



Palladium Plaza Homeowners Association Covenants, Rules, Regulations, and Emergency Procedures

The covenants, rules, regulations, and emergency procedures (collectively, the “Rules and Regulations”) contained herein have been developed, drafted, and approved by the Palladium Plaza Homeowners Association Board of Directors (the “Board”). The Rules and Regulations have been formulated with special consideration given to the appearance of the building as it relates to the value of the Palladium Plaza property, residences, and commercial spaces therein (the “Property”). Building uniformity and the rights of owners, residents, and retail spaces are all central considerations. The Rules and Regulations have been designed with the purpose of maintaining property values while promoting the security, safety, and comfort of all residents.

Neither the activities of residents or guests nor the operation of a Live/Work or Retail Unit shall in any way infringe upon a resident’s right to a peaceful and natural domicile. Guests of owners and residents are subject to the Rules and Regulations. The violation of any of the Rules and Regulations contained herein may be subject to the maximum fine allowed by law of up to \$100 per day until the violation is remedied. In the event of a violation, the unit owner/resident will be notified of the violation in writing and may be asked to attend a hearing where the Board may decide to assess a fine. The Rules and Regulations will become effective when signed by the Board and shall be enforced once distributed to residents.

I. Sale, Modification, Access, Insurance, and Purpose of a Condominium Unit

- A. The owner of a condominium unit must notify the property management company (see contact list) of the following:
 - i. The sale of his or her unit;
 - ii. The name and contact information of the new owner; and
 - iii. The date on which ownership is transferred.
- B. Major modifications of a condominium unit shall not be undertaken without the approval of the Board. At the Board’s discretion, major modifications may be reviewed by a licensed architect. Major modifications include, but are not limited to, changes in the configuration of walls, plumbing, wiring, the ventilation system, or anything that may violate structural or aesthetic integrity or create a potential hazard. Failure to gain the necessary approvals may result in additional modifications or restoration of the unit back to its original condition at the owner's expense.

- C. A “Request for Unit Alteration Form” must be completed by the unit owner and submitted to the Board for approval prior to the initiation of any modifications as described in the previous section.
- D. The Board will review the Request for Unit Alteration Form during the next regularly scheduled Board meeting. The unit owner is encouraged to attend the meeting to address any questions. The unit owner must provide any reasonable information requested by the Board. A decision will be made by majority vote and communicated to the unit owner once all information pertaining to the unit modification is provided and reviewed. Board approval shall not be unreasonably withheld.
- E. The Board or its designee has the right of access and entry to each unit to inspect, alter, maintain, repair, install, replace, or remove violations from the facilities contained therein including, but not limited to, appliances, pipes, ducts, cables, wires, conduits, and public utility lines which serve or may threaten other units or common areas within the building. In case of emergencies, such right of access and entry shall be immediate whether the unit owner or resident is present at the time or not.
- F. Unit owners will obtain and maintain at all times an HO6 property insurance policy that not only covers damage or loss of their personal property, but also provides for \$100,000 in liability insurance for bodily injury and property damage for which they may be liable. It is recommended that the “Loss Assessment” section of the policy be covered for a minimum of \$5,000, as this is the current deductible amount of the HOA’s master policy that could be assessed to the unit owner in the event of a loss. The deductible amount of the HOA’s master policy is subject to change based on the market and claim history; therefore, the HOA will keep unit owners informed so proper “loss assessment” coverage can be maintained. It is also recommended that owners of units that are being leased or will be leased require their lessees to obtain and maintain at all times a renter’s insurance policy that not only covers damage or loss of the lessee’s personal property, but also provides for \$100,000 in liability insurance for bodily injury and property damage for which the lessee may be liable. Proof of current, in-force property and liability insurance must be kept on file with the property management company at all times.
- G. The building and each of the units shall be used for residential purposes only, except for certain ground-floor units which the Declarant has established as having multiple possible uses. Certain designated units may be used for either retail or residential, but not both (“Retail Units” as defined in Article I.F.i). Certain other designated units may be used for either residential or restricted business uses or combinations of either (“Live/Work Units” as defined in Article I.F.ii).

See below for a list of units that are established as either Retail Units or Live/Work Units:

RETAIL UNITS

444-101 S. Blount St., Raleigh, North Carolina, 27601

444-110 S. Blount St., Raleigh, North Carolina, 27601

444-115 S. Blount St., Raleigh, North Carolina, 21601

LIVE/WORK UNITS:

444-103 S. Blount St., Raleigh, North Carolina, 27601

444-105 S. Blount St., Raleigh, North Carolina, 27601

444-107 S. Blount St., Raleigh, North Carolina, 27601

444-109 S. Blount St., Raleigh, North Carolina, 27601

444-111 S. Blount St., Raleigh, North Carolina, 27601

444-113 S. Blount St., Raleigh, North Carolina, 27601

444-117 S. Blount St., Raleigh, North Carolina, 27601

444-119 S. Blount St., Raleigh, North Carolina, 27601

444-121 S. Blount St., Raleigh, North Carolina, 27601

- i. **Retail Unit** uses shall be those allowed under the Mercantile classification as established by the City of Raleigh. The owners, employees, invitees, guests, and customers of any Retail Unit shall only use the interior common areas of the condominium building for emergency egress. Each Retail Unit shall be initially constructed in such a manner as to provide handicap accessibility to the public sidewalk and meet fire sprinkler standards for retail use under the building code of the City of Raleigh existing at the time the Property is first issued a building permit.
- ii. **Live/Work Units** shall have some or all of their space allowed for restricted business use. Allowed business uses shall be principally home occupations and professional services. Unless a Live/Work Unit is purchased before the ground-level slab of the building has been constructed, handicap accessibility to the public sidewalk will not be installed. As a standard feature, Live/Work Units will be constructed with stoops and steps connecting the unit directly to the public sidewalk. No retail uses will be allowed in Live/Work Units. Live/Work Units may be occupied during normal business hours by employees who are not the unit owner. Visitors who are not employees or unit owners shall be limited in number or on an appointment basis. When Live/Work Units are used for some degree of restricted business, employees, business guests, and customers (other than those requiring handicap accessibility) shall only access the unit through the public access stoop and steps and shall only use the interior common areas of the condominium building for emergency egress.
- iii. The owner of any Retail or Live/Work Unit who operates the unit (or a portion thereof) as nonresidential shall pay the Palladium Plaza Homeowners Association (the Association) upon demand any additional costs incurred by the Association as a result of the usage of a unit as Retail or Live/Work which exceed those for a typical residential unit.

- iv. The owner of any Retail or Live/Work Unit who either operates or leases the unit (or a portion thereof) as nonresidential shall provide a copy of any and all permits required to operate the business to the Board.

II. Lease of a Condominium Unit

- A. Owners of units that are being leased or will be leased shall be responsible for ensuring that the lessees of such units receive and understand the Rules and Regulations prior to occupancy. Fines for non-compliance of the Rules and Regulations will be the owner's responsibility and shall be assessed against the owner. It is highly recommended that a copy of the Rules and Regulations be maintained in the leased unit.
- B. Any owner who plans to lease a unit must notify the property management company (see contact list) of the name of the lessee and the effective date of occupancy. Additionally, a notification must be made to the property management company of any lessee turnover so that the current move-in fee of \$300 may be assessed. These notifications must be made at least 10 days prior to occupancy. Unit owners may be fined up to \$100 for violation of this rule.
- C. A copy of the finalized lease agreement must be filed with the property management company (see contact list) within 30 days of the start date of the lease; otherwise, unit owners may be fined up to \$100 per day until it is filed with the property management company.
- D. Leases of less than 3 months are prohibited. For security reasons, Airbnb and other such Internet-based and short-term rental arrangements are expressly forbidden. Leases and rental arrangements in violation of this rule may be fined up to \$100 per day of their violation.
- E. Each lessee must be named on the lease filed with the property management company. Renter-managed sublets are not allowed. Rental agreements in violation of this rule may be fined up to \$100 per day until the lease is properly registered.
- F. A "Resident Information Form" must also be completed and returned to the property management company (see contact list), a Board member, or the Association mailbox in the main lobby. This form includes the lessees' names, contact information, vehicle make and model, parking card number, and license plate number. Additional information may be added to the form based on changing needs in the community. Resident Information Forms may be obtained from the property management company or downloaded from the Palladium Plaza website (www.palladiumplaza.com).
 - i. Residents may be asked to complete a new Resident Information Form each year.

- ii. New residents must complete a Resident Information Form and return it to the property management company before a keyless entry code will be programmed into the building's entry access system.
- G. If a Resident Information Form for new residents is not completed and returned to the property management company within 30 days of the start date of the lease, the unit owner may be fined up to \$100 per day until it is filed. Resident Information Forms are available for download on the Palladium Plaza website (www.palladiumplaza.com). Hard copies or electronic facsimiles of the form may be submitted to the property management company.

III. Pets

Palladium Plaza conforms to all City of Raleigh ordinances pertaining to pets. For the health, safety, and comfort of all residents, the following rules shall be observed governing pets:

- A. Generally recognized house pets, in reasonable number (no more than 3) and size (less than 100 lbs.), may be kept and maintained in a residential unit (including a Live/Work Unit) provided such pets are not kept or maintained for commercial purposes. Pet owners may apply for a waiver with the Board.
- B. Upon request, pet owners must provide documentation indicating that each house pet's rabies vaccination is current.
- C. Any household pet shall be kept on a leash while outside of the condominium building pursuant to the Wake County Leash Law. No unattended animal may be leashed to any stationary object in the common areas of the building. Any household pet shall be kept on a leash at all times while in the internal common areas of the building.
- D. No pet shall be permitted to bark, howl, or make other loud noises for such an unreasonable time as to disturb neighbors' rest or peaceful enjoyment of their unit or the common areas.
- E. Pet owners or other responsible parties (e.g., a pet sitter) are responsible for removing their pet's wastes from any common or public area as set forth in the Raleigh City Code, Section 12-3011. A fine of up to \$100 may be assessed for violation of this rule.
- F. Pet owners are responsible for any property damage, injury, and disturbances caused by their pets. Pet owners will be billed an amount equal to the cost of having an area cleaned.

IV. Common Areas, Doors, Guests, Building Access, Grills, Information Boxes, Lock Boxes, Property Storage, Balconies and Patios, Building Exterior, and Roof Access

The lobby, doors, hallways, balconies, patios, stairwells, vestibules, and common courtyard area on the ground floor, among other areas, are prominent parts of the structure of the condominium building and, therefore, need to be aesthetically appealing.

- A. Common areas are intended for all residents' enjoyment and use. No alterations to common areas may be made without Board approval. Board approval shall not be unreasonably withheld. Residents may be billed for the cost of repairing damages caused in common areas.
- B. The outside of the connecting door of each unit which faces the common area of the interior hallway is also considered common area and is, therefore, subject to all rules and regulations governing common areas. Only Board-approved finishes may be installed on this connecting door including paint, unit number signs, peepholes, door handles, keyed tumbler locks, and keyless cipher locks. Door knockers, kick plates, signage, shelving, furniture, door mats, accessories, and other entryway adornment or hardware are not allowed. Upon Board approval, a seasonal door decoration may be displayed during the months of November, December, and January. Board approval shall not be unreasonably withheld.
- C. Residential owners and occupants are responsible for the actions of their guests. As such, whenever possible, residents will be charged an amount equal to the repair costs for any damages to common areas caused by their guests.
- D. To prevent unauthorized access to the building's interior common areas, residents should not share their keypad entry codes with non-residents. Likewise, door latches should not be tampered with so as to prevent their function of locking the door, and doors should not be propped open and left unattended during, but not limited to, social functions, move ins, or move outs.
- E. The building's entry access systems are provided for the convenience and safety of residents.
 - i. The entry access systems allow residents to remotely unlock common building entrances from their phone.
 - a. New residents must complete a Resident Information Form before intercom or keyless entry codes are programmed into the entry access system.
 - b. Resident Information Forms are available on the community website: www.palladiumplaza.com.
 - c. Only local (919 area code) phone numbers can be programmed into the system.

- d. Once a local phone number is programmed into the system, visitors can enter the resident's unit number on the system keypad, and the system will then dial the programmed phone number. Residents can then speak with their visitors through the intercom and remotely unlock the entrance by entering the number "6" from their phone's keypad. The telephone connection will automatically disconnect when the door unlocks.
- ii. The building's entry access system also allows users to enter a 4-digit code on the system keypad for keyless entry into the building.
 - a. New residents must complete a Resident Information Form before keyless entry codes are programmed into the entry access system.
 - b. Resident Information Forms are available on the community website: www.palladiumplaza.com.
 - c. The 4-digit entry code you designate will be programmed into the system. Send an email to palladiumplaza@gmail.com with your desired code.
 - d. To use the keyless entry code, enter the "#" symbol followed by your 4-digit entry code.
 - e. For security reasons, residents should not share their entry codes with non-residents, friends, or family.
 - f. Residents who violate this security requirement may have their entry code removed from the system at the Board's discretion.
- F. Gas and charcoal grills are prohibited on balconies and patios, in all common areas, and inside any condominium unit. The only exception is the community gas grill located in the common courtyard area on the ground floor. Violators of this rule will be subject to the penalties provided in the Raleigh City Charter and Code of Ordinance, Section 5-2042, in addition to any sanctions as determined by the Board.
- G. The community grill is provided for the enjoyment of all residents. It is expected that any conflicts on the usage of the grill be worked out between residents.
- H. After each use of the community grill, residents must turn off the grill, turn off the gas, clean the grill and grill area, and replace the grill cover (once the grill is cool to touch).
- I. Residents should alert the property management company (see contact list) in the event that a propane tank is empty or the community grill area is not cleaned after use.
- J. Palladium Plaza Information Boxes may be used for properties that are for sale or rent. These boxes are located at the street entrances to the building. No additional real estate

signs or other exterior signs regarding the sale or renting of residential properties shall be permitted on or about the Property without prior Board approval. Signage is allowed for the commercial units as approved by the City of Raleigh and the Board. Board approval shall not be unreasonably withheld.

- K. Lock boxes on individual units for sale or rent are allowed. Lock boxes should be removed by the real estate or property management company upon the sale or lease of the unit.
- L. The lobby, outdoor courtyard, stairwells, hallways, utility closets, or any other common area shall not be used for personal storage (e.g., boxes, bicycles, strollers, furniture, floor mats, shoes, umbrellas, etc.). Items will be tagged and residents will be asked to remove their personal items from any common area. If no unit owner or resident can be identified, the item(s) will be tagged with a date that shall not be less than seven days from the date the item(s) is originally tagged. If the items are not removed from the common area by this date, a fine of up to \$100 per day may be charged to the unit owner until the personal items are removed from the common area.
- M. Balconies and patios should be kept reasonably free of clutter and debris so as to be aesthetically pleasing from the street.
- N. No alterations to the building exterior may be made without Board approval. Board approval shall not be unreasonably withheld.
- O. Penetration of exterior walls and finishes is prohibited. Unit owners are responsible for any damage to the exterior walls (e.g., inserting nails or screws into the brick). Owners will be billed an amount equal to the cost of having an exterior area restored.
- P. Unit owners are responsible for any property damage at and around the roof access (e.g., walls and stairwells) by themselves, their lessees, or third parties during the installation of roof equipment (e.g., air conditioning units). Unit owners or a Board representative must be present while roof equipment is being maneuvered up the stairwells and through the roof access to ensure that there is no building damage. Owners may be fined an amount equal to the cost of having an area repaired.

V. Parking

- A. Parking in reserved spaces or designated areas is restricted to Palladium Plaza residents.
- B. Each unit is assigned a single, numbered space in one of Palladium Plaza's designated parking areas. Residents or guests parked in spaces that are not specifically assigned to them may be towed at their own expense.

- C. Maintenance fees for the one assigned parking space per unit are paid by the Association out of the resident's monthly association dues.
- D. Additional parking spaces may be purchased, assigned, or rented.
- E. Units that purchase or are assigned an additional parking space are responsible for paying the additional yearly maintenance fee. This fee is determined each year when the property management company receives an invoice from the City of Raleigh. The resident will be billed by the property management company on a yearly basis in July.
- F. Residents are encouraged to resolve parking issues among themselves. If this is not possible, report the parking violation to the property management company.
- G. Parking at Palladium Plaza is restricted to passenger automobiles, recreational sports vehicles, motorcycles, pick-up trucks, and vans. All vehicles must weigh less than 2 tons and be no greater in area than a full-size passenger vehicle. Parking of vehicles such as, but not limited to, jet skis, trailers, motor homes, and boats is prohibited.
- H. All non-prohibited vehicles must fit within the confines of the marked parking space. Any vehicle extending beyond the confines of the marked parking space is subject to towing at the owner's expense.
- I. One registered and numbered entry gate pass card will be issued per parking space.
- J. Due to size and weight limitations, moving vans and service vehicles are not allowed on Palladium Plaza's second-level Elevated or P2 Decks.
- K. Vehicles that are not operable and do not have current licenses and tags are not to be parked in any of Palladium Plaza's designated parking areas and will be tagged and given a 10-day notice before being towed at the owner's expense.
- L. Items of any kind are prohibited from being stored in any of Palladium Plaza's designated parking areas for any duration.
- M. Tampering with, manually lifting, or holding open any parking entrance gate is prohibited. Anyone who tampers with gates or parking devices will be held responsible for all associated repair costs and incurred fines.
- N. Residents should report gate malfunctions to McLaurin Parking at (919) 833-7522 (or (919) 749-0399 for after hours and weekends).

VI. Additional Parking Information:

- A. Your registered and numbered entry gate pass card must be swiped EACH AND EVERY TIME you enter and exit both the ground-level City Center Deck (from either S. Blount

St. or E. Cabarrus St.) and Palladium Plaza's assigned second-level Elevated and P2 Decks, EVEN WHEN THE GATES ARE RAISED. There is no exception to this rule.

- B. Parking in the City Center Deck is strictly prohibited during paid parking hours. Pass cards are monitored daily. Your pass card will be deactivated if it is discovered that you are parking in the City Center Deck during paid parking hours.
- C. The system only allows a pass card to be used for one vehicle in the deck at a time. For example, if you use your pass card to allow a visitor who has parked in the deck to exit and then you try to use the same pass card to exit, the system will not allow you to use the card, a pass-back alarm will be registered in the system, and the gate will not be raised. In this case, walking up to a card reader and swiping your pass card will not resynchronize your card.
- D. Residents parking in the Elevated or P2 Decks must pass through two pass card gate readers. This is what is called a "nested" system. As such, once a resident swipes his or her card at the ground-level City Center gate reader (from either S. Blount St. or E. Cabarrus St.), he or she has 10 minutes to enter the second-level reserved Palladium Plaza condominium parking area in the Elevated and P2 Decks. The same time restriction is applied to residents leaving the parking area. If you spend more than 10 minutes in the City Center Deck, you will be unable to exit the garage or re-enter the reserved Palladium Plaza condominium parking area. If this occurs, you will be required to pay to exit. McLaurin Parking regulations state that residents should not use the center lane when entering or exiting from the S. Blount St. ground-level gate because pass cards will become desynchronized; residents must use the far right lane when entering or exiting from the S. Blount St. ground-level gate. **Should your pass card not activate the exit gates, you will be required to pay, no matter the circumstances. Please ask the attendant for a receipt if you are required to pay to exit the parking garage.**
- E. If your pass card needs to be reset or you would like to request a refund for parking charges, contact the McLaurin Parking offices at (919) 833-7522.
- F. During downtown events, the parking gates may be manned by a parking attendant who is charging patrons on entry. Should you need to enter the parking garage during an event, simply explain that you are a resident, show the cashier your pass card, and ask them to check the special "exempt" listing for your card number. All Palladium Plaza pass cards are on the exempt list. If at any time you are told that you are not on the list, please pay the amount due, ask for a receipt, and contact the McLaurin Parking office for a refund.
- G. There is a \$50 replacement fee for lost or stolen pass cards. Contact the property management company (see contact list) to obtain a replacement card.

VII. Trash and Recycling

- A. At no time shall trash be left unattended in common areas including, but not limited to, hallways, stairwells, vestibules, entry ways, parking areas, and the lobby. A fine of up to \$100 per day may be assessed until the trash is properly disposed of.

- B. All non-recyclable trash must be bagged and placed only in the brown metal dumpster located near the pass card gate reader within the S. Blount St. entrance to the City Center Parking Deck. The City will not pick up trash on the ground. Residents must close the sliding door of the brown metal dumpster after discarding their trash.
- C. All glass, plastic, paper, paperboard, and other approved recyclables (with the exception of corrugated cardboard) must be placed in the row of blue recycling bins located next to the Palladium Plaza condominium building within the S. Blount St. entrance to the City Center Parking Deck. All food debris must be removed, and recyclable food and beverage containers rinsed before placing them in the blue recycling bins. Pizza boxes are not approved recyclables. They should be disposed of in the brown metal dumpster.
- D. All corrugated cardboard must be broken down and passed through the slot in the green metal dumpster designated for cardboard recycling located near the pass card gate reader within the S. Blount St. entrance to the City Center Parking Deck. The City will not remove cardboard containers that are not broken down and placed in the dumpster.
- E. Dumpsters are not to be used for the disposal of flammable, corrosive/poisonous materials, or aerosol containers. Construction waste such as wood, metal, drywall, and paint is prohibited. Large household items such as mattresses, appliances, carpets, carpet pads, and furniture are, likewise, prohibited. All of these items should be taken to the appropriate City waste disposal location. For detailed information on waste disposal site locations go to <http://www.raleighnc.gov> or call Solid Waste Services at 919-996-6890. An alternative for the disposal of large or bulky items that will not fit into the dumpster would be to call York Properties to schedule a pickup. A pickup fee will apply.
- F. The community incurs additional trash removal fees from Waste Industries when the above rules are not followed. The Board may fine non-compliant owners, residents, or businesses to recoup any additional charges incurred due to a failure to follow these rules.

VIII. Noise, Fireworks and Firearms, Yard Sales, and Smoking in Common Areas

Palladium Plaza is a connected community that shares walls. Owners, residents, lessees, and guests are asked to be conscious and mindful of their neighbors.

- A. Consistent with the City of Raleigh's noise ordinance, residents of residential units and their guests must minimize noise between the hours of 11:00 p.m. and 7:00 a.m. Sunday through Friday, and 12:00 midnight Saturdays to 12:00 noon Sundays. Excessive noise at any time should be settled between neighbors. If this is not possible, please call the Raleigh Police Department. A complaint may be filed with the Association after these remedies have failed.
- B. Fireworks and the carrying or discharging of unlicensed firearms are prohibited.
- C. Yard sales are not permitted within the confines of the Property without prior approval from the Board. Board approval shall not be unreasonably withheld.

- D. All inside common areas of Palladium Plaza including, but not limited to, the lobby, hallways, stairwells, utility closets, and elevators are designated as "Non-Smoking." Inside the building, smoking is only allowed within a residential or Live/Work unit with its common area connecting door closed.

IX. Monthly Homeowner's Assessments and Miscellaneous Fees

The homeowner's monthly assessment is to be paid by the 1st of each month. After the 5th day of each month, a late penalty of \$20 is incurred. Owners with monthly assessments past due for more than 60 days will be charged an additional late penalty of \$20 for each month (until payments are current) and referred to the Attorney for collection. Accounts that are referred to the Attorney will be responsible for all late fees as well as any resulting attorney fees.

- A. Please be advised that failure to pay the monthly assessments will result in a lien being filed against your property.
- B. There will be a \$25 charge for checks returned to the Association for "Insufficient Funds."
- C. Monthly assessment checks should be made payable to **Palladium Plaza Homeowners Association c/o York Properties, Inc., PO Box 1070, Charlotte NC 28201-1070** and mailed along with the corresponding monthly coupon from the coupon book distributed each year to homeowners who do not elect to pay their monthly dues electronically.
- D. All homeowners have the option to pay their monthly assessments using automatic draft at no extra charge. Please contact the property management company for more information on this convenient payment method.
- E. Additionally, homeowners have the option to drop off their monthly assessments at the property management offices (see contact list for address).
- F. Replacements for the following items can be obtained from the property management company for the following fees: (1) Parking Pass Card - \$50; (2) Parking Remote Control - \$100; and (3) Building Entry Key - \$10.

X. Enforcement

- A. In order for the Rules and Regulations to be effective, violations must be reported immediately to the property management company via e-mail to our Property Manager (see contact list). The person(s) reported to be in violation of a rule or regulation will be issued a warning that the violation must be corrected within 10 days of the notice. Violations of city ordinances or violations that pose imminent danger to people or property will require immediate action without warning or grace period.
- B. If the violation for which the citation was issued is not corrected within 10 days, the Board will initiate legal action against the violator. Please be advised that any legal

action will become a lien against your property, which may be foreclosed pursuant to Chapter 47C of the North Carolina General Statutes.

XI. Fire and Major Incident Response and Procedures Policy

- A. **Policy Statement:** This policy has been created by the Board to facilitate the efficient management of a building fire or other building crisis (i.e., natural disaster, flood, major utility disruption, etc.). This policy shall be enacted immediately upon the activation of the automatic fire alarm system; or, the event of a major emergency incident including, but not limited to event(s) necessitating the evacuation of the building; or, any major incident deemed to require the activation of this policy by person(s) authorized to do so. The purpose of this policy is to provide for the most efficient management of, and preparation for, emergency situations that may occur.
- B. **Decision-Making Authority:** A member of the Board, a consensus of said members, or a person delegated by the Board to possess the authority to do so shall possess all decision-making authority necessary for the immediate implementation and execution of this policy.
- C. **Key Boxes & Key Holders:** The Board has installed and maintains a fire and water resistant key box utilizing a PIN code for the purposes of containing all necessary emergency keys (stairwells, entry doors, sprinkler rooms, utility closets, alarm panel, etc.). This box is located in the lobby stairwell near the exit to the courtyard. Only the Board and its designees shall have access to this box.
- D. **Policy Maintenance:** This policy shall be maintained and reviewed no less than annually and shall be updated with new contact information as necessary.
- E. **Tampering with Fire Alarm & Suppression Systems:** Any owner of a Palladium Plaza unit, lessee, or guest of an owner or lessee who tampers with the fire alarm and/or suppression systems shall be responsible for any such damages and repairs; subject to a fine by the Board; and subject to referral for criminal prosecution pursuant North Carolina General Statute § 14-286.
 - i. The Board-assessed fine for violation of this policy by means of willfully giving or facilitating the false alarm of fire or otherwise disabling the fire alarm system either inside a unit or in a common area shall be \$500.
 - ii. The Board-assessed fine for violation of this policy by means of willfully causing or facilitating the false activation of the fire suppression (sprinkler) system shall be \$1,000.
 - iii. In addition, violators shall be responsible for all costs of repairs, government fees for emergency response to false alarms, and cost of water in the case of false suppression system activation.

- iv. Owners of any units shall be ultimately responsible for the violation(s) of this policy by their tenants and/or guests.

F. North Carolina General Statute § 14-286. Giving false fire alarms; molesting fire-alarm, fire-detection or fire-extinguishing system.

- i. It shall be unlawful for any person or persons to wantonly and willfully give or cause to be given, or to advise, counsel, or aid and abet anyone in giving, a false alarm of fire, or to break the glass key protector, or to pull the slide, arm, or lever of any station or signal box of any fire-alarm system, except in case of fire, or willfully misuse or damage a portable fire extinguisher, or in any way to willfully interfere with, damage, deface, molest, or injure any part or portion of any fire-alarm, fire-detection, smoke-detection or fire-extinguishing system. Any person violating any of the provisions of this section shall be guilty of a Class 2 misdemeanor. (1921, c. 46; C.S., s. 4426(a); 1961, c. 594; 1969, c. 1224, s. 5; 1975, c. 346; 1993, c. 539, s. 182; 1994, Ex. Sess., c. 24, s. 14(c).)

G. Emergency Procedures

- i. **Raising the Alarm:** Upon the discovery of smoke and/or fire, the activation of the fire alarm or fire suppression (sprinkler) system; second-hand notification of the presence of fire and/or smoke; or, upon the instance of another major emergency requiring the evacuation of the building, a member of the Board or anyone else in the absence of a Board member shall raise the alarm and call 911 to confirm receipt. (Palladium Plaza Condominiums - 444 S. Blount St. - Cross-Streets of E. Davie and E. Cabarrus - Multi-floor Residential/Commercial Building - Give location of smoke/fire if known or if accessible from fire alarm announcement panel located in the main lobby).
- ii. **Begin Evacuation of the Building.** Residents and members of the Board shall completely exit the building using only the stairways and leave the property. All persons shall evacuate completely away from the building (i.e., not on the sidewalks adjacent to the building and not into the parking garage areas) and shall assemble in the flat level parking lot across S. Blount St. from the Main Lobby located between Founder's Row and the cellular tower. No one shall reenter the building until cleared to do so by the fire department.

H. Emergency Contact Numbers: See attached contact list.

- I. Communication:** Upon the activation of this policy, individual members of the Board or their designees, once on scene, will each be assigned a communications point-person role in the following manner:

- i. **Emergency Official/Government Communications:** the first Board member on the scene shall immediately take the position of point-person for communications with emergency personnel arriving on scene and shall remain in that position as the primary communicator between the Board and emergency personnel until all said personnel have departed. Point-person shall make an attempt, if possible, to ascertain the following information and document it accordingly: extent of the damages, effected common areas and units; possible causes, and etc.
 - ii. **Resident Communications:** a Board member shall immediately upon arrival take the position of point-person for communications with residents and homeowners during the crisis. This point-person shall remain as the primary communicator between the Board and residents/homeowners. (This will allow for Board members and emergency personnel to most efficiently carry out their duties in other assigned areas). Every reasonable effort shall be made to contact residents / homeowners with damaged units who are not present.
 - iii. **Media Communications:** a Board member shall immediately upon arrival take the position of point-person for communications with the media who may respond to a major emergency. This shall be the ONLY person providing comment to the media on behalf of the Association after gaining a consensus on a statement with the Board members present and/or within contact. In the absence of this consensus, request for comment shall be returned “We have no comment at this time” and the media may be referred to emergency services personnel.
 - iv. **Support Services Communications:** a Board member shall take the position of point-person for communications with support services (e.g., American Red Cross, etc.) in the event of a major fire or other emergency requiring the displacement of residents.
- J. Alarm Silencing and Reset:** A Board member or their designee, only when authorized by the Fire Department, may silence and reset the automatic fire alarm system. The instructions for silencing and resetting the alarm system are located in the key lock box in the 1st floor stairwell next to the main lobby elevator. The alarm system can be reset from either from the Fire Alarm Control Panel (FACP) located in the North Sprinkler Riser Room (adjacent to the ramp leading from the sidewalk to the entry door by unit #109) or from the Main Lobby Fire Announcement Panel.
- K. Securing the Scene After an Emergency:** At the direction of the Board, reasonable effort to secure damaged areas of the building common areas and units where no resident or homeowner is present shall be made (e.g., the usage of yellow tape and signage prohibiting entry and physical barriers such as boarding and nails). No one shall enter any damaged common areas or units without the clearance of emergency officials for safety reasons.

XII. Palladium Plaza Homeowners Association Board of Directors

- A. Board meetings are scheduled for the 4th Monday of every month at an agreed upon location unless an alternate date is communicated and agreed upon by a majority of Board members.
- B. All homeowners are welcome to attend Association meetings. If homeowners have a specific grievance they would like to address, the Board requests it be submitted in writing prior to the meeting so the specific issue can be added to the agenda. This allows Board members and the property manager time to research the issue and have some background information on hand at the time of the meeting. All formal grievances raised in this manner will be recorded in the meeting minutes. If the issue cannot be immediately resolved, the Board's decision or action will be communicated to the homeowner at the Board's earliest convenience.
- C. The Board is responsible for building maintenance, maintaining association accounts, and enforcing the Rules and Regulations.
- D. The Board must vote and approve all contractors who will provide regularly scheduled services such as cleaning and maintenance.
- E. Vacant seats on the Board are announced and voted upon by the homeowners during the annual community meeting.
- F. All homeowners are eligible for a seat on the Board. We encourage Board members to be community residents.
- G. The elected term for directors is 2 years, with the exception of the terms for the first elected Board.
- H. There are currently 5 seats on the Board.
- I. The number of vacant seats on the Board will be announced each year. Whenever possible, and with the intent to maintain experience and continuity on the Board, only a portion of the seats will be up for election each year. Therefore, after the first Board is elected, 2 seats will be up for re-election in the second year. 3 seats will be up for re-election in the following year. Each year will alternate with a portion of seats up for re-election. Members may choose to remain on the Board, but must be re-elected by a majority of homeowners or proxy votes.
- J. To be eligible for re-election, a Board member must have attended a majority of scheduled meetings during their term and be currently in good standing in respect to monthly dues or special assessment charges.
- K. In the event that a Board member must step down prior to the end of their term, the remaining Board members may, at their discretion, invite a current homeowner to

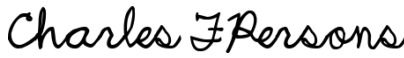
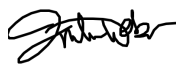
assume a Board member's seat. This replacement member will serve out the remaining term of the member who resigned.

- L. If a Board member misses 3 consecutive, scheduled Board meetings, that Board member will be considered to have voluntarily resigned their position. The Board may consider special circumstances on a case by case basis. In the event that a Board member misses 3 consecutive meetings, the remaining Board members will conduct a vote to accept the resignation of the Board member. The Secretary will record the vote results in the minutes and a letter will be delivered to the Board member accepting their voluntary resignation.
- M. There are 4 officer positions on the Board: President, Vice-President, Secretary, and Treasurer. Once the Board is seated during the annual community meeting, the Board members will determine the officers at or before their next scheduled meeting. An announcement of the Board members and their positions will be posted or delivered to homeowners via email.
- N. Officers may approve emergency expenditures of up to \$1,000 without a prior vote by the Board. Board members at large may approve expenditures of up to \$500. These repairs should be considered emergency repairs or required to maintain building integrity and security (broken windows, malfunctioning doors, electrical, water damage, etc.). The details of any such spending will be reviewed at the next scheduled Board meeting or through email.
- O. All emergency expenditures must be explained and approved by the remaining Board members at the next scheduled meeting or by email.
- P. Since there may be occasions when an issue will need to be presented and a decision will need to be made prior to a regularly scheduled meeting, discussions can be initiated and voted upon by email. All votes by email must be unanimous in order to pass. If a unanimous decision cannot be reached by email and the issue is pressing enough, a special meeting can be called by the President and a simple majority vote can be used to pass the measure.
 - i. If the vote passes unanimously by email, the results will be reviewed at the next scheduled Board meeting and entered into the meeting minutes.
 - ii. If a special meeting is required to discuss and/or vote on an issue, minutes must be taken and approved at the next scheduled meeting.

XIII. Board Approval of Palladium Plaza Rules and Regulations

- A. The Rules and Regulations listed within this document were approved by the current members of the Palladium Plaza Homeowners Association Board of Directors.
- B. The Board, or their designees, shall fairly administer these Rules and Regulations.
- C. Owners, residents, lessees, and guests of Palladium Plaza shall adhere to the Rules and Regulations set forth in this document.
- D. Disciplinary actions and/or fines may be appealed by unit owners to the Board. However, the elected Board members are not obligated to rescind fees or fines in the absence of extenuating circumstances.
- E. Should changes be required for these Rules and Regulations, this document may be amended and reissued by the Board following an affirmative majority vote by the Board for the change.
- F. Any changes or amendments to these Rules and Regulations will require the Board to distribute the amended document to all homeowners.

The signatures below indicate approval of these Rules and Regulations by the current members of the Palladium Plaza Homeowners Association Board of Directors.

John Graham - President		04/14/2021
Charles Persons - Vice President		04/14/2021
Julie Weber - Treasurer		04/14/2021
Kenneth Penkowski - Secretary		04/14/2021
Abdallah Malouf - Member at Large		04/14/2021

04/14/2021 Amended Section II, Sub-Section D (page 4): Leases of less than 3 months are prohibited