POLICY RESOLUTION AND PROCEDURE TO BE FOLLOWED PRIOR TO THE IMPOSITION OF SANCTIONS FOR VIOLATION OF THE PROVISIONS OF THE DECLARATION, BYLAWS AND ANY RULES AND REGULATIONS

WHEREAS the Board of Directors of the Bay Hill Townhouses, A Condominium – Tanglewood II Regime, Inc. ("Tanglewood II") deems it necessary and desirable to establish a mechanism for dispute settlement and (where necessary) the imposition of sanctions (including monetary fines) for violations of the Declaration, Bylaws and any duly adopted Rules and Regulations of the Condominium, and

WHEREAS Article V, Section 2(c) of the Amended and Restated Bylaws grants the Board of Directors the power to levy fines, which must be paid within 30 days and are collectable in the same manner and with the same rights as if the fine was an assessment; and

WHEREAS the procedure outlined below is intended to comply with the due process requirements of Maryland Real Property Article 11-113 prior to the imposition of a sanction against a unit owner found to be in violation of the Declaration, Bylaws and any duly adopted Rules and Regulations of the Condominium; and

NOW THEREFORE BE IT RESOLVED this votated and regulations of Tanglewood II are hereby revised to provide that the following procedure shall be followed prior to the imposition of a fine or any other sanction for violation of the Declaration, Bylaws and any duly adopted Rules and Regulations of the Condominium.

This policy resolution shall supersede all previously adopted policy resolutions concerning the imposition of sanctions for violations of the provisions of the Declaration, Bylaws and any Rules and Regulations.

WHEN A VIOLATION OCCURS:

I. WRITTEN NOTICE OF ALLEGED VIOLATION

A. A Cease and Desist Letter shall be sent to the violator

The cease and desist letter must specify:

- 1) the violation (e.g. excessive noise or some other rule infraction),
- 2) the action required to abate the violation,
- a time period of not less than 10 days within which the violation may be corrected or contracted to be corrected without further sanction (if the violation is not a continuing one, the letter should instead state that any further violation of this covenant or rule may result in the imposition of a sanction, and

4) the violator is required to notify the Board of Directors via the managing agent when the violation has been corrected.

B. Service of Notice

Sending the cease and desist letter and the notice of the hearing by certified or regular mail is sufficient for service.

II. WRITTEN NOTICE OF HEARING AND HEARING

A. Written Notice of Hearing

If the violation continues beyond the period allowed in the cease and desist letter (or if the violation is not a continuing one and the same rule is violated subsequently within 12 months of the cease and desist letter), the Board shall serve the alleged violator with written notice of a hearing to be held by the Board. The notice must contain:

- 1) the nature of the alleged violation,
- 2) the time and place of the hearing (not less than 10 days from the notice),
- 3) an invitation to attend the hearing and present any statement, evidence and witnesses on his or her behalf, and
- 4) the proposed sanction to be imposed (e.g.\$10.00 fine per each day of the continued violation).

B. Hearing

The hearing is held by the Board in executive session and shall allow the alleged violator:

- 1) a reasonable opportunity to be heard,
- 2) the right to present evidence,
- 3) the right to present and cross-examine witnesses.
- 4) the right to be represented by an attorney.

If the alleged violator fails to appear at the hearing, the Board will hold the hearing in the alleged violator's absence and determine whether there is sufficient evidence of a violation or violations.

C. Before sanctions can be imposed:

proof of notice and the invitation to be heard shall be placed in the minutes
of the meeting. The proof is sufficient if a copy of the notice and a
statement of the date and manner of delivery of the notice is entered by the
officer, director, or agent who caused the notice to be delivered.

2. the Board will present evidence that the violation occurred and that the alleged violator is the person who committed the violation (e.g. the unit's trim remains unpainted and that the unit owner is the person responsible for maintaining the unit).

III. SANCTIONS

A. Determination

After the hearing, the Board shall determine whether the evidence presented demonstrated that the violation had occurred and whether the alleged violator is the person who committed the violation. If the Board determines that there is sufficient evidence, it may impose sanctions, including levying fines for each violation.

B. Meeting Minutes

The minutes of the meeting shall contain a statement of the Board's decision resulting from the hearing and the sanctions which were imposed, if any.

C. Fine Collectable as Assessment

Pursuant to Article XVIII, Section 5 of the Amended and Restated Bylaws, fines must be paid within thirty (30) days and fines shall be collectable in the same manner as any other assessment.

IV. WRITTEN NOTICE OF HEARING RESULTS

After the hearing, the Board of Directors will serve the unit owner with a written notice of hearing results. The notice will contain:

- 1) a statement of the results of the hearing, and
- 2) the sanction imposed, if any.

V. FINE AMOUNTS

A. Definitions

1) Occurrence Violation shall mean a violation of the Declaration, Bylaws and any Rules and Regulations that is to be episodic in nature and which may not persist on an ongoing basis, examples include, but are not limited to trash cans left out on non-collection days, noise disturbances, and

parking in an undesignated area.

2) Ongoing Violation shall mean a violation of the Declaration, Bylaws and any Rules and Regulations that require a longer period of time to resolve or continue without abatement for a period of time; examples include but are not limited to, unapproved architectural changes, disabled vehicles parked in parking spaces or a maintenance deficiency.

B. Fines Schedule

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- 1) Fines for an Occurrence Violation and any subsequent offense thereof will be levied as follows:
 - i. A fine of \$50.00 will be levied for a first offense.
 - ii. A fine of \$100.00 will be levied for each subsequent violation that occurs within a twelve month period.
- 2) Fines for an Ongoing Violation shall be levied as follows:
 - i. Because an alleged violator will receive two notices prior to a hearing, the Board of Directors will consider the alleged violator fairly warned and provided ample time to (1) contact the Board to let it know of any extenuating circumstances or (2) to correct the violation. Therefore, depending upon the severity of the violation, the fine amounts for Ongoing Violations may be assessed between \$50.00 and \$500.00. Fines for Ongoing Violations will be levied on a monthly basis until the violation has been abated.

C. Obligation to Abate

The payment of a fine does not relieve the offender of the obligation to correct the violation.

Director

Director

Printed Name

Rebecca Dugan

Printed Name

Teffre Davis

Printed Name

Director

Director

Printed Name

Director

Printed Name

Printed Name

Printed Name

THIS PROCEDURE WAS ADOPTED BY A MAJORITY VOTE OF THE BOARD OF DIRECTORS AND IN COMPLIANCE WITH SECTION 11-111 OF THE MARYLAND CONDOMINIUM ACT.

Director	BOLGOUZAUS Printed Name
Laurie Fischer Director	LAURIE FISCHER Printed Name
Sandre Anter Sieles Director	Sand va C Profession
Director	Bruce E. K. Hinger Printed Name
Director PRESIDENT	Nerson C. Horine Printed Name