A Resolution of the
BABCOCK NATIONAL HOMEWONER'S ASSOCIATION, INC.
(the "Association") Adopting a Uniform Policy for
Covenant Enforcement

WHEREAS, the enforcement of the restrictive covenants, rules, regulations and policies (the "Rules and Regulations") of the Association is essential for the Association to maintain a harmonious community; and

WHEREAS, the Association's authority to enforce the Rules and Regulations and establish Committees comes from the Association's governing documents (the "Governing Documents") and the applicable Florida Statutes; and

WHEREAS, the Association's Board of Directors (the "Board") is granted the authority to act on behalf of the Association in the enforcement of the Rules and Regulations; and

WHEREAS, a uniform and strictly enforced policy for the enforcement of the Rules and Regulations will help maintain a uniform appearance of the community; and

WHEREAS, the Board deems it to be in the best interests of the Association to adopt a uniform and systematic procedure for the enforcement of the Rules and Regulations and for dealing with Owners in violation of the Rules and Regulations promptly.

NOW THEREFORE, BE IT RESOLVED, that the following Rules and Regulations Enforcement Policy (the "Policy") be adopted by the Association in its entirety.

BE IT FURTHER RESOLVED, that the Fine Review Committee as outlined in Section E below be established.

Rules and Regulations Enforcement Policy

A) Overview

Due process is a formalized procedure designed to protect the rights of all parties involved in Rule and Regulation violations and enforcement thereof. Utilizing a documented process will ensure that violations are handled consistently with ample notice and opportunity for the owner to correct the violation before the issuance of any fine or suspension.

B) Violation Notification

If, during a routine inspection, or by reports from owners, Management is made aware of violation(s) at a specific home site. Management will adhere to the following communication process:

1. Courtesy Notice – Written notice is sent to the owner(s) of the property identifying the violation and providing the owner(s) three (3) days to correct the violation or

provide Management a written plan to correct the violation. The first notice is designed to be a friendly reminder. The notice will include photos of the violation, if practical.

2. Final Violation Notice – If the violation still exists during the follow-up inspection and no communication has been received from the owner(s) after the three (3) day period provided in the Courtesy Notice, Management will send a second written notice via certified (return receipt) and regular US Mail. The second written notice references the first notice and provides a (14) day period to correct the violation as required by Statute. The notice also informs the owner that if the violation is not corrected and maintained thereafter, the Board may impose fines or suspensions at the next properly noticed Board meeting. The notice will include photos of the violation, if practical.

C) Imposition of Fines and Suspensions

When fines are levied, the Board and Management shall adhere to the following procedure:

1. Standing fines have been established for certain violations and are outlined in Exhibit "A". The Board will establish fines not contemplated in the Standing Fine Schedule in accordance with the Statute and Governing Documents.

2. Fines may be up to a maximum of $1,000 per day/occurrence unless a higher amount is authorized in the Governing Documents. Fines may not exceed the maximum cumulative total for a single violation as contemplated by Statute or the Governing Documents, whichever is higher.

3. Fines and suspensions may only be levied at a properly noticed Board Meeting in which the subject property account number is listed on the agenda. Notwithstanding the foregoing, the Board has authorized that certain automatic fines may be levied, as noted on the standing schedule, without a Board meeting.

4. Once the Board imposes a fine or suspension, notice is sent via certified (return receipt) and regular US Mail informing the owner of the fine and/or suspension. The notice will also provide a date, time, and location at which a hearing with a committee of owners, as outlined in Section D, will occur.

5. Fines imposed will be retroactively applied based on the date of the Final Violation Notice.

D) Right of Appeal

Owners shall have the right to appeal any fine or suspension levied by the Board, with the exception of suspensions imposed due to monetary obligations owed to the Association. The Association's policy is to automatically schedule an appeal hearing of the Fine Review Committee to occur not less than fourteen (14) days after the Board has levied a fine or suspension. The appeal shall occur at a hearing before the committee of at least three (3) owners appointed by the Board. Members may not be officers, directors, or employees of

the Association; nor may they be the spouse, parent, child, brother, or sister of an officer, director, or employee. The owner of the property in which a fine or suspension has been levied may attend the hearing and present evidence or facts as to why the fine or suspension should not be imposed. If the committee, by majority vote, rejects the fine or suspension the fine or suspension may not be imposed. If the committee, by majority vote, approves the fine, no additional appeals may occur, and the fine or suspension will be due. A final notice will be sent via certified (return receipt) and regular US Mail notifying the owner of the impostion of the fine and providing a five (5) day period in which to pay the fine. Unpaid fines over $1,000 shall become liens against the property.

E) Creation of Fine Review Committee

In order to adhere to the Covenant Enforcement Policy the Board hereby creates the Fine Review Committee and subjects the Committee to the following charter:

1. Composition: The Committee shall consist of three (3) owners appointed by the Board. Members may not be officers, directors, or employees of the Association; nor may they be the spouse, parent, child, brother, or sister of an officer, director, or employee. Alternate committee members may also be appointed at the discretion of the Board.

2. Term: Committee members shall serve until their resignation or removal by the Board.

3. Duties: The sole purpose of the Committee shall be to determine if a fine or suspension levied by the Board shall be imposed.

4. Meetings: The Committee shall only meet as called upon by the Board to render a decision on a fine or suspension.

(BALANCE OF PAGE INTENTIONALLY LEFT BLANK)

This resolution was adopted by the Board on this 3 day of January, 2020 and shall be effective immediately.

IN WITNESS WHEREOF, the undersigned has hereunto affixed his/her hand and the seal of the Association this 3 day of January, 2020.

By: _____

Print: Matthew Koratich

Title: President

Certificate of Corporate Secretary

The undersigned hereby certifies that he/she is the Secretary of the Corporation; that the foregoing is a true and correct copy of a resolution adopted at a meeting of the Board of said corporation held on this 3 day of January, 2020, at which a quorum was at all times present and acting; that the passage of said resolution was in all respects legal; and that said resolution is in full force and effect.

Dated this 3 day of January, 2020.

By: _____

Print: David Negip

Title: Secretary

Exhibit A

Standing Fines

Violation	Fine (per day/occurrence)
Architectural Violation (major modification without approval – Conforming to the Design Standards)	$300 per occurrence
Architectural Violation (major modification without approval – Non-conforming to the Design Standards)	$200 per day
Failure to maintain property (dirty roof, dirty pavers/sidewalk, painting, etc.)	$100 per day
Parking Violations	First offense – Violation Letter Second offense – Automatic $75 Subsequent offenses – Automatic $100
Illegal Renting	$1000 and 90 day membership suspension per occurrence.
Miscellaneous Violations (exterior decorations, trash cans, etc.)	$100 per day/occurrence

Standing fines may be modified or amended by the Board from time to time.