BABCOCK RANCH RESIDENTIAL ASSOCIATION, INC.

WRITTEN RESOLUTION OF UNANIMOUS CONSENT IN LIEU OF BOARD OF DIRECTORS MEETING CREATING FINING/SUSPENSION PROCEDURES AND ESTABLISHING A COVENANTS COMMITTEE

WHEREAS, Babcock Ranch Residential Association, Inc. ("Association") is the corporation charged with the operation, maintenance, management of Babcock Ranch (the "Community"); and

WHEREAS, the Board of Directors (the "Board") is entity responsible for the operation of the Association; and

WHEREAS, Section 720.305(2), Florida Statutes provides that the Association may levy reasonable fines against any Member or any Member's tenant, guest, or invitee for the failure of the Owner of the Lot/Unit or its occupant, licensee or invitee to comply with any provision of the Declaration, the Association Bylaws, or reasonable rules of the Association. Further, the Association may suspend, for a reasonable period of time, the right of a Member, or a Member's tenant, guest, or invitee, to use Common Areas and facilities for the failure of the Owner of the Lot/Unit or its occupant, licensee, or invitee to comply with any provision of the Declaration, the Association Bylaws, or reasonable rules of the Association; and

WHEREAS, Section 8.1 of the Community Charter for Babcock Ranch Residential Properties (the "Charter") provides that all Owners and occupants of Units, as well as their tenants, guests, and other visitors, must abide by the Governing Documents and, if any of them fail or refuse to comply with the Governing Documents, they may be subject to various penalties, including fines and the loss of the right to use the Common Area; and

WHEREAS, Section 8.1(a)(i) of the Charter specifically provides that the Board may impose reasonable monetary fines, not to exceed $100.00 for a single violation or $100.00 per day in the case of a continuing violation; provided, in the case of a continuing violation, only a single notice and opportunity for hearing is required and there is no limit on the aggregate amount of any fine for a continuing violation; and

WHEREAS, the Board is desirous of adopting a fining/suspension process as a method of enforcing the terms of the Association's Governing Documents and applicable law and empowering the Association's Manager (the "Manager") with the authority to initiate the fining/suspension process by authorizing the issuance of required notices and otherwise administering the fining/ suspension procedure; and

WHEREAS, the Board is also desirous of creating a Covenants Committee (the "Committee"), as contemplated by Section 720.305(2)(b), Florida Statutes and Section 5.2 of the By-Laws of Babcock Ranch Residential Association, Inc. (the "Bylaws"), which provide that the Committee, if appointed, must consist of at least three (3) and no more than seven (7) Owners who shall not be officers, directors, or employees of the Association or the spouse, parent, sibling, or child of any officer, director, or employee; and

WHEREAS, Section 3.14 of the Bylaws provides that any action to be taken or that may be taken at a Board meeting may be taken without a meeting if all directors sign a written consent, setting forth the action so taken, which consent shall have the same force and effect as a unanimous vote.

NOW THEREFORE, it is resolved that the undersigned, being all of the members of the Board of Directors, unanimously approve the following by written consent in lieu of a meeting.

1. The above recitations are true and correct and are hereby incorporated into this Resolution.

2. The Association may, but shall not be obligated to, use the procedure set forth herein for purposes of enforcing the terms the Declaration, the Articles of Incorporation, the Bylaws, the Rules and Regulations, all policies, resolutions and lawful orders of the Board, and applicable provisions of law (collectively referred to hereinafter as the " Governing Documents"). This procedure shall serve as an independent method of enforcing the Governing Documents. The Association shall not be required to exhaust the remedies provided in this Resolution prior to initiating legal proceedings or pursuing other remedies to enforce the Governing Documents. Furthermore, should it choose to do so, the Association may follow the procedure to impose a fine and/or suspension and exercise other available remedies simultaneously where appropriate.

3. The Manager may confer with the President and/or legal counsel, but shall be delegated the general authority (subject always to contrary direction by the President or the Board) to determine which alleged violations of the Governing Documents shall first be addressed by a warning letter and which alleged violations are of such a nature that they are to be sent directly to the Board for consideration of the levy of a fine and/or suspension. It shall generally be the policy of the Association to issue a prior warning/opportunity to cure to first time offenders for minor violations. Furthermore, it shall generally be the policy of the Association that where the alleged violation is a repeat violation, or where the alleged violation is sufficiently serious, as determined by the Manager or the President, the procedure may be initiated without a prior warning/opportunity to cure.

4. When it is determined that the alleged violation is of the nature where a prior warning/opportunity to cure is warranted, the "Notice of Violation," attached to this Resolution as Exhibit "A," or a similar form promulgated by the Board (collectively referred to hereinafter as the "Notice of Violation") can be used to provide such notice.

5. If the alleged violation is not abated to the satisfaction of the Manager or President within the timeframe provided in the Notice of Violation, or in cases where it is determined that no Notice of Violation will be issued, the Manager, on behalf of the Board, shall be empowered with the authority to initiate the fining/suspension process. The fining/suspension process shall be initiated by including consideration of the levy of a fine and/or suspension relative to the alleged violation on the agenda of a regular or special meeting of the Board. Notice of the meeting is to be provided as required by the Governing Documents. Unless required by the Governing Documents, no personal notice need be provided to the Owner or the party(ies) to be fined and/or suspended.

6. If, at the noticed meeting, a quorum is present, but less than a majority of the Directors present approve the levy, no fine or suspension may be imposed and no further action is required. Alternatively, if at least a majority of the Directors present approve the levy of a fine and/or suspension, the Manager shall be authorized to send the party(ies) against whom a fine and/or suspension was levied written notice of a hearing before a committee of at least three (3), but no more than seven (7), members appointed by the Board who are not officers, directors, or employees of the Association, or the spouse, parent, child, brother, or sister of an officer, director, or employee (the "Committee" or "Covenants Committee"). The "Notice of Hearing," attached to this Resolution as Exhibit "B," or a similar form promulgated by the Board (collectively referred to hereinafter as the "Notice of Hearing") can be used to provide such notice.

7. The Committee shall be empowered with the authority to conduct fining/suspension hearings. With respect to decision making authority, the role of the Committee is limited to determining whether to confirm or reject the fine and/or suspension levied by the Board. A majority of the then-seated Committee members shall constitute a quorum of the Committee. Actions of the Committee shall be by vote of a majority of the Committee members present at a meeting at which a quorum is present.

8. The hearing will be conducted by the Chairman of the Committee or the Manager. An appropriate representative of the Association, which may not be the Manager if the Manager is conducting the hearing, shall present evidence of the alleged violation for consideration by the Committee regardless of whether the Owner and/or the party(ies) to be fined and/or suspended are present. If present, the Owner and/or the party(ies) to be fined and/or suspended, or his/her/their legal counsel, shall then have an opportunity to respond, to present evidence, and to provide written and oral argument on all issues involved and shall have an opportunity at the hearing to review, challenge, and respond to any material considered by the Association. Following presentation by the Association and by or on behalf of the Owner and/or the party(ies) to be fined and/or suspended, the Committee will make a determination. If the Committee does not agree with the Board's decision to levy a fine and/or suspension, no fine or suspension may be imposed and no further action is required.

9. If the Committee confirms the fine and/or suspension, the fine and/or suspension may be imposed by the Board of Directors. The Board of Directors may hold a meeting of the Board following the Committee hearing to impose the fine and/or suspension. Alternatively, a fine and/or suspension may be deemed automatically imposed upon the Committee's confirmation of the fine and/or suspension without further action of the Board of Directors unless a contrary intention is reflected in the minutes of the Board meeting where the fine and/or suspension is levied.

10. If the Board intends to hold another meeting to impose the fine and/or suspension, the Committee shall summarize its decision in a report. The report will be presented by a Committee member or the Manager to the Board at its meeting where the fine and/or suspension is to be imposed. Alternatively, where the fine and/or suspension is automatically imposed, the report shall be kept with the Association's official records. The "Report of Covenants Committee," attached to this Resolution as Exhibit "C," or a similar form promulgated by the

Board (collectively referred to hereinafter as the "Report of Covenants Committee") can be used for this purpose.

11. Once the fine and/or suspension is imposed, notice of the imposition must be provided to the Owner and, if applicable, the party(ies) against whom the fine and/or suspension is sought to be imposed (if different from the Owner). The "Notice of Imposition of Fine and/or Suspension," attached to this Resolution as Exhibit "D", or a similar form promulgated by the Board (collectively referred to hereinafter as the "Notice of Imposition of Fine and/or Suspension") can be used to provide such notice.

12. A suspension pursuant to this Resolution shall apply to the use rights in all of the Common Areas and other common facilities, except that such suspension shall not apply to that portion of Common Areas used to provide access or utility services to the Unit and suspension may not prohibit an Owner or tenant of a Unit from having vehicular and pedestrian ingress to and egress from the Unit, including, but not limited to, the right to park. Suspension shall specifically (but without limitation) prohibit the use of the Lakehouse and Lakehouse Pool, and and attendance at or participation in Association-sponsored social or recreational events. Such suspension shall be for a reasonable time, as determined by the Board in its levy of the suspension, subject to confirmation by the Committee.

13. The Committee members shall serve at the pleasure of the Board. The Board shall have the power to, at any time, remove any Committee member with or without cause and fill vacancies in the Committee. The Board shall also have the power to dissolve such Committee. The Committee shall, amongst itself, elect a Chair and, if desired by the Committee, a Vice- Chair.

14. The Board may delegate such other powers and duties to the Manager or to such other person as may be necessary or appropriate under the circumstances. The Board may adopt additional policies and procedures for the Manager or such other persons to follow, or to be utilized in connection with the fining/suspension process, as amended from time to time.

15. All notices set forth herein shall be sent by U.S. Mail or hand-delivered, with receipt of such delivery. Though not required, it is recommended that notices sent via U.S. Mail be sent by certified mail, return receipt requested. If the notice is sent by certified mail, it is recommended that a copy be sent via First Class Mail as well. Copies may also be sent by electronic mail, but such delivery is not required. Failure to use certified mail or obtain any type or receipt shall not invalidate the notice given provided that it is sent as required by the Governing Documents.

16. General compliance with this Resolution shall be sufficient, it being intended to be used as a guideline to ensure fairness in the fining/suspension process. It is the intention of this Resolution and its exhibits that persons sought to be fined and/or suspended are given a reasonable notice to be heard before the imposition of a fine and/or suspension of use rights. The Manager, in consultation with the President where appropriate, shall have the authority to disregard the provisions of this Resolution in circumstances where the alleged behavior of a person constitutes a violation of criminal law, or poses a threat to the health, peace, safety, or

welfare of the residents of the Community, or in other circumstances where the Association believes such disregard is justified.

17. The execution of this written resolution by the Directors shall constitute a waiver of the requirement of a formal meeting, and an approval of this resolution, as well as a ratification of all Resolutions set forth herein by such Directors so signing.

Elizabeth Andres
Date: 1.28.17

Amanda Staerker
Date: 7/28/17

William Vander May
Date: 7/24/17