

This Instrument prepared by:
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Jackson Law Group
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St. Augustine, FL 32080

SURF CREST VILLAGE SERVICE INCORPORATED

RESOLUTION ESTABLISHING ENFORCEMENT COMMITTEE AND FINING PROCESS

THIS RESOLUTION is made this 6th day of June, 2017 by the Board of Directors of Surf Crest Village Service Incorporated, a Florida Corporation not-for-profit ("Association").

WHEREAS, Section 720.305 of the Florida Statutes mandates that each owner, tenant, and invitee comply with Chapter 720 of the Florida Statutes, the governing documents of the community, and the rules of the association and further provides that actions at law or equity may be brought against any of the foregoing parties for failing to comply; and

WHEREAS, Section 720.305 further provides that the Association may levy fines not to exceed \$100.00 per day for each violation, unless otherwise provided for in the governing documents, up to and including \$1,000.00 in the aggregate, unless otherwise provided in the governing documents, and may suspend the right to use the common areas of any member, tenant, guest, or invitee (hereinafter referred to as "violating party") for failing to comply with the Revitalized Amended Declaration of Covenants of Surf Crest Village ("Declaration"), Articles of Incorporation, Bylaws, or Rules and Regulations (hereinafter collectively referred to as "Governing Documents"); and

WHEREAS, the Board of Directors of the Association has recognized that while some members, tenants, guests, and invitees occasionally and apparently without intent violate the covenants, restrictions, and rules and regulations of the Association and quickly remedy same, there are certain other members, tenants, guests, and invitees exhibiting a continued disregard of the covenants, restrictions, and rules and regulations of the Association; and

WHEREAS, the Board of Directors of the Association recognizes the substantial extra management time and effort needed, volunteer time and effort needed, and the additional costs incurred for site inspections, providing multiple notices to, and holding hearings for those that exhibit a continued disregard of the Governing Documents; and

WHEREAS, Section 5.02 of the Bylaws provides that the President shall have the power and authority to appoint such committees as he or she deems advisable; and

WHEREAS, the Board of Directors has established a committee of at least three (3) members (hereinafter referred to as "Enforcement Committee") who are not officers, directors, or employees of the Association, or the spouse, parent, child, brother, or sister of an officer, director or employee, which committee has the authority to confirm, approve and impose fines levied by the Board, or a properly authorized delegate of the Board ("Fining Authority") it being understood that the Enforcement Committee has the authority to (1) confirm, approve and impose fines levied by the Board, or a properly

authorized delegate of the Board, it being understood that the Enforcement Committee may also reduce a levied fine pursuant to Section 720.305 of the Florida Statutes, and (2) disapprove fines levied by the Board; and

WHEREAS, the Board of Directors desires to establish a uniform fining policy and procedure for immediate implementation by the Association, through its Board of Directors, the Fining Authority, and the Enforcement Committee, as well as any authorized agent, such as any management company, Community Association Manager (“CAM”), or legal counsel.

NOW, IT IS RESOLVED that the Board of Directors, hereby evidences the passage of this Resolution to provide notice to all members, tenants, guests, and invitees of the following fining policy and procedure:

1. Upon discovery of a violation, an Owner, tenant, guest and/or invitee (hereinafter referred to as the “violating party”) will be sent a courtesy notice in writing detailing the nature of the violation and the timeframe for compliance. Such courtesy notice will further include notice that a fine and/or suspension may be imposed if the violation continues after ten (10) days.
2. If a violation remains after the ten (10) day time period has lapsed, the Board of Directors shall place as an agenda item for a meeting of the Board of Directors the outstanding violation and that a fine is to be considered being imposed for outstanding violations. Should the Board approve the fine at such a meeting, a second written notice (“Fining Hearing Notice”) will thereafter be sent citing to the specific provision of the Governing Documents violated and advising the violating party that a fine has been imposed (in an amount not to exceed \$100.00 per day per violation) and that a hearing before the Enforcement Committee of the Association has been scheduled, at which hearing the fine will either be approved, modified, or rejected. This Fining Hearing Notice, providing the date, time, and place of the hearing, will be provided no sooner than fourteen (14) days prior to the Fining Hearing. This Fining Hearing Notice may be sent personally by an agent of the Association, including but not limited to the Association’s CAM, or legal counsel of the Association.
3. A fine may be imposed for each day that a violation continues from the date of the sending of the Fining Hearing Notice, even if such violation is corrected prior to the Fining Hearing.
4. At the Fining Hearing, the violating party may provide testimony as to why the fine should not be approved. The Enforcement Committee may ask questions of the violating party as part of the hearing process, and may consider any evidence presented by a violating party.
5. A violating party desiring to be represented by legal counsel at the Fining Hearing must provide at least seventy two (72) hours’ notice to the Association in advance of the Fining Hearing. The purpose of this provision is to afford the Association the opportunity to have legal counsel present on behalf of the Association.

6. Members of the Board, the Association's CAM, and any other individual with information regarding the violation giving rise to the fine may appear at the Fining Hearing, which shall be open to the membership of the Association. Such individuals shall provide all information and documentation, and may provide testimony, in support of the fine imposed by the Board. Thereafter, such individuals shall only comment during the Fining Hearing if questioned by either a member of the Enforcement Committee or the violating party. It is the intent of this provision that individuals appear to verify evidence used in support of the fine, and to answer any questions asked by the Enforcement Committee or violating party, but to otherwise not influence the determination of the Enforcement Committee.
7. The Enforcement Committee shall have ten (10) days after the Fining Hearing to make its determination as to whether a fine should be confirmed or rejected. It is specifically contemplated and authorized that the Enforcement Committee may reduce a proposed fine levied by the Board of Directors. If a majority of members of the Enforcement Committee appearing at the Fining Hearing where a quorum of the Enforcement Committee is present agree as to a course of action, a written recommendation will be provided by the Chairperson to the CAM and/or Board of Directors that the levied fine is confirmed, rejected, or otherwise modified but still imposed. The CAM or Board of Directors shall (1) send notice to the violating party(ies) as appropriate regarding the decision of the Enforcement Committee, and follow up with appropriate invoices, billings, and collections as then or subsequently may be appropriate or necessary, and (if applicable) (2) advise the Board of Directors of the Enforcement Committee's determination as soon as practicable. In no instance shall the Board of Directors have the authority to impose a fine for a violation when the Enforcement Committee votes to reject a levied fine as a result of said violation, unless the Board has otherwise initiated a new fining process as set forth in Paragraph 1 of this Resolution.
8. A violation which has been previously corrected but which recurs within twelve (12) months of the correction date shall not be entitled to a courtesy notice as set forth in Paragraph 1. Rather, a Fining Hearing Notice will immediately be sent and the violating party may be subject to a fine from the date of the Fining Hearing Notice.
9. A member is jointly and severally liable with a violating tenant, guest, or invitee for any fines imposed as a result of a violation of the governing documents by any tenant, guest, or invitee. If a fine is not paid, the Association shall have the authority to file a suit for damages to collect such fine, with the prevailing party entitled to reimbursement of reasonable attorneys' fees and costs incurred. However, if a fine reaches \$1,000.00 in the aggregate for a violation, the fine shall be collected in the same manner as an unpaid assessment, which shall specifically allow for the Association to record a Claim of Lien and thereafter foreclose same, while further charging for outstanding interests, late fees, and attorneys fees incurred in the same manner as an unpaid assessment.
10. Any reference to days in this resolution shall be calendar days.

IN WITNESS WHEREOF, the duly authorized officers of the undersigned Association have executed and attest to this Resolution this 6 day of June, 2017.

SURF CREST VILLAGE SERVICE
INCORPORATED

By: [Signature]
Sandra A. McKinley, President

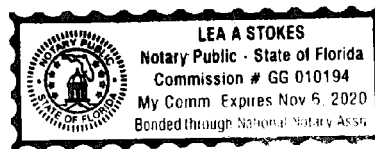
By: [Signature]
LEWIS HARTIN, Secretary

STATE OF FLORIDA
COUNTY OF ST. JOHNS

I hereby acknowledge that on this 6 day of June, 2017 before me personally appeared the above signed, as President and Secretary of Surf Crest Village Service Incorporated, respectively, who are personally known to me or who have produced _____ as identification, and who acknowledged before me that they executed the foregoing instrument and that they did take an oath.

WITNESS my hand and official seal in the County and the State last aforesaid this 6 day of June, 2017.

[Signature]
Notary Public, State of Florida
At Large



SURF CREST VILLAGE SERVICE INCORPORATED

FINING HEARING PROCEDURE AND CHAIRPERSON'S WRITTEN REPORT

This document is intended to (1) provide the Enforcement Committee ("Committee") for Surf Crest Village Service Incorporated ("Association") with a standard process to follow when conducting violation hearings; (2) ensure that hearings, and the resulting decisions, are administered in a consistent fashion; (3) allow for the Committee to approve or disapprove a levied fine by the Fining Authority and implement modifications hereto in order to better facilitate a prompt and fair adjudication; and (4) provide a template for the Chairperson to complete pursuant to the Committee's determination to approve, disapprove, or reduce a fine.

During the Fining Hearing, the Chairperson of the Enforcement Committee is responsible for ensuring that the steps outlined below are met. The Chairperson conducts the meeting with at least two other Committee members present. The Fining Hearing process should flow as outlined below:

| Step | Action | <input checked="" type="checkbox"/> | | | | | | | | |
|--|--|-------------------------------------|-----------|---|----------------------------------|-----------------------------------|---|--|---|--------------------------|
| 1 | Call the meeting to order. Take roll of all attending – confirm that at least a quorum of the Committee is present (i.e., if three (3) member Committee, that at least two (2) Committee members are present). Assure the alleged violator was given proper notice of the meeting. If attorney present for violating party, confirm that at least seventy two (72) hours written notice was previously provided, otherwise advise that attorney may not be present. If attorney refuses to leave, adjourn meeting and advise that it will be rescheduled with legal counsel for Association present and possibility of owner being responsible for attorneys fees in addition to fine amount, if levied. | <input type="checkbox"/> | | | | | | | | |
| 2 | Explain that: a. The Committee will hear discussion on the complaint(s) and a decision will be made within ten (10) days. b. The Chairperson will create and submit a written determination to the Board whether the levied fine is confirmed, rejected, or reduced. To draft and complete such determinations/reports, the Chairperson may utilize the CAM or staff employed by the Association. c. The CAM will then provide written notice to the accused party of the Committee's decision. | <input type="checkbox"/> | | | | | | | | |
| 3 | Review Florida statutes (Ch. 720) with all parties as to the authority provided the Association. <table border="1" style="width:100%; border-collapse: collapse;"> <thead> <tr> <th style="width:35%;">Item</th> <th>Reference</th> </tr> </thead> <tbody> <tr> <td>The authority to enforce and fine for non-compliance.</td> <td>Florida Statute § 720.305(2)(b).</td> </tr> <tr> <td>The amount allowed for the fines.</td> <td>Pursuant to Florida Statute § 720.305(2), a fine may reach, but not exceed, \$1,000.00 in the aggregate for each violation. Association documents do not permit for higher fines. Fines may be levied up to \$100 per day, per violation.</td> </tr> <tr> <td>The parameters to which the hearing committee must adhere.</td> <td>Confirm that Committee composed of members who are not officers, directors, or employees of the association, or the spouse, parent, child, brother, or sister of an officer, director, or employee.</td> </tr> </tbody> </table> | Item | Reference | The authority to enforce and fine for non-compliance. | Florida Statute § 720.305(2)(b). | The amount allowed for the fines. | Pursuant to Florida Statute § 720.305(2), a fine may reach, but not exceed, \$1,000.00 in the aggregate for each violation. Association documents do not permit for higher fines. Fines may be levied up to \$100 per day, per violation. | The parameters to which the hearing committee must adhere. | Confirm that Committee composed of members who are not officers, directors, or employees of the association, or the spouse, parent, child, brother, or sister of an officer, director, or employee. | <input type="checkbox"/> |
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| The authority to enforce and fine for non-compliance. | Florida Statute § 720.305(2)(b). | | | | | | | | | |
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| The parameters to which the hearing committee must adhere. | Confirm that Committee composed of members who are not officers, directors, or employees of the association, or the spouse, parent, child, brother, or sister of an officer, director, or employee. | | | | | | | | | |
| 4 | Review the complaint(s) with all parties. The CAM, members of the Board, or any other witness of the violation may provide to the Committee an oral, written, pictorial and/or other media description of the history of its inspection(s), complaint(s) received and other relevant information regarding the violation, violation notice, relevant oral and written communications with the party subject to Committee proceedings, and related timelines. | <input type="checkbox"/> | | | | | | | | |
| 5 | Open the floor for discussion: a. Give the accused party an opportunity to respond to the complaints. b. Allow the Committee members to ask questions of the accused party and/or the CAM or Fining Authority. c. Do not allow unrelated issues to interrupt the hearing. | <input type="checkbox"/> | | | | | | | | |
| 6 | After all discussion has been heard, excuse everyone but the Committee from the meeting (this may be done on a violation by violation basis, accused party by accused party basis, or after all discussion of all violations before the Committee that day basis, as may be determined from time to time by the Chairperson). | <input type="checkbox"/> | | | | | | | | |
| 7 | Instruct the Committee members that each day any violating event occurs from the sending of the Fining Notice (being that notice setting the Fining Hearing) represents a violation fine levied and that the Committee can approve or reject (disapprove) any or all of the days for which fines have been levied. | <input type="checkbox"/> | | | | | | | | |
| 8 | Instruct the Committee members that they have two optional ways to proceed. They can decide to: 1. Consider the discussion items and return their respective votes to the Chairperson within a reasonable amount of time, not more than 10 days after the Fining Hearing if they feel it will help them make a better decision; OR 2. Discuss the matter further and cast a vote at the meeting. | <input type="checkbox"/> | | | | | | | | |
| 9 | Adjourn the meeting by a motion and a vote. | <input type="checkbox"/> | | | | | | | | |
| 10 | After the Committee meeting, ensuring to include the results of any votes submitted by Committee members requesting the reasonable not-to-exceed 10 day time to vote, the Chairperson shall provide a written report to the Board and the CAM as to the result of the hearing and whether each levied fine and/or suspension is approved, rejected, or reduced. To draft and finalize such reports, the Chairperson may utilize the CAM or Association staff. | <input type="checkbox"/> | | | | | | | | |