

RESOLUTION OF THE BOARD OF DIRECTORS OF WINDSOR HILLS HOMES ASSOCIATION

Article III, Section 1, paragraph (k) of the Windsor Hills Homes Association Declaration authorizes the Board of Directors to make, amend and revoke reasonable rules, regulations, restrictions, and guidelines (including, without limitation, regarding the use of Common Areas), and to provide means to enforce such rules, regulations, and guidelines.

The Board wants to protect the value, aesthetics, and quality of Windsor Hills by establishing orderly procedures for the enforcement of restrictions, rules, regulations, and guidelines. The Board intends to establish these procedures in conformity with the Declaration, the Declaration of Restrictions, the Bylaws, and as otherwise provided by law.

Therefore, the Board adopts the following policy resolution:

Section 1. Scope of Rules, Regulations, and Guidelines. The Board may occasionally announce and enact rules, regulations, and guidelines for the Homes Association. Such rules, regulations, and guidelines shall govern the use of the Homes Association property and facilities, the conduct of members and their guests, compliance with filed restrictions and covenants, the control of architecture, use of land, and improvements within Windsor Hills, and other matters necessary to insure the health, comfort, safety, and welfare of residents.

Section 2. Adoption of Rules, Regulations, and Guidelines. A majority vote of the elected members of the Board will enact any rules, regulations, or guidelines. Within 30 days of the Board members' vote, the secretary or the Board's designee shall mail the enacted rules, regulations, or guidelines to all Homes Association members.

Section 3. Effective Date of Rules, Regulations, and Guidelines. Rules and regulations shall become effective ten days after the secretary of the Board's designee mails the enactment notice to the Homes Association members as described in Section 2.

Section 4. Complaints of Violations. Violations shall come to the Board's attention through the Property Manager or written complaint from a Homes Association member.

(a) The Board shall authorize the Property Manager to make regular inspections of the Subdivision for potential violations of enacted rules, regulations, guidelines, or restrictions listed in the Windsor Hills Declaration of Restrictions. The Board also authorizes the Property Manager to investigate such violations and to proceed as necessary with the notices described in Section 5.

(b) If any Board member or the Property Manager receives a written complaint from a Homes Association member, a Board member or the Board's designee will investigate such complaint. If the Board determines that the report is accurate, the appropriate notice will be sent as described in Section 5.

Section 5. Violation and Penalty Notification; Hearing. If a Homes Association member violates an enacted rule, regulation, guideline, or restriction, the Board, on behalf of the Homes Association, may sanction the Homes Association member. Before imposing any sanction, the Board shall notify the violator as follows:

(a) **Violation Notices.** The Board shall send two notices asking the violator to stop the described violation.

(1) The first notice (Exhibit A) shall include the following

- (i) The nature of the violation;
- (ii) The action required to correct the violation; and
- (iii) The time period within which the violator may correct the violation before the Board seeks further sanction. The Board may demand immediate correction where the Board determines that the violation poses a danger to safety or property.

(2) The second notice (Exhibit B) shall include the same information as the first letter, but shall also notify the violator that trash services and pool privileges will end within a specified time period if the violation is not corrected.

(b) **Notice of Further Penalty.** If the violation continues past the period allowed in the first two letters for correction, the Board may impose a fine or further suspension of Homes Association privileges. The third notice (Exhibit C) shall state:

- (i) The nature of the violation;
- (ii) The penalty imposed for the violation;
- (iii) That the member will have ten days to request a hearing regarding the violation and penalty, which may include statements, evidence, and witnesses; and
- (iv) That the member waives all rights to have the penalty reconsidered if he or she does not request a hearing within ten days of the date of the third notice.

(c) **Hearing.** If the violator requests a hearing, the Board shall hold the hearing in an executive session within thirty days of the request for hearing. The Board shall give the violator the opportunity to present written statements, evidence, or witnesses. The secretary will include a statement of the results of the hearing in the minutes of the meeting.

Section 6. Fines, Suspensions, and Other Sanctions. The sanctions for a violation of an enacted rule, regulation, guideline or restriction shall include:

- (a) Suspension from the privileges of membership, including the right to vote, the right to use and enjoy all or part of the Homes Association property, and the privilege of services provided by the Association. Suspension will last no more than 90 days for each such violation.
- (b) Imposition of reasonable fines, not to exceed \$50 for each non-continuing violation, or \$10 per day for continuing violations. These fines shall be considered Assessments according to Article IV of the Declaration, and shall become a lien against any the violating member's property.

By imposing fines, the Board does not waive any remedy or rights it may have under the Declarations or by applicable law. Costs and attorney's fees incurred in enforcing suspensions described in Section 4(a) or collecting fines described in Section 4(b) shall be considered as Assessments according to Article IV of the Declaration, and shall become a lien against any the violating member's property.

This resolution is subject to change. Therefore, Homes Association members should consult with the Board to confirm the existence of the latest resolution.

Adopted this _____ day of _____, 2008.

President

Secretary