those who are delinquent in paying assessments, abuse the Common Areas or violate the Governing Documents.
- f. Leasing and Transfer of Units.** No Rule shall prohibit recreational rental, leasing or transfer of any Unit; however the Rules may require that Owners use Board-approved rental or leasing agreements, and may impose a reasonable review and/or administrative fee in connection with recreational rental or leasing agreements.

II. Unit Use.

The Units shall be used only for residential or related purposes, or recreational purposes. Business activities designed for profit or otherwise shall not be permitted on the property, except for sales agents under contract for sale of Owners Unit and offices for any property managers retained by the Association. A business activity shall be considered "related" to a residential use and thus permitted only if conducted by a person or persons owning the Unit and only if the business activity: (1) is not apparent or detectable by sight, sound, or smell from outside the Unit, (2) complies with applicable zoning requirements, (3) does not involve regular visitation of the Unit by employees, clients, customers, suppliers, or other business invitees, or door-to-door solicitation within the Association, and (4) does not constitute a nuisance or a hazardous or offensive use or threaten the security or safety of others, as the Board determines in its discretion.

Renting a Unit shall not be considered a "business" within the meaning of this subsection, provided that the Owner(s) complies with rules and regulations adopted by the Board and the rental is approved by the Board according to the terms listed in the Section VII of this document.

III. Restricted Activities.

Unless specifically authorized by the Board in writing, the following activities are prohibited:

- a. Any activity that creates noise, foul or obnoxious odors or other conditions that tend to disturb the peace or threaten the safety of the occupants of other Units.
Note: Quiet Hours are 11:00 p.m. – 9.00 a.m.
- b. Pursuit of other activities or hobbies that tend to cause an unclean, unhealthy or untidy condition to exist outside of enclosed structures on the Unit.
- c. Any noxious or offensive activity which in the reasonable determination of the Board or the Board's appointee tends to cause embarrassment, discomfort, or annoyance to persons using the Common Areas or to the occupants of other Units.
- d. Use or discharge of any TV, radio, loudspeaker, horn, whistle, bell or other sound device so as to be audible to occupants of other Units, except alarm devices used exclusively for safety or security purposes.
- e. Any activities which disturb or destroy the vegetation, wildlife, wetlands, shoreline or air quality or which result in unreasonable levels of sound or light pollution;
- f. Any activity that violates local, state, or federal laws or regulations is strictly prohibited. However, the Board shall have no obligation to take enforcement action in the event of a violation.
- g. Cigarette butts must be completely extinguished and properly disposed of. Cigarette butts are not to be tossed on the grounds, lawn, parking lots, and deck or patio surfaces.
- h. Discharging and/or use of firearms of any kind and/or bows and arrows or other weapons is prohibited.
- i. Use of the swimming pool facilities is restricted to the posted rules.
- j. **Pet Restrictions.** (See also Declaration Article 5 Section 5.8 and By-Laws Article XIII Section 13.1)
Owners and/or occupants shall assume full responsibility for personal injuries or property damage caused by a pet and for reimbursement to the Association or other offended parties for damages. Pet owners shall hold harmless and indemnify the Association, its agents, officers, directors, Owners and occupants against loss, claims, or liability of any kind arising out of any act of such pet.

Unit Owner(s) have the authority to determine whether pets are allowed by renters or guests. Any such restriction must be visibly posted.

Only domestic dogs and cats or other usual and common household pets are allowed to be kept by Owners or occupants subject to the following restrictions:

1. Pets must be registered, licensed, and inoculated as required by law.
2. Pets must be quartered inside the Unit. Other quarters such as dog runs, tethers or houses outside of the Unit are not permitted.
3. Pets must be on a leash and controlled by their owners at all times when outside the Unit.
4. Pet waste must be immediately picked up and properly disposed of. Waste must be in appropriate confined wrapping before being placed in the Association's dumpsters.
5. Pets which are permitted to roam free, or in the Board's or Board appointee's sole discretion, make objectionable noise, endanger the health or safety of any kind, or constitute a nuisance or

inconvenience to the occupants of other Units may be immediately removed from the property. If the pet owner fails to remove the pet, the Board or its appointee may remove the pet. Pet owners may be assessed and/or fined for allowing their pet to violate any of these restrictions.

k. Vehicle Restrictions. (See also Declaration Article 5 Section 5.9)

1. Membership/Guest Cards: For control and identification, owners and guests must obtain and display in their vehicle a SSLA identification tag. The Association may provide each owner with an “owners vehicle tag” valid for one year or until owner sells his interest in SSLA. All other vehicles except US Mail, UPS, and Fed X, and authorized weekly garbage service must register at the “gate house” and display an authorized identity tag. Identity tags will specify regular or overflow parking. Special identity tags may be provided for management vehicles, cleaning or other service vehicles.
2. Motorized vehicles of any type are restricted to designated roadways, parking spaces, and garages.
3. All terrain vehicles, snowmobiles or other off-road vehicles are prohibited, except on designated trails, and in designated parking spaces, and garages.
4. No more than two vehicles per Unit may be parked in the designated parking spaces immediately adjoining the Units. Additional vehicles are to be parked in the overflow parking areas. The Board may permit one reserved parking space near the unit for units which are not a part of any type of rental program.
5. Vehicles parked in such a manner as to impede or prevent ready access to any Unit, garage, other parking spaces, reserved parking spaces, or other areas marked no parking may be towed at the vehicle owner’s expense.
6. Vehicles shall not be left standing anywhere on the property in a non-operative condition. All vehicles must have current license tags. No vehicle repairs will be permitted on the property, except in an emergency or as may be permitted by the Board in writing.
7. Recreational equipment and vehicles of any kind including without limitation: tractor trailers, other trailers of all types, recreational vehicles and motor homes over 19 feet in length, trucks in excess of one ton, boats, all-terrain vehicles, and snowmobiles are not allowed to be parked or stored on the property, except in designated areas or garages or as otherwise permitted by the Board in writing.
8. When snow-plowing services are required, it may be necessary to move vehicles and recreation equipment. Owners will be notified and directed to a specified parking area. Failure to move any vehicle may result in towing at the vehicle owner’s expense.
9. The Board or its appointee has discretion to remove vehicles or recreational equipment from the property by towing at the expense of the owner of the vehicle or equipment. Owners may not personally authorize towing.

l. Garage Restrictions:

Each Owner of a garage has control and use of their garage, except for the following limitations, which are for the safety and welfare of all residents:

1. Fuel, or flammable fluid or combustibles of any kind must be stored in approved containers and in reasonable amounts.
2. Overhead garage doors are to be closed and locked when not in immediate use, for safety as well as appearance.

3. Garages are to be used only for the purpose of parking the Owner's vehicles or storing other personal property when not being used in the Unit. Major repair or maintenance is not allowed.

IV. Prohibited Conditions.

The following shall be prohibited:

- a. Any persons, animals, devices, or materials whose activities or existence in the Board or Boards appointee discretion, in any way is noxious, dangerous, unsightly, unpleasant, illegal, or of a nature which may diminish or destroy the enjoyment of Superior Shores Lakehome Units and Common Property; and/or increase the rate of insurance or cause cancellation of insurance. Explosive substances of any kind are prohibited.
(See also Declaration Article 5 Section 5.4)
- b. Equipment or property attached to or placed on the exterior portions of a Unit or Garage which have become rusty, dilapidated or otherwise fallen into disrepair.
- c. Window Coverings which are not in good repair and/or compatible with the architectural style of the Units. (See also Declaration Article 5 Section 5.7)

V. Permitted Unit Access (See also Declaration Article 7 Section 7.4)

The agents of the Board, and any contractor or worker authorized by the Board or its agent, bearing proper identification (if practicable), may enter the Unit(s) at any time for the purpose of correcting any condition which presents a real or potential danger of loss or damage to a unit, adjoining unit(s) and/or common property, or injury or death to any person. This allowance is necessary for the safety and welfare of the property and the Owner or occupants.

VI. Membership Procedure (See By-Laws Article III, Section 3.4)

- a. **Registration:** In accordance with the By-Laws, each Owner is responsible for providing in writing and updating the following information to the Association Secretary or other designee:
 1. The name and address of the each Owner
 2. The Unit number
 3. The nature of the Owner's intent in the Unit (personal use or personal use and rental)
 4. The address at which such Owner desires to receive notice, if entitled to such notice of any duly called meeting of the Owners
 5. Name and address of any mortgagee
 6. The name of the Owners. If there is more than one Owners of a Unit, who shall be authorized to cast the vote with respect to such Unit
 7. Business and home telephone numbers
 8. Proof of required insurance such as HO6 coverage
 9. Any other information deemed necessary by the Board which relates to the operation of the Association such as vehicle and/or pet identification

If the Unit Owner does not register, the Association has the authority to not recognize the membership. Forms for registration shall be provided by the Association.

- b. **Sale of Unit:** Any Owner offering the Unit for sale shall inform the Association in writing at the time the Unit is offered for sale.
- c. **Disclosure Statement:** The Association will, upon request in writing to the Treasurer or designee, provide a Disclosure Statement including a statement of unpaid association fees or assessments, and other information as required by the governing documents. A reasonable charge will be made for issuance of such statement or documents. It is the responsibility of the seller or the seller's agent to provide purchaser with a copy of the Association documents, such as the Declaration, By-Laws, and Rules and Regulations
- d. **New Owner Registration:** Within thirty (30) days after the purchase of a Unit, the new Owner shall register in writing with the Secretary of the Association, or designee and shall provide the ownership information specified in item a. above.

VII. Unit and Garage Leasing/Renting.

The following regulations apply to owners leasing or renting their Unit and/or garage and/or participating in a rental management program.

- a. The Unit and/or garages must be leased in their entirety and *cannot* be subleased. The rental contract or lease or rental management agreement/program must be approved by the Board prior to signing the contract.
- b. Occupancy restrictions: Where the owner of a Unit is not in residence, the names of all persons using the unit must be registered prior to occupancy and the number of such occupants shall not exceed four (4) persons for a one bedroom unit, six (6) for two bedrooms and eight (8) for three bedrooms.
- c. Owners must inform the Board in writing of their intent to lease or rent their Unit or garage and/or participate in a rental management program. The following information must be provided to the Board allowing four (4) weeks for Board review and acceptance or rejection:
 1. Written notice of intent to lease or rent and or participate in a rental management program.
 2. A copy of the rental or lease agreement and/or rental management contract.
 3. The name and telephone number of the individual's renter or lessee or the rental management agent.
 4. Any other information deemed necessary by the Board which relates to the operation of the Association.
- d. The Owner must provide the lease or rental agreement information, requested in item 2, above, each time a Unit and/or garage is leased or under contract with a new rental agent, including extensions and renewals with an existing lessee or rental agent.
- e. It is the Owner's responsibility to handle all interior maintenance and repair to the Unit and/or garage that is not the responsibility of the Association, and to ensure the renter and/or rental agent understands that all matters regarding maintenance and repair of the Unit and/or garage are to be handled with the Owner and NOT the Association and/or the Association's designee. Additionally, Unit Owner (if self-renting or leasing) or the rental agent is responsible for collecting of fines for noncompliance with rules and regulations and/or repair of any damage to the common property, caused by occupants under their rental program.
- f. It is the Owner's responsibility to post the Association provided copy of the rules and regulations in the unit and to provide a copy to the renter or lessee and/or the rental management company. The rental agent is to ensure that renters under their rental program are aware of and comply with all rules

and regulations of the Association and are informed of the consequences of noncompliance. Such consequences include but are not limited to: charges for damages and eviction from the property with forfeit of rental fees.

- g.** The Board has the right to establish a special assessment to Units being rented or leased or leased via any rental or lease program to cover extra costs incurred by the Association directly attributed to rental or lease activities. For example: security.

VIII. Safety

Owners and/or attending adult or Unit occupant are responsible for their children's and guest's behavior, welfare, and safety while on the property, and/or using the swimming facilities, tennis courts or hiking trails. Additionally, owner or occupant should be aware of inherent dangers associated with trails, rocks and/or cliffs adjacent to Lake Superior. The Association, its designees, its members, and the rental agent, are to be held harmless in any action or occurrence involving the recreational facilities, grounds, surrounding lakeshore, and public and private streets.

- a.** All units are required to have functioning, and readily accessible fire extinguishers, smoke and carbon monoxide alarms.

IX. Deck and Patio Restrictions .

Decks and patios are the responsibility of the Unit Owner. Owners and occupants have exclusive rights to use the decks and/or patios attached to their Units, including the placement of portable floor furniture inside the deck walls and/or railings and bounds of patio flooring, provided such use is not in conflict with the Associations Rules & Regulations or other Governing Documents. However, the following restrictions apply:

- b.** Nothing (including cigarette butts) shall be thrown, swept, or dropped from a deck or patio. The exceptions are snow removal and small quantities of food for the birds as long as the feeding does not disturb other neighbors.
- c.** Holiday decorations may be placed on decks or patios. All holiday decorations are to be removed within fourteen (14) days following the holiday. All lighting must be turned off during quiet hours and when deck is not in use.
- d.** Planters on decks and patios, which are planted with living plants/shrubs, are to be maintained by the Owner. Dead plants must be promptly removed. Planting pots, boxes, or other items are not allowed on the railings of decks.
- e.** All additions, changes, or alterations to the deck or patio, or surrounding area require prior written approval by the Board through the architectural control committee. (Declaration Article I Section 1.29.)
- f.** Maintenance of deck surface and railing systems is the responsibility of the Unit Owner.
- g.** Grills may be gas or electric only. Use of grills must avoid unreasonable smoke or odors to adjoining Units. Grills must be positioned away from all combustible building or plant material.
- h.** The following equipment/property is prohibited on the decks and patios:
 - 1.** Wood burning or charcoal devices of any kind.
 - 2.** Installation or use of electric lights or antenna of any form other than as originally installed by the developer or by the Association, except as provided in item b above.
 - 3.** Posting of signs or advertisements. A "for sale" sign is allowed during open houses or other showings of the Unit related to the sale of the Unit.

4. No items may be hung on the deck railings, except holiday items as permitted in item c.
5. Storage of tires, boxes, bicycles, or any item not considered seasonal furniture or accessories and grills normally used for purposes of enjoying a balcony or patio.
6. Wind chimes, bells, or any item that creates noise.
7. Feeding of birds, ground squirrels, or other animals in a quantity which creates an unreasonable nuisance for neighbors.

X. Common Elements and Services.

a. Grounds, Landscaping and Exterior Lighting

1. Damage to the property caused by the moving or carrying of articles or equipment thereon shall be paid for by the Owner or occupant or other guest in charge of such articles. Damage to the property of others, including the common elements, resulting from misuse of such facilities, of any nature or character whatever, shall be paid for by the Owner or occupant responsible for the damage.
2. Tree or shrub cutting without prior written approval of the Landscape Committee is strictly prohibited. The fine for unauthorized cutting is \$1000.000. (*Note: Add minutes reference*)
3. Fireworks of any kind are prohibited because of close proximity of vegetation as well as the extensive use of wood construction in the buildings.
4. Small recreational fires (not to exceed 18 by 18 inches) on the lakeshore immediately in front of Superior Shores Lakehome Association property are permitted only when weather conditions are calm and no state or county burning bans are in effect and fire danger level (as posted by the Department of Natural Resources) is "Moderate" or less. The fire must not be within five (5) feet of shrubbery or other vegetation, must be attended at all times, and must be completely extinguished before leaving the immediate vicinity of the fire. Owners, occupants or guests starting and/or participating in a recreational fire assume all and complete responsibility for any injury or damage whatsoever caused by the recreational fire.
5. Exterior entry lights, by each Unit as well as walkway and parking lot lights are for safety and convenience and are to be kept on at all times. Owners, occupants and guest must not interfere with the continuous operation of these lights.
6. Organized ball or yard games are prohibited on the common grounds in front of the buildings, in the parking lots, and the private roads. Such games may use the area by the tennis courts.

b. Refuse Disposal.

1. No refuse or litter may be left on the common property by any Owner, occupant, or guest.
2. All refuse including pet waste and cold ashes shall be placed in properly tied non-leaking garbage bags, and shall be placed in the dumpsters provided on the property. All boxes must be flattened.
3. For safety, sanitation, litter and pest control:
 - a. No hot ashes or cigarettes
 - b. Dumpster lids must be left in the fully closed position.
 - c. Placement of refuse outside doorways, on decks or patios, or "beside or on top of" dumpsters is not allowed.

4. The Owner or occupant shall arrange and pay for pick-up of construction debris and large items such as furniture, carpet, or appliances.

XI. Architectural and Exterior Regulations

a. Architectural Control and Committee Authority.

1. Modifications, changes, or other improvements of any kind which would in any way effect the common elements shall not be commenced, erected, or performed without review by the Architectural Control Committee or the Grounds Committee and prior written approval by the Board.
2. Licensed plumber or electrician: As required by law, any repair which involves any plumbing line or electrical wiring must, be made by a licensed plumber or electrician.
3. Review shall not begin until all written plans and specifications showing the materials, colors, structure, and location of the proposed alteration and describing the extent of the project and any other information requested by the Board have been submitted to the Board, the Architectural Control Committee, or the Grounds Committee, in sufficient detail to assure its structural and maintenance soundness, its compliance with the architectural scheme and harmony, and its relation to the surrounding structures and topography of the property. The Board will set a date within 15 days of receipt of all materials for a meeting on the proposed work. Notice of the meeting will be given to all members in the same manner as a notice of a special Board meeting.
4. At the meeting or not later than sixty (60) days after the meeting, the Board shall consent or not consent to the work. Written notice of the decision shall be given to said Unit Owner and all members.
5. In accordance with Declaration Article II Section 2.6 (c) (d) (e) (f) an appeal may be by the Unit Owner proposing to do the work.
6. Compliance with and remedies for violation(s) of these rules are provided in Declaration Article V, Section 5.1.

b. Architectural Regulations.

1. No radio, CB, television, satellite, or other antenna or receiving device shall be installed by an Owner or an occupant anywhere on the common elements without review of the Architectural Control Committee and written consent of the Board.
2. Owners and occupants shall not place identification or other signs any place on the property, unless otherwise provided for, without review of the architectural control committee and written consent of the Board.
3. No "for sale", "for rent", or "for lease" signs, or other window displays or advertising, without written consent of the Board, except that signs may be placed during open houses or other showings of the Unit related to the sale of the Unit.

XII. Complaint and Enforcement Procedures.

Since agreement about and voluntary compliance with the Rules and Regulations is not always obtained, it may be necessary for the Board to deal with these situations. Members of the Board are under no special obligation to enforce regulations or arbitrate disputes between neighbors, except in cases where their authority is required to obtain compliance with the Association's rules.

Each Owner and occupant is responsible for full compliance of the rules and regulations and other Governing Documents by all family persons, guests, visitors, lessees, and other persons during the time they are upon or using the property and shall be subject to fines and or sanctions for violations. By acceptance of title to a Unit, or by the Occupancy of a Unit, each Owner and/or occupant agrees to hold the Association harmless and indemnify it from and against any liabilities, loss, or damages incurred as a result of any violations by the foregoing persons. (See also By-Laws Article X)

a. Complaint Procedure for Violation for Rules and Regulations.

Complaints regarding the Association's Rules and Regulations or violations thereof will be accepted by the Board or Board's appointee, but the complainant should first attempt to obtain voluntary compliance without official intervention by the Board.

1. Registering a Complaint. Complaints regarding violations of rules and regulations by Owners or occupants must be submitted to the Board or the Board's appointee and provided in writing if so requested. If possible, complainant should have discussed the complaint with the offending party, and must indicate what response was received. Anonymous complaints will not be accepted or acted upon. Complaints will be kept confidential by the Board, as far as is practical.

2. Actions on Complaints.

Complaints against Owners and/or occupants requiring immediate action or intervention such as, but not limited to noise, safety, noxious or offensive activity, damage to property, pets, vehicle location or vehicle use shall be immediately reported to the Board's appointee and followed up in writing if so requested.

If Owner or occupant with an owner fails or refuses to comply with rules and regulations of the Association which require immediate action or intervention, the Board appointee has the authority to assess fines and or additional fees, including charges for damage repairs, arrange towing services, and any other legal remedy. The Board appointee also has authority to evict an offending renter and retain all rental fees. All such actions must be documented by the Board's appointee and reported to the Board within three (3) business days.

Owners incurring repeated complaints which require immediate action and or intervention will be referred to the Board for assessment of higher fines and/or fees and/or sanctions.

b. Owners Complaint Procedure

1. Owner's complaints about Board established Rules and Regulations must be submitted to the Board in writing. At the next regularly scheduled Board meeting, the Board will review the complaint and rule on any recommended action.

2. Owner's complaint about assessments against the owners unit for owner's violation of the Rules and Regulations must be submitted to the Board in writing within fourteen days (14) of the assessment. At the next regularly scheduled Board meeting, the Board will review the complaint and rule on any recommended action

c. Owners Appeal to Association

Appeal to Association for unresolved complaints from an Owner about rules and regulation will be subject to the following procedures:

1. The Unit owners and other owners representing 30% of the total votes (15 votes) in the Association may file an appeal to the Board requesting one of the following:
 - a. Presentation of the appeal and a membership vote at the next regularly scheduled Annual meeting of the membership of the Association, or
 - b. Request a special meeting of the Association membership, or
 - c. Request a special mailing to the membership requesting voting member's response to the appeal.
2. The Board may require the Owners filing the appeal to pay reasonable fees and charges to cover the costs to be incurred by the Association such as but not limited to mailing costs other expensed incurred in holding a special meeting pursuant to the appeal.
3. Upon filing of an appeal for a special meeting of the membership a notice of the meeting shall be sent within fourteen (14) days and the meeting shall be held within forty five (45) days after such filing. The chairman of the meeting shall be the Board President, or such other person as the Board shall select. The meeting may be continued from time to time by the chairman. The provisions of Article III of the By-Laws shall apply to such meeting. At such meeting the voting members shall decide to reject the appeal and thus not change the specific item in the Rules and Regulations, or to rescind or amend the item. The decision of the Association shall be final.

XIII. Board's Authority Review.

The Declaration empowers the Board as follows:

a. Authority to Regulate.

The Board has full authority to review these rules and regulations and change, alter, grant waivers, or delete any portion or section as it sees fit to further the administration and operations of the Association, and the health, welfare, and safety of the Owners and occupants of the Superior Shores Lakehome Association.

b. Authority to Establish and Assess Fines.

Any Owner or occupant who violates these, or any future rules or regulations, may be required to pay a fine and pay restitution for any damage to property or the grounds in an amount determined by the Board, appropriate for the infraction, for each incident. In addition, any occupant who violates these rules and regulations shall be subject to all legal remedies available to the Association, its Board, and all other residents, as provided in the Declaration, in the By-Laws of the Association, and by law. Any fine assessed against the Owner(s) of the Unit(s) are to be collected in the same manner as other Association assessments. Such fines or monetary restitutions shall constitute a lien on the property.

The Owner shall assume full responsibility for payment of any assessed fines when the fine is a result of action by the Owner's occupants or guests, except that the rental agent shall assume full responsibility for payment of any assessed fines when the fine is a result of an action of a renter under their rental program.

c. Authority to Enforce.

Any Owner or occupant who violates the Board's enforcement decisions shall be subject to all legal remedies available to the Association, its Board and all other residents, as provided for in the governing documents and by law.

d. Authority to Require Mediation and/or Arbitration.

The Board maintains the right to require the parties in a dispute to proceed with mediation or arbitration, and for the parties to equally bear the expense of such mediation or arbitration.

e. Attorney's Fees and Costs

In any action to enforce the Rules and Regulations, By Laws or other Governing Documents in which mediation or arbitration is refused, if the Association prevails, it shall be entitled to recover all costs, including without limitation attorney's fees and court costs, and other reasonable costs incurred in such action.

XIV. Notice to Members of Rules and Regulations Changes.

The Board will provide reasonable notice of any changes in these rules and regulations to the members of the Association, the property manager, and the contract rental agent(s).

XV. Form of Notice and Method of Delivery.

Any "in writing" requirement under these Rules and Regulations shall be in writing and may be delivered in person, by US mail, by private carrier or may be delivered by facsimile or electronic mail. Facsimile or electronic mail delivery requires written confirmation of the transmission

XVI. Captions.

Captions used are only for convenience and reference and do not define or limit or describe the intent of these Rules and Regulations.

**RULES AND REGULATIONS OF
Superior Shores Lakehome Association**

ADOPTED BY THE BOARD OF DIRECTORS

Date: February 9, 2004

President: Eddi Fesler