

TWIN LAKES OVERLOOK COMMUNITY ASSOCIATION, INC.

POLICY RESOLUTION NO. 1

(as amended on 8/20, 2009)

ENFORCEMENT PROCEDURES

Relating to the Imposition of Monetary Sanctions or Suspension of Use Rights for Violations of the Governing Documents

WHEREAS, Article III, Section 1 of the Bylaws states that the Association's Board of Directors ("Board") shall manage and control the affairs of the Association and exercise all powers and authorities granted to the Association by law, under the Articles of Incorporation and the Association's By-Laws; and

WHEREAS, Article IX, Section 1(n) of the Association's Declaration and Section 55-513 of the Virginia Property Owners' Association Act ("Act") provides that the Association, through the Board, may adopt and enforce rules and regulations that grant the Board the power to suspend the right to use recreational facilities or other non-essential services for nonpayment of assessments and to impose violation charges against Members for violations of the Association's Declaration and rules and regulations adopted by the Board (collectively, "Governing Documents"); and

WHEREAS, the Board deems it necessary and desirable to establish and follow procedures to assure reasonable and timely enforcement of the Governing Documents;

NOW, THEREFORE, BE IT RESOLVED THAT the procedures detailed below be and hereby are adopted by the Board for use prior to suspending use rights or imposing violation charges, and do hereby supersede numbered paragraphs 1 through 8 in the "Enforcement Procedures" section of the Association's current Design Guidelines and Standards handbook:

I. ENFORCEMENT OF LEGAL DOCUMENTS

A. Written Complaint. Any member (i.e., lot owner) or resident may initiate the enforcement process by filing a written complaint with the Association's Managing Agent or the Board of Directors. However, such a complaint is not necessary to trigger enforcement action if either the Managing Agent or a member of the Board or Architectural Review Board has independent knowledge of a violation and brings it to the attention of the Board.

The complaint must include a concise statement of charges setting forth in clear language the specific act(s) or omission(s) with which the offending party is to be charged. The complaint should be as specific as possible with respect to times, dates, places and persons involved. All complaints must be signed by the Complainant.

B. Preliminary Investigation. Upon receipt and consideration of the complaint, the Managing Agent or a member of the Board of Directors may make a preliminary investigation as to the validity of the complaint. If the complaint is invalid or insufficient for any reason, the Managing Agent shall respond in writing to the Complainant. If the preliminary investigation indicates the need for further action, the Managing Agent may proceed as appropriate. If it is questionable as to whether a violation exists, the Managing Agent or member of the Board of Directors shall ask the Board to review the matter and provide direction.

C. Notice of Violation. If preliminary investigation or other circumstances indicate further action is necessary, the Managing Agent shall mail a written notice by 1st class US mail and by certified mail, return receipt requested, to the alleged offender at the alleged offender's address listed on the records of the Association and to the property address, if the record address is different. In instances when certified mail is refused or not picked up, notification shall be deemed effective two days after mailing.

If the violation is not of an urgent nature, as determined by the Managing Agent or the Board, an informal notice may be sent prior to the certified notice.

Written notice to an alleged offender shall advise the alleged offender of the nature of the offense, the provision within the Governing Documents which has allegedly been violated, the remedy required, and for violations of a continuing nature, the number of days by which corrective action must be begun or completed in order to preclude the possible imposition of violation charges or suspension of use rights. However, for repeat offenders of a provision or rule, the letter need not provide a time period to cure a continuing violation in order to avoid enforcement action.

II. ENFORCEMENT REMEDIES

For violations of the Governing Documents, the Board of Directors may pursue any enforcement remedies available under the law and the Governing Documents, including, for example, any one or more of the following measures:

A. The levying of monetary charges in an amount not to exceed \$50.00 for a single offense or \$10.00 per day for any continuing offense, such monetary charges to be treated as an assessment against the offending member's lot. Charges for a continuing violation shall not exceed a total of \$900.00 for each offense. The amount of a monetary charge may be revised without further action by the Board of Directors to conform to the maximum charges permitted by Section 55-513 of the Virginia Property Owners' Association Act, as may be amended from time to time.

B. For nonpayment of assessments, suspend the right of a lot owner to use the Association's recreation facilities or other nonessential services if that owner's assessment account is more than 60 days' past due, with such suspension continuing for the duration of the delinquency.

C. Enter onto an owner's lot to cure maintenance or repair violations that have not been corrected or fixed within 15 days after the Association mails written notice to the owner, and to assess the costs against the owner, as authorized by Article VI, Section 13 and/or Article IX, Section 1(l) of the Declaration.

D. Towing of prohibited or unauthorized vehicles as authorized in Article VI, Section 15 of the Declaration and related rules and regulations.

E. Enjoin, abate or remedy by appropriate legal proceedings the continuance of a violation or breach of the Association's Governing Documents.

III. HEARING GUIDELINES

Levying of monetary violation charges or suspension of the right to use facilities or services may not be imposed by the Board until an opportunity for a hearing has been provided to the alleged offender. The following guidelines apply to the hearing procedure:

A. Notice of Hearing. The Managing Agent shall send a written notice (which may be combined with the Notice of Violation referenced above), mailed by first-class mail and by certified mail, return receipt requested, to the member at least 14 days prior to the hearing date, advising the member of the nature of the violation, the monetary sanctions (or suspensions) which may, or will, be taken or imposed against the owner due to their noncompliance with the Governing Documents and advising of his or her right to contest the alleged violation at a hearing before the Board of Directors.

Such notice shall advise the member of the date, time and location of the hearing, of the member's right to be represented by counsel, and of an earlier date, no later than ten (10) days following the date of the hearing notice, by which the alleged offender must, by written notification to the Association's Managing Agent, confirm the intention to attend the hearing or make a request for the hearing to be conducted on a date other than as specified in the notice. A request for an alternate date may be granted if reasonable and satisfactory justification for rescheduling the hearing is described in the notification to the Managing Agent. The Board of Directors shall set all hearing dates at its discretion and/or may delegate that responsibility to the Managing Agent. The Managing Agent shall send written notice to the alleged offender indicating whether the request for an alternate date has been granted and, if granted, the notice shall be sent by first-class mail and by certified mail, return-receipt requested, and indicate the new date, time and place of the hearing.

When no response is received by the Association from the alleged offender by the hearing confirmation date, or the member confirms attendance but fails to attend the hearing without providing reasonable and satisfactory prior explanation (as determined by the Board), the alleged offender shall be deemed to have waived the right to a hearing. In such a case, the Board of Directors may impose monetary charges in the absence of the

alleged offender. No such monetary charge shall be effective until a motion of the Board of Directors is duly passed. The minutes of the meeting at which the motion is passed must contain a written statement of the results of the motion and the imposed sanction, if any [see Exhibit A for sample record of hearing form, which may be used by the Board or Managing Agent to document hearing results].

When the member exercises his or her right to a hearing and attends, the member has a general right to be heard regarding the alleged violation and the potential sanctions, subject however to reasonable time restrictions imposed by the Board. Unless requested by the member to be in open session, the hearing shall be conducted in executive session.

Deliberations: After all presentations to the Board have been made within the allotted time period, the Board shall request everyone present to leave the room (except for the Managing Agent and/or the Association's legal counsel, if present) and will then, in executive session, discuss whether sanctions should be imposed and/or other enforcement action taken. The Board shall then exit executive session to vote on its decision in open session. If additional time is needed to reach a decision, the Board may continue the hearing to an announced date and time, with no further written notice required (or, if the date and time is not announced at the hearing, then the Managing Agent will send advance written notice of the continuance date and time to the alleged offender by first-class mail.

Notice of Hearing Results: Notice of the decision of the Board of Directors shall be mailed to the alleged offender by first-class mail and by certified mail, return-receipt, within seven (7) calendar days of the hearing (including any continuances).

When the judgment is unfavorable to the member, the Board of Directors shall instruct the Managing Agent to undertake the administrative actions required to implement the applicable sanction, such as imposing violation charges as an assessment against the member's unit. When judgment is favorable to the member, the records of the Association shall be updated to so indicate.

If the Board of Directors, after providing an opportunity for a hearing to the alleged offender, determines that daily violation charges are to be imposed for a continuing offense, the calendar days for which daily charges may accrue will begin as of the date of the hearing and end with the date on which the Board of Directors or Managing Agent observes that correction has occurred, or is notified in writing by the member that such correction has occurred, subject to later confirmation by the Association; however, in no case may the daily charge for a continuing violation exceed a total of ninety (90) days or \$900.

IV. APPLICABILITY

The procedures delineated herein may be applied to offenses of the Governing Documents for which the Board is contemplating imposing violation charges against an Owner or suspending an Owner's right to use Association-provided recreational facilities

or other non-essential services. However, the notice and hearing procedures in this Resolution are not prerequisites for taking any other type of enforcement action available to the Association.

The procedures specified in this Resolution supersede those found in Paragraphs 1 through 8 in the "Enforcement Procedures" section of the Association's current Design Guidelines and Standards handbook; those paragraphs are hereby amended and replaced with the following: "Please see Policy Resolution No. 1 for a description of procedures applicable to assessing monetary sanctions for violations of this handbook. The Association reserves the right to enforce the provisions of this handbook through any one or more remedies available to it under the Association's Declaration and rules and regulations, and applicable law.

NOTE: owners are responsible for violations of the Governing Documents by their family members, tenants, guests and invitees, as may be applicable.

EXHIBIT "A"
ENFORCEMENT PROCEDURES RESOLUTION

RECORD OF HEARING

Hearing Date and Time:
Lot Owner(s):
Lot Address/#:
Mailing Address if other than Lot:

Description of Alleged Violation:

Provisions of Governing Documents Allegedly Violated:

Persons in Attendance:

Decision of Board:

Charges Imposed (date commencing):

Other Sanctions Imposed:

Comments:

TWIN LAKES OVERLOOK COMMUNITY ASSOCIATION, INC.

RESOLUTIONS ACTION RECORD

Resolution Type _____ Policy _____ No. 1 (as amended)

Pertaining to: Enforcement of the Governing Documents

Duly adopted at a meeting of the Board of Directors of held
AUGUST 20, 2009.

Motion by: MR. HUTZLER Seconded by: MR. FOX

Name	Title	Yes	No	Abstain	Absent
<u>CHIP PATTERSON</u>	Director	✓			
<u>JOHN HUTZLER</u>	Director	✓			
<u>ERIK FOX</u>	Director	✓			

ATTEST:


President

8/25/09
Date