RULE AND REGULATION
FOR THE STARLING COMMUNITY ASSOCIATION, INC.
REGARDING FINE SCHEDULE

This Rule and Regulation for the Starling Community Association, Inc. Regarding Fine Schedule is made and adopted this 23rd day of May, 2025, by the Board of Directors ("Board") of the Starling Community Association, Inc. ("Association") pursuant to its powers described below.

WHEREAS, the Declaration of Protective Covenants, Conditions and Restrictions for Starling Planned Unit Development ("Declaration") was recorded December 8, 2022, as Document No. 202200030096, and re-recorded on February 16, 2023, as Document No. 202300002414, in the records of the Office of the Clerk and Recorder for Flathead County, Montana;

WHEREAS, the Declaration, Section 1.38, authorizes the Board (with the written consent of the Declarant before the Transfer Date) to adopt rules and regulations for certain purposes, including to establish fines for violations of the Governing Documents;

NOW, THEREFORE, the Board hereby adopts the following Rule and Regulation Regarding Fine Schedule:

1. **Types of Violations.** If a violation of the Declaration, or any amendment thereto, is deemed by the Board to have occurred, the Board shall have the power to determine, in its sole discretion, whether the violation is a minor or major offense. As an illustration to the Board, a minor offense may include such things as failing to timely pay Assessments or improperly parking Automobiles or Recreational Vehicles; a major violation may include such things as failing to adhere to the Association's design standards, or constructing or modifying a structure without proper written approval, or causing a substantial or serious nuisance or threat to the safety of the Owners or their guests.

2. **Fines of Minor Violations.** For any minor violation of the Governing Documents, fines may be assessed as follows:

- First Offense: $50.00
- Second Offense: $100.00
- Third and each Additional Offense: $250.00

3. **Fines of Major Violations.** For any major violation of the Governing Documents, fines may be assessed as follows:

- First Offense: up to $50,000.00
- Second and Each Additional Offense: Up to $50,000.00

4. **Notification of Fines.** The Association shall notify the Owner in writing of the fine to be imposed for any minor or major offense and the time for paying the same. Unless a longer time is set forth in the notice of the fine or agreed to in writing by the Board and an Owner, fines shall be due within thirty (30) days after notice of the fine is given. Fines are deemed paid on the date the amount owed is received by the Association.

5. **Interest.** Any portion of the fine that is not paid on or before the date it is due may, at the Board's discretion, incur interest at the rate of 10% per annum from the due date until the fine is fully paid.

6. **Default Assessment.** Any fine and interest assessed to and/or incurred by an Owner shall be considered a Default Assessment, as set forth in the Declaration.

7. **Subsequent Violations.** For purposes of this Rule and Regulation, any violation by an Owner of the *same* covenant, condition, or restriction in the Declaration or amendment thereto shall be considered the *same* offense, regardless of the amount of time that has expired, thereby subjecting the offending Owner to the graduated fines for minor or major offenses. A violation of a *different* covenant, condition, or restriction shall be considered a separate offense.

BE IT FURTHER STATED that if this Rule and Regulation conflicts in any way with the Declaration or any amendment thereto, the Declaration or amendment to the Declaration shall control, but the remaining portion of this Rule and Regulation that does not conflict shall remain in force and effect.

BE IT FURTHER STATED that this Rule and Regulation shall become effective on May 23, 2025, which is the date it has been approved by the Board, consented to by the Declarant, and posted on the Association's website.

PASSED AND ADOPTED by the Board of Directors of the Starling Community Association, Inc. This Rule and Regulation shall be kept by the Secretary of the Association and/or the Property Manager for the Association.

_____, Director

_____, Director

_____, Director

Starling Development, LLC, the Declarant of the Starling Community, hereby consents to the Rule and Regulation for the Starling Community Association, Inc. Regarding Fine Schedule.

Starling Development, LLC

By: _____

Its: manager