

PROCESS TO BE FOLLOWED FOR NON-COMPLIANCE WITH SW DOCS/RULES:

REF: SOUTHWINDS BYLAWS - SECTION 8.

SYSTEM OF FINES FOR NON-COMPLIANCE

PER OUR LEGAL COUNSEL, THE FOLLOWING IS THE PROCESS TO BE FOLLOWED WHEN NECESSARY TO ENFORCE OUR DECLARATIONS, BYLAWS OR RULES.

FIRST, THE BOARD WILL APPOINT A STANDING **COMMITTEE OF OWNERS** (3-5 SOUTHWINDS OWNERS WHO ARE NOT BOARD MEMBERS OR RELATED TO A BOARD MEMBER).

THE PROCESS:

- 1.) UPON REPORT TO THE BOARD OF A VIOLATION THAT IS NOT WITHIN THE SCOPE OF SECTION 19.2 OF THE ASSOCIATION'S *AMENDED AND RESTATED DECLARATIONS OF CONDOMINIUM*, A WRITTEN NOTICE SHALL BE SENT IMMEDIATELY FROM THE BOARD TO THE OWNER IN QUESTION. THIS NOTICE SHALL REPORT THE NATURE OF THE VIOLATION & ADVISE THE OWNER TO CORRECT IMMEDIATELY.
- 2.) IF THE VIOLATION IS NOT CORRECTED BY THE NEXT REGULARLY SCHEDULED BOARD OF DIRECTORS MEETING, THE VIOLATION WILL BE PLACED ON THE AGENDA FOR THE BOARD OF DIRECTORS TO CONSIDER AND VOTE ON A FINE OR SUSPENSION OF RIGHTS TO COMMON ELEMENTS, IF ANY, FOR SAID VIOLATION(S). UPON THE BOARD OF DIRECTORS VOTING TO FINE AND/OR SUSPEND THE UNIT OWNER, A SECOND NOTICE LETTER WILL BE SENT INFORMING THE UNIT OWNER OF THE BOARD'S VOTE, AND NOTICE OF A HEARING REGARDING SAME BEFORE THE FINING COMMITTEE.

THE SECOND NOTICE LETTER (USING THE FORMAT AS PROVIDED BY OUR ATTORNEY) WILL BE SENT INFORMING THE OWNER THAT FINES WILL START ON THE DATE OF THE BOARD'S DECISION AT \$100/DAY, UP TO A MAX OF \$1000. THE SECOND NOTICE LETTER WILL ALSO PROVIDE A HEARING TIME & DATE THAT IS FOURTEEN (14) DAYS OR MORE FROM THE DATE OF THE SECOND LETTER. IF THE VIOLATION IS NOT CORRECTED, THE COMMITTEE WILL HOLD THE HEARING SHOULD THE OWNER WISH TO DISPUTE THE CHARGES.

- 3.) THE PURPOSE OF THE HEARING IS, AFTER LISTENING TO THE OWNER, TO DETERMINE IF A VIOLATION HAS ACTUALLY OCCURRED. IF A HEARING IS SCHEDULED AND THE OWNER DOES NOT APPEAR, THIS MAY RESULT IN THE COMMITTEE TAKING AN AUTOMATIC VOTE THAT THE OWNER IS IN VIOLATION.
- 4.) SHOULD THE COMMITTEE FIND THE OWNER GUILTY OF THE VIOLATION, THE ASSOCIATION WILL THEN PROVIDE WRITTEN NOTICE TO THE OWNER OF THE TOTAL FINE DUE, WITH A DUE DATE FOR PAYMENT. FAILURE TO PAY WILL RESULT IN THE ASSOCIATION SEEKING COLLECTION, WITH THE POSSIBILITY OF A COURT CASE FOR PAYMENT OF THE FINE PLUS LEGAL FEES AND ALL COSTS.