RULES AND REGULATIONS OF THE HIGHLANDS

a Subdivision in St. Charles County, MO

The Board of Directors of The Highlands is pleased to issue the following rules and regulations. These Rules and Regulations are intended to facilitate community living and maintain a peaceful living environment to be enjoyed by all Owners and their tenants, guests and invitees.

The following Rules and Regulations shall be effective as of April 1, 2020.

1. BACKGROUND

These Rules and Regulations (these "Rules") were adopted by the unanimous consent of the Board of Directors (the "Directors") of The Highlands Homeowners Association, (the "Association") on February 12, 2020 to enforce the covenants and restrictions set forth in the Declaration of Covenants, Conditions and Restrictions of The Highlands (the "Declaration"). Capitalized words and phrases used in this policy have the same meanings given to them by the Declaration if appearing therein.

2. AUTHORITY

All Owners in the Subdivision are required to conform and abide by the covenants, conditions and restrictions set forth in the Declaration and any rules and regulations promulgated under the Declaration. As set forth in Article V, Section 10 of the Declaration, the Association has the power and authority to (i) formulate policies for the maintenance, management operation, repair and replacement of the Subdivision; (ii) adopt and enforce administrative rules and regulations governing the maintenance, management, operation, repair, and replacement of the Subdivision improvements, and to amend such rules from time to time; (iii) to consider and approve or reject any and all plans and specifications for alterations to and construction of Dwellings and improvements on Lots; and (iv) to enforce the Declaration and any and all restrictions governing the Subdivision and to take all necessary steps to secure the enforcement and compliance of the same.

3. ASSESSMENTS

All Owners shall be responsible for the payment of Assessments as set forth in Article VI of the Declaration. Any Assessment not paid within thirty (30) days after the date that it is due shall bear interest from the due date at the rate of ten percent (10%) per annum or the highest rate of interest allowed by law (whichever is less). The Board of Directors shall have the authority to enforce any and all rights and remedies set forth herein, and/or in the Declaration or as otherwise available in law or at equity.

4. USE OF COMMON AREAS

The Common Areas are fully defined in the Declaration and identified on the Plats of the Subdivision. The management, repair, maintenance, improvement, modification or alteration of any and all common areas are the responsibility of the Association. Each Owner and such Owner's family, guests and invitees shall use and exercise their easement rights over the Common Areas in a reasonable manner and subject to the rules and regulations set forth herein. Notwithstanding anything contained herein, the Board of Directors may (after notice and opportunity to be heard) levy a special assessment or charge against any Owner for the reasonable cost of repairing damage to the Common Areas caused by an Owner or such Owner's employees, agents, invitees or tenants. Such reasonable costs may include, but are not limited to, costs of repair and maintenance, costs of collection, interest, attorney's fees and other costs associated with making repairs or maintenance to the Common Areas or improvements thereon.

The following rules shall apply to the Common Areas:

- a. No Owner or member of such Owner's family or any guest or invitee of Owner or such Owner's family, shall use the Common Area in a manner that may endanger or harm others, create a nuisance for others, or cause any obstruction or impediment to the use of the Common Areas.
- b. No Owner or member of such Owner's family or any guest or invitee of Owner or such Owner's family, shall operate, drive, ride, store or otherwise place any motorized vehicles on, in, or about the Common Area, including, but not limited to, cars, go-carts, trailers, recreational vehicles (RVs), sleds, snow mobiles, recreational motor vehicles, trucks, vans, all-terrain vehicles (ATVs), motorcycles, motorized bicycles, motor tricycles, dirt bikes, minibikes, tractors, truck-tractors, campers, and house trailers.
- c. No Owner shall discharge any firearm or other potentially lethal weapon, including but not limited to handguns, rifles, shotguns, pellet or B.B. guns, compound bows, and crossbows within the Common Areas.
- d. The Board of Directors may establish and set aside such portions of the Common Areas as it shall deem appropriate for the establishment of community gardens, and the Board of Directors shall promulgate the rules and conditions under which such community gardens may be used by the Owners. No landscaping, gardening, planting, grading, paving, or change of terrain or any structure shall be undertaken, constructed, erected, performed, done, dug or installed within any of the Common Areas except as set forth in the Declaration or as authorized by the Board of Directors.

5. CONSTRUCTION, ALTERATIONS AND REMODELING OF THE EXTERIOR OF DWELLINGS.

- a. No Owner shall add to, alter, change or remove the exterior of a Dwelling or any part thereof, nor shall any Owner erect any outbuilding, fence, wall, driveway or cause any construction or erect any structure or improvement without first submitting the plans and specifications for such construction to the Board of Directors and obtaining the prior written approval of a majority of the Directors.
- b. Such plans and specifications shall include, without limitation, and as applicable to any proposed construction, alteration or remodel, the degree, nature, kind, shape, size, square footage, height, elevation, materials, colors, location of the proposed improvements, entrances, driveways, and configuration of the proposed improvements upon the Lot, and any such other information as the Board may require. Contact the Board of Directors for all questions concerning above ground pools.
- c. No additions, alterations or improvements to a Lot or Dwelling shall increase the premiums of any insurance policies carried by the Association or by the Owners of any Lots other than the Lot(s) affected by such change.

- d. Any outbuilding, storage building, fence, deck or other improvement shall be constructed of similar material as the Dwelling erected on the applicable Lot and shall otherwise be harmonious in the materials, scale and quality with the improvements on the applicable Lot and the surrounding Lots.
- e. All requests for approval submitted to the Board of Directors shall be deemed automatically approved if no response is given within forty-five (45) days after the submission by the Owner of the plans and specifications, containing all of the information required in Section 5.b herein along with any applications or other documentation requested by the Board of Directors. In the event the Board of Directors requests additional information following the initial submission, the date for response shall be forty-five (45) days after the submission of the additional information requested.
- f. The Owner shall bear the responsibility for the maintenance of any Owner-constructed improvement authorized herein in accordance with the terms and conditions of the Declaration, Bylaws and these Rules and Regulations.
- g. All decisions rendered by the Directors shall be deemed final.

6. TRASH CONTAINERS/ENCLOSURES

- a. No trash, rubbish, garbage, recycling, or yard waste containers or other receptacles therefor, other than those receptacles approved by the Directors or those receptacles issued by the applicable municipal authority or collection service shall be placed or stored on any Lot outside of a Dwelling, except as provided in these Rules.
- b. Those homes located in the City of St Peters, will be serviced by the City of St Peters Trash Service. Those homes located in the City of Weldon Spring will be serviced by the company who has contracted for the service with the Home Owners Association. Effective April 1, 2020 the Service provider for Weldon Spring Residents is Waste Management.
- c. No such receptacles shall be visible from the street or from any adjacent homes. The Board of Directors shall have the authority to approve screening structures that would allow the storage of receptacles from view. Any such screens shall be erected in the side or rear yard of a Dwelling. Any Owner desiring to erect a screen shall comply with the Rules and Regulations governing the improvement, construction or alterations of Dwellings set forth in Section 5 herein.
- c. Approved receptacles may be placed at the curb (not in the street) after 5:00 pm on the day before pick-up and shall be removed no later than 6:00 pm on the day of pick-up.

7. FENCES

- a. No fences shall be erected within the Subdivision without the prior written approval of the Board of Directors. No fence will be approved without a survey of the property to determine the exact location of the fence
- b. Commencing April 1, 2020, any new fence to be erected within the Subdivision shall be constructed of ornamental iron, ornamental aluminum, polyvinyl or other fabricated material approved by the Board of Directors.
- c. Fences shall be constructed of new materials and may be erected to a maximum height of five feet, (5'). Fences may be constructed of ornamental iron, ornamental aluminum, polyvinyl or other fabricated material approved by the Board of Directors. Under no circumstances shall chain link fences be erected in the Subdivision.
- d. Any Owner desiring to erect a fence shall submit to the Board of Directors the plans and specifications for such fence, which shall include, without limitation, a sketch showing the proposed location of the fence, the type of materials used for the fence, the color of the fence, and shall otherwise comply with the Rules and Regulations governing the improvement, construction or alterations of Dwellings set forth in Section 5 herein.
- e. Any existing wood, vinyl or aluminum fences within the Subdivision shall be routinely repaired and maintained to prevent loose or missing pieces, leaning, warping, rot and discoloration. All fences shall be kept clean and free of moss, mildew and dirt. Any wooden fence existing on a Lot as of April 1, 2020 may be replaced from time to time with a wooden fence and may be repaired with wood materials. The preferred wood is Red Cedar.
- f. Any fence constructed for the purpose of screening a pool or patio shall be of the height and materials required by applicable City or County ordinances.
- g. All posts for fences shall be cemented in the ground.
- h. Fences enclosing the perimeter of a Lot shall be erected only in the rear yards of any Lot. Fencing must start at the rear corners of the Dwelling. No fencing shall be erected or maintained on any Lot between the rear of the Dwelling constructed upon such Lot and the street upon which such Lot fronts. With respect to corner Lots, fencing along the side of the rear yard facing the street shall not be placed within the sight triangles defined in Article VII, Section 1(o) of the Declaration.
- i. No homeowner shall erect a fence on his or her Lot unless he or she obtains any and all required permits and approvals from the municipality in which the Lot is located prior to the erection of any fence.

8. VEHICLES

- a. Subject to the limitations set forth in these Rules, boats, campers and recreational vehicles ("RV's") may be parked on the driveways in the Subdivision for the purposes of preparation for use, loading, unloading and routine maintenance.
- b. Boats, campers or RV may only be parked in a driveway for two (2) consecutive days. No Lot Owner shall keep boats, campers and RV's in a driveway for more than a total of ten (10) days per calendar year.
- c. No commercial vehicles shall be parked overnight on the driveways or streets of the Subdivision. Commercial vehicles shall include, without limitation: (i) any vehicle that is capable of transporting more than nine (9) persons; (ii) any vehicle used for the purpose of transporting tools, materials or supplies which are used to provide services of any kind to companies or individuals; (iii) vehicles containing on-board or built in devices or hardware to be used for the provision of maintenance, installation or repair services; (iv) vehicles used for the transport or delivery of goods; (v) any vehicle which has a company logo or slogan permanently installed on any surface of the vehicle; and (vi) any vehicle which weighs 6,000 pounds or more.

9. LAWN MAINTENANCE/PLANTINGS

- a. Each Owner shall maintain such Owner's Lot in a neat and attractive manner, including, without limitation, maintenance of the lawn and shrubbery. No Owner shall permit the lawn on the Lot to grow in excess of six (6) inches in height.
- b. Upon the completion of lawn maintenance, pruning, mowing, raking, etc. all yard waste material must be removed from the streets and sidewalks adjoining the Lot.
- c. Yard waste placed on the curb for collection shall be in a receptacle approved by the Directors or issued by the applicable municipality or collection service. Yard waste bags may be placed on the curb at such times and in such quantities as are allowed by the municipality in which the Lot is located.

10. SIGNS

Any sign displayed on a Lot shall conform to the following requirements:

- a. A Lot Owner may erect one sign of not more than five (5) square feet advertising the property for sale.
- b. Signs expressing support or opposition to political candidates or other issues that will appear on the ballot of a primary, general or special election may be placed on Lots, provided that no sign is erected more than thirty (30) days prior to the applicable election and removed not more than two (2) days after the applicable election.

11. ALTERNATE ENERGY SOURCES

No alternative sources of energy, including, without limitation, solar collection devises and wind turbines shall be erected within the Subdivision without the prior written approval of the Board of Directors and shall comply with the terms and conditions set forth below:

- a. Any Owner desiring to install an alternative source of energy shall first obtain any and all applicable permits and approvals from the municipality in which the Lot is located and the fire protection district having jurisdiction over the Lot (if applicable).
- b. Roof mounted solar collection systems shall be installed in a manner which minimizes visibility from the front of the Dwelling or any Common Area. Roof mounted panels must be contained entirely within the boundary defined by the roof eaves and peak and shall not extend above the roof peak. Solar collection systems may be ground or pole mounted provided that such system is screened from view from the front of the Dwelling, Common Areas and neighboring Lots. Any Owner desiring to erect a solar collection system shall comply with the Rules and Regulations governing the improvement, construction or alterations of Dwellings set forth in Section 5 herein.
- c. To the extent permitted by applicable law, wind turbines shall not be permitted on any Lot or on the exterior of any Dwelling or other improvement on any Lot.

12. PETS

- a. As set forth in the Declaration, no Owner (or any Owner's tenants) shall keep more than two (2) household pets per Dwelling at any one time.
- b. Owners shall comply with any and all applicable ordinances related to the health and safety of such pets, including, without limitation, all required vaccinations and registrations if required by the municipality in which the Lot is located. Owners may be required to provide a veterinarian's certificate documenting the required vaccinations.
- c. All pets must be kept on a leash, in a carrier or otherwise restrained when in Common Areas, any Lot or on the streets of the Subdivision, or in the yard on any Lot.
- d. Owners shall pick up and properly dispose of pet waste within the Common Areas or on the streets and sidewalks of the Subdivision.
- e. Pet Owners shall be responsible for any property damage or personal injury caused by their pets.

13. ENFORCEMENTOF RULES ANDREGULATIONS

In accordance with Article V, Sections 10(d) and 10(k) and Article X, Section 1 of the Declaration, the Board of Directors is authorized to enforce the restrictions set forth in the Declaration and any rules adopted by the Directors for the maintenance, management, repair and replacement of the Subdivision, the Common Areas and the improvements located in the Subdivision. Pursuant to the authority granted in the Declaration, the Board of Directors may, at its option: (i) impose monetary fines which shall constitute Assessments; (ii) suspend an Owner's right, if any, to vote in the Association; and (iii) to suspend or terminate the privilege of such Owner and such Owner's Occupants to use the Common Areas. Any such enforcement action taken by the Board shall be subject to the terms and conditions set forth in this Section 13.

- a. If any Owner is believed to be in violation of the Declaration or any rules promulgated under the Declaration, then the Board will not impose a fine, suspend voting rights, or terminate any other rights unless written notice and demand (the "Notice") is served upon the Owner deemed responsible for such violation setting forth the information set forth below and providing such Owner an opportunity to be heard by the Board. The Notice and demand shall be personally delivered or sent by certified mail, postage prepaid and return receipt requested to the street address of the Lot believed to be in violation and the last known address of the Owner. Notice shall be deemed given upon personal delivery or upon deposit in the mail, certified mail, postage prepaid, return receipt requested and addressed as required herein.
- b. The Notice issued by the Board of Directors shall contain the following: (i) date the violation occurred; (ii) date of the notice; (iii) description of the violation; (iv) reference to the rule or provision violated; (v) action required to cure the violation, including the amount of any fine; (vi) time period of not less than ten (10) days during which the violation may be cured without further sanctions; and (vii) provide that the Owner may request an opportunity to appear before the Board to be heard upon Owner's request, which request shall be received by the Board not more than ten (10) days after the date of the Notice, as provided in sub-section c below.
- c. If the violation is not cured within the ten (10) day period set forth above, a fine of Twenty-Five Dollars (\$25.00) shall be assessed. Thereafter, an additional fine of twenty-Five Dollars (\$25.00) per day shall be assessed for each day that the violation continues, provided that no fines shall accrue in excess of One Thousand and 00/100 dollars, (\$1,000.00). The Association may give the Owner periodic written notices of the current balance of an accruing fine, including any interest thereon. If the violation continues for more than thirty (30) days, a lien shall be filed against the Lot, and shall include: (i) the total amount of the fines assessed up to the date of the lien; (ii) attorneys' fees and costs for enforcement of the Rule or violation, the preparation and recording of the lien and the release of the lien; (iii) a statement that interest on the amount of the fine will accrue at the rate of nine percent (9%) per annum until the violation is satisfied and the lien is released; and (iv) a statement that the lien is an ongoing lien and principal, interest and attorneys' fees may continue to accrue.

- d. An Owner may request in writing a hearing by the Board to contest the fine. To request a hearing before the Board, an Owner must submit a written request to the Board as directed in the Notice not more than ten (10) days after the date set forth on the top of the Notice. Within ten (10) days after Owner's request for a hearing, the Board will provide the Owner with the date, time, and place of the hearing (the "Hearing Notice"). The hearing will be scheduled at least fifteen (15) days after the date set forth on the Hearing Notice and shall provide a reasonable opportunity for both the Board and the Owner to attend. The hearing will be held in a closed or executive session of the Board and generally may be held immediately prior to the next upcoming regular meeting of the Board. At the hearing, the Board will consider the facts and circumstances surrounding the violation.
- e. The Owner may attend the hearing in person, may be represented by another person or may attend via teleconference, video conference or other means of remote communication. It is the responsibility of the Owner to make arrangements for any such telephone, teleconference, video conference, or other remote communication means. Only the Owner, or the Owner's legal representative, may appear at the meeting and speak on Owner's behalf. The Owner has the burden to present sufficiently persuasive evidence to the Board regarding any consideration that would prevent the imposition of an assessment, fine, or other charge or the finding of a violation. Such evidence may include photos, documents and records, the owners' own verbal or written statement, the verbal or written statements of others, or documentation showing payment. The Board shall have sole discretion to assess the credibility and persuasiveness of the evidence submitted. Ignorance of the Rule shall not be a defense against the violation. If Owner appears at the meeting, the notice requirement shall be conclusively deemed satisfied.
- f. The Board is authorized to enforce the violation unless the Board finds that the Owner has presented clear and convincing evidence of facts and circumstances showing that: (i) the violation did not occur on or related to Owner's Lot; or (ii) it would be contrary to the best interests of the Subdivision and the Association to enforce the rule violated in this instance. The best interest of the Subdivision shall be understood to include preserving the condition of the property and amenities of the Subdivision, collecting and disbursing assessments and charges, promoting the recreation, health, safety and welfare of the residents, and maintaining the market value of the residences in the Subdivision.
- g. The Board shall take minutes of the hearing. Such minutes shall contain: (i) the written Notice, if the owner does not attend; (ii) the written request for hearing; (iii) a summarization statement of the evidence presented, if any; (iv) the Board's conclusion and a brief statement of the reasons supporting the Board's conclusion; (v) the amount of the fine imposed, if any; (vi) whether the Board's decision was announced to the Owner at the meeting. The minutes of hearing may at the Board's discretion contain additional materials, such as copies of evidence submitted by the Owner.
- h. Pending the hearing, the Association may continue to exercise its other rights and remedies for the violation, as if the declared violation were valid. The Owner's request for a hearing suspends only the levy of a fine.