

Martin P. Pladgeman, Trustee for Martin P. Pladgeman Living Trust
Jacqueline A. Dymond aka Jacqueline A. Pladgeman, Trustee for Jacqueline A. Pladgeman Living Trust
16022 N 113th Way
Scottsdale, AZ 85255

June 29, 2020

Dear Mr. Pladgeman and Ms. Dymond,

It is unorthodox and a bit awkward to be writing this letter to you since both you and the HOA are represented by attorneys as a result of the lawsuit you are pursuing. Nevertheless, since it seems to be a point of your claim, I'm pleased to provide you with this letter.

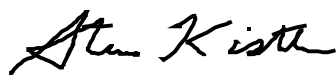
Following your daughter's invitation of many high school students to your home on May 2, 2019, and the scores of additional classmates who wrongfully entered our/your HOA, the security personnel advised of this wrongful conduct, apparently called police (as did nearby residents), and later reported in a written form that it was not the first of this kind of incident involving your home. As a result of this informational report, the Board imposed a \$500 fine for the violation. On May 7, 2019, you authored a letter advising both that there had been no prior violations and, though you were absent from your home on the night of your daughter's party, you expressed regret at the infraction of the rules and committed that no such infraction would occur again. We thank you for that acknowledgement.

On May 28, 2019, the Board held a meeting where you repeated this information and, accompanied by your lawyer, advised that it was inappropriate for the Board to have assessed a fine where you had not been provided an opportunity to be heard and to contest the accusations. The Board advised that you were right: it turned out that the security guard's report of previous infractions was never documented by the HOA and perhaps even erroneous; that yours should have been treated as a first infraction; and certainly you should have been provided an opportunity to be heard before any fine was assessed. The Board acknowledged that this was an error on its part and expressed regret at the imposition of the fine.

As you know from your appearance at our meeting, we voted unanimously to rescind the \$500 fine. The \$500 fine reversal was applied to your account on 6/11/2019, creating a credit balance of \$500. The credit balance was subsequently used when monthly assessments were posted to your account in July, August, and September 2019. Just as you expressed your regret at the actions of your daughter and her classmates, so do we express our regret at the imposition of the fine. And just as you have followed through to ensure that such an event has not occurred since, so have we followed through to ensure that no such assessment has ever again occurred to you or to any of your homeowner neighbors.

You should also know that the Fine Policy is being rewritten consistent with advice the HOA has formally received from its counsel, although the subject of that issue is beyond the intended scope of this letter. That revised Fine Policy will be the subject of a discussion and vote at a regularly scheduled Board meeting.

Sincerely,

A handwritten signature in black ink that reads "Steve Kistler". The signature is written in a cursive, flowing style.

Steve Kistler
President, One Hundred Hills Homeowners Association