The rules in this document were put together by a committee of Settlers Ridge residents. These rules apply to everyone and we ask that you abide by them for the benefit of all homeowners or renters.

The purpose of Rules is not to anticipate all acceptable or unacceptable behavior in advance and eliminate all improvements or activities that fall outside of the norm. In fact, it is expressly intended that the Reviewer under Article 5, and the Board, as appropriate, have discretion to approve or disapprove items, or to enforce or not enforce technical violations of the Governing Documents based upon aesthetic 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 exercise of discretion in approving or enforcement 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 circumstances.

Compliance with this document and other Governing Documents does not avoid the Owners' responsibility for compliance with the ordinances of the Village, which may include different or additional requirements and restrictions. Owners should check with the Village and must obtain all approvals and permits required by the Village prior to commencing any work on their Units, in addition to such approvals as are required under the Charter and other Governing Documents.

The following shall apply to all of Settlers Ridge until such time as they are modified pursuant to the Charter.

- General. The Residential Units within Settlers Ridge shall be used only for residential (including home-based business activities that comply with Section 7.1(a) of the Charter), recreational, and related purposes (which may include, without limitation, an information center and/ or a sales office for any real estate broker retained by the Founder or its designees to assist in the sale of property, offices for the home owners association and any property manager retained by the Association, or such other uses as authorized in Article 17), consistent with the Charter and any Supplement.
- 2. Restricted Activities. Unless expressly authorized by, and then subject to such conditions as may be imposed by the Board, the following activities are prohibited within Settlers Ridge, except to the extent undertaken by the Founder in the course of development of property in Settlers Ridge:
 - a. Parking of vehicles in alleys, overnight parking of vehicles on HOA properties or parking of commercial vehicles or equipment, motor homes, recreational vehicles, golf carts, boats and other watercraft, trailers, stored vehicles, or inoperable vehicles in places other than garages or designated parking lots. Parking limited to 48 hours; more than 48 hours requires board approval. Unauthorized vehicles are subject to towing at the owner's expense
 - b. Construction, service and delivery vehicles shall be exempt from this provision during normal business hours for such period as is reasonably necessary to provide service or to make a delivery to a Unit or the Common Area. Parking on non-paved surfaces is strictly prohibited by village code and will be ticketed and fined by the Village of Sugar Grove. Parking in or blocking access to sidewalks, driveways or alleys is prohibited. All vacant lots within Settlers Ridge are private property. Moving vans and trucks may park only on the public streets within the Community.
 - c. Raising, breeding, or keeping animals is strictly prohibited except for pets as provided herein. Pets are limited to a maximum of 3 any combination of dogs and cats. Pets are not permitted to roam free, and must be on a leash or fenced in. The Village maintains a leash law and residents are obligated to abide by the Village rules and the HOA rules. All owners must clean up after their pets. No pets may use the park to relieve themselves at any time. Should that occur, all owners must clean up and repair any damage to the turf. A reminder that empty lots are privately owned, and pets are not allowed to use them. The Board will consider video or photographs of violations sent to the management company.

- d. Any pet that endangers a resident or another pet. Owners of such pets may be asked to remove said pets from the neighborhood in order to maintain safety. All pets shall be registered, licensed and inoculated as required by law.
- e. Littering in any park, vacant lot or any other area of the Community.
- f. Any activity that emits foul or obnoxious odors outside the Unit or creates noise or other conditions that tend to disturb the peace or threaten the safety of the occupants of other Units.
- g. Any hobbies or other activities that tend to cause an unclean, unhealthy, or untidy condition to exist outside of enclosed structures on the Unit.
- h. Any noxious or offensive activity which in the reasonable determination of the Board tends to cause embarrassment, discomfort, annoyance, or nuisance to persons using the Common Areas or to the occupants of other Units.
- i. Patio fireplaces and fire pits in the backyard cannot be longer than 4 feet and must be encased in stone, brick or metal.
- j. Use or discharge of any radio, loudspeaker, horn, whistle, bell, or other sound devices audible to occupants of other Units, except alarm devices used exclusively for security purposes.
- k. Accumulation of rubbish, trash, or garbage except between regular garbage pickups. All garbage, recycling materials and lawn refuse must be in approved containers, covered and stored out of view of neighboring properties or in other approved locations. Containers need to be placed out for pick up no more than one day before the scheduled pick-up and cannot block alleys or driveways. Containers must be removed within one day after the scheduled pick-up.
- l. Discharge of firearms. This is strictly prohibited by law, but the Board has NO obligation to act to prevent or stop such discharge.
- m. On-site storage of fuel, except that a reasonable amount of fuel may be stored in the garage of each Unit for emergency purposes and operation of lawn mowers and similar tools or equipment, and the Association shall be permitted to store fuel for operation of maintenance vehicles, generators, and similar equipment. This provision shall not apply to any underground fuel tank.
- n. Conversion of any carport or garage to finished space for use as an apartment.
- o. Any modification of anything, permanently or temporarily, on the outside portions of the Unit, whether such portion is improved or unimproved, except when in strict compliance with the provisions of Article 5 of the Charter. This shall include, without limitation, signs, sheds, clotheslines, garbage cans, wood piles, docks, piers, and similar structures, walls, or fences of any kind, satellite dishes and antennas, except that: an antenna designed to receive direct broadcast satellite services, including direct-to home satellite services, that is one meter or less in diameter; or an antenna designed to receive video programming services via multipoint distribution services, including multichannel multipoint distribution services, instructional television fixed services, and local multipoint distribution services, that is one meter or less in diameter or diagonal measurement.
- p. Basketball hoops or portable goals. Portable goals allowed within public right of ways during block parties or personal party occasions. All types hoops accepted but cannot obstruct garbage trucks or snowplows
- q. Use of motorized vehicles on the bike paths or sidewalks or within parks or natural areas except for slow moving vehicles operated by small children or physically disabled individuals.
- 3. <u>Ponds.</u> Residents may not engage in activities that disturb of destroy the wetlands or air quality within Settlers Ridge. Ponds are stocked by the HOA and are for the use of the residents and their guests only.

Fishing is with poles and lines only and is catch and release. No net fishing, spear fishing or hand catching is allowed. Dumping of unused bait of any kind, into the ponds is strictly prohibited. Swimming, wading, or use of motorized boats or other motorized watercraft on any lake or pond within the Community is prohibited, except that the Founder and the Association may use gasoline-powered boats for construction, maintenance, and repair of the lakes, dams, ponds and any community features. Ice-skating on any of the ponds is prohibited.

- 4. <u>Signs.</u> No posting of any signs on Unit, Common Areas, or rights-of-way within or adjacent to the Community, except:
 - a. The Founder and the Association may post signs as they deem appropriate during the Development and Sale Period;
 - b. Subject to the limitations in Section 7.1 of the Charter, an Owner may post one standard real estate sign on its Unit, not to exceed four feet in height, the total message area of which does not to exceed 12 square feet (all sides combined) advertising the Unit on which it is posted for sale or for lease.
 - c. The Owner or occupant of a Unit may post a maximum of three temporary political signs in the area between the sidewalks and curb in front of the Unit, not to exceed two feet in height or 8 square feet of message area (all sides combined) per sign, for up to 30 days prior to an election or referendum and up to 2 days after the election or referendum; provided that such signs have a professional appearance and contain no profanity or derogatory or offensive language, graphics, or markings, as determined by the Board in its sole discretion.
- 5. **Pools** Semi inground pools are permitted subject to the following provisions
 - a. Highest point of the upper edge must be a minimum two feet lower than the lowest point of the fence.
 - b. Deck or landscaping is required surrounding the entire perimeter of the pool to maintain community aesthetics. No structural elements of the pool should be exposed, and all pool components must be enclosed within the fenced portion of the yard.
- 7. **Prohibited Conditions.** The following shall be prohibited at Settlers Ridge:
 - a. The introduction of plants, animals, devices, or other things of any sort whose activities or existence in any way is noxious, dangerous, unsightly, unpleasant, or of a nature as may diminish or destroy the enjoyment of Settlers Ridge; and
 - b. Structures, equipment or other items on the exterior portions of a Unit which have become dilapidated, or otherwise fallen into disrepair. Included but not limited to inoperable cars, rotted wood, peeling paint, unkempt yards.
- 8. <u>Fines for Violations</u> Fines have been set by the Rules and Regulations Committee made up of existing residents. Fines will be levied by the Management Company upon written complaint from a resident, inspection by the Management Company, photographs or videos. All fines collected will go into the HOA operating funds.
 - 1. Fines will be as follows:
 - 1. First a written warning.
 - a. Homeowner has the right to remedy or appeal (see appeal process below)
 - 2. Second offense is \$50 dollar fine paid within 15 days of the date of the second warning,
 - 3. Third offense is \$75 paid within 15 days of the date of notice.
 - 4. Fourth offense is \$100 paid within 15 days of the date of notice.
 - 5. Fifth offense \$200 paid within 15 days of the date of notice.
 - 6. A late fee of \$10 dollars every 15 days.

2. Owner Appeals Process:

- 1. Appeals can be made by email or in writing to the board within 15 days of notice once the decision is made.
- 2. The board will respond within 30 days and a set a hearing date.
- Once appeal has been made all fines will be suspended until a resolution has been made.

A reminder that these fines are in addition to fines levied by the Village for any offense of which they have issued a ticket or fine.

9. Rules and Regulation Guidelines

A rules and regulation committee will be assembled on even years to review all rules and regulations and purpose additions, changes, and deletions by July 1st of that year. Rules and Regulations may be adopted in accordance with Article 7.2 of the Community Charter.

10. <u>Architectural Changes – Design Standards</u>

Any owner considering any change to any portion of the exterior of his or her unit(s) that would represent an "Improvement" (as such term is defined in the Section 5.1 of the Charter) must submit a proposal using the current Architectural Application Form to the Manager of the Association for review pursuant to Article 5 of the Charter. No work may begin without approval from the Association.

11. <u>Electronic Communication and Electronic Voting</u>

Any owner wishing to participate in electronic communications and/or electronic voting must complete and submit the attached Electronic Communication Opt-In Form that is attached to these rules (Exhibit A). By opting-in to electronic voting, each Unit Owner understands and agrees that: (i) Unit Owner's consent to send electronic votes shall remain in effect until such Unit Owner submits a written request to the Board revoking the request to electronically vote or the Unit Owner no longer has an ownership interest in a Unit in the Association, and (ii) the Board shall only accept votes, consents or approvals from the email address listed in the Electronic Voting Opt-In Form and that any vote shall contain an electronic signature or copy of the Unit Owner's signature in order to be valid