

GREAT OAK SQUARE HOMEOWNERS' ASSOCIATION, INC.

POLICY RESOLUTION NO. 2016-01-DP)

**PROCEDURES RELATIVE TO SUSPENSION OF MEMBER RIGHTS and ADOPTION OF
DUE PROCESS, SANCTIONS AND PENALTIES.**

WHEREAS, the Declaration of Covenants, Conditions, Restrictions ("Declaration"), Bylaws ("Bylaws"), and Articles of Incorporation ("Articles of Inc."), and duly adopted Rules or Regulations, collectively referred to as the "Governing Documents" provides Great Oaks Square Homeowners Association, Inc. with the power to suspend access and privileges of individual owners ("Owners") as a result of non-compliance with the terms of the Governing Documents; and

WHEREAS, the Declaration at Article VI authorizes the Board of Directors to levy assessments to Owners to manage the business and responsibilities of the Association; and

WHEREAS, the Declaration at Article V, Section 1(d) authorizes the Board of Directors to suspend member rights and Bylaws, Article VII, Section 1(a) to adopt penalties for violations of the Governing Documents; and

WHEREAS, the Section 55-513 of the Virginia Property Owners' Association Act (POA Act), as amended, authorize the Board of Directors to suspend services provided by the Association to Owners determined by the Board of Directors to be in violation of the Association's Governing Documents as long as the suspension does not endanger the health, safety and welfare of the Resident or Association; and

WHEREAS, for the benefit and protection of all Owners and to encourage compliance by all Members, the Board deems it desirable to formally adopt the following rules and procedures as it is expressly entitled to do pursuant to the Declaration at Article V Section 1(d) to suspend the voting rights, and suspension of other privileges for violations of the Governing Documents; and

WHEREAS, Bylaws, Article VII, Section i(a) allows for the adoption of penalties for violations of the Governing documents and the board therefore elects to impose a \$50.00 monetary sanction for a single violation and a \$10 per day monetary sanction for up to a period of 90 days, for a/each continuing violation, in compliance with Virginia Code Section 55 - 513; and

NOW, THEREFORE, BE IT RESOLVED THAT the Board of Directors duly adopts the following Automatic Suspension, Due Process and Hearing Procedures and actions to be taken regarding the rights of Members to vote, to use the Common Areas, and to include penalties and sanctions for non-compliance of the Governing Documents, which shall

supersede and replace any previously adopted policies or procedures relating to the same subject;

1. AUTOMATIC SUSPENSION POST DUE PROCESS

Members who are greater than 60 days delinquent in the payment of assessments and other fees and cost to the Association shall be deemed a Member-Not-In-Good-Standing, causing suspension on the 61st day of delinquency of their right to vote, to use Common Areas and to request approvals of Exterior House/Lot Modification applications, after a suspension hearing is held. Such suspension of these enumerated rights shall continue until all debt obligations to the Association are paid in full. The Board authorizes the Board, after sixty (60) days of delinquency, to issue a "Notice of Suspension, Hearing Notice and Demand Letter" of these rights to Owners at a reasonable cost borne by the Owner unless otherwise instructed by the Board.

A. The "Notice of Suspension, Hearing Notice and Demand Letter" shall be sent to Owners who have not paid in full their assessments by the forty-fifth (45th) day from the date the assessment was due, with a statement of the account. The Notice will notify the Member that once their account is more than sixty (60) days past due and that the Owner shall be deemed a Member Not-In-Good-Standing after a hearing. Such Members right to vote, to use Common Areas, and to request approvals of Exterior House/Lot Modification applications are to be suspended as of the day of the Hearing. The suspension shall remain in effect until all delinquent amounts have been paid in full or as determined by the Board of Directors. The cost of the notice and other charges will be assessed to the Owner's account as a cost of collections in compliance with POLICY RESOLUTION NO. 2016-03-COLL.

2. NON-COMPLIANCE of GOVERNING DOCUMENTS

The Board of Directors shall use its judgment in the enforcement of the Governing Documents, and shall provide reasonable notification (in relation to the severity and repetition of the matter) to Members for Non-Compliance. In the event professional management is hired Managing Agent shall be directed by the Board in managing and performing the duties under this resolution. Notification may include, but is not limited to the following: a generic Courtesy Reminder of the violation of the Governing Documents, a Reminder requiring Owner Reply indicating what actions will or have to be taken by the Member to remedy the violation, a Hearing Notice specifying a date of resolution or abatement and the hearing date to include the date, time, location and the alleged non-compliance or violation. At the discretion of the Board, or the professional discretion of the Managing Agent or as instructed by the Board, one or all Notices may be sent to the

Member of alleged non-compliance incident or actions. The Board may at any time instruct the Managing Agent to escalate the Notification process to a Hearing. Prior to suspension of any members rights for non-compliance with Governing Documents for the Association, the Member shall be given the opportunity to be heard by the Board of Directors, or Covenants or other Committee, depending on the nature of the violation(s).

3. HEARING

Owners who have failed to correct any violations of the Governing Documents after reasonable notification and timeframe; or failed to abide by any association rule and regulations regarding improper use or damage to Common Areas, after notice of improper use or damage; or failed to abide by any association rule and regulations regarding improper use of a service or amenity provided by the Association after notice of the improper use, shall be provided with the opportunity to be heard by the Board of Directors to determine if sanctions, such as suspension of their right to vote, to use Common Areas (when not already in suspension status); and if monetary charges in accordance with the Declaration and the POA Act, as amended, will be levied.

Owners who repeat a violation or if the violation of the Governing Documents is deemed to endanger the health, safety, welfare of the Members or property of the Association, the Board may vote to call that a Hearing Notice be sent to the Owner preempting all other Notices.

4. HEARING NOTICE

When the Board schedules a hearing, the Board shall set all hearing dates at its discretion.

A. The Hearing Notice shall:

- Identify the alleged non-compliance or known violation of the Governing Documents;
- Set the date, time, and place of the hearing;
- State the Board's authority to impose monetary penalties (currently, pursuant to the POA Act, charges of up to \$10.00 per day for a continuing violation, and \$50.00 per individual violation may be imposed), as well as administrative expenses, costs and legal consultation fees ("costs") incurred by the Association to resolve the violation. Such monetary charges, and all costs, shall be treated as an assessment against the offending Member's account.
- State the Board's authority to suspend their right to vote, to use Common Areas (when not already in suspension status) or to suspend their right to vote, to use Common Areas as a result of the violation for additional period of time;

- State the Board's authority to impose sanctions such as suspension of their right to request approvals of Exterior House/Lot Modification applications and any actions that can be taken in accordance with the Governing documents and the POA Act;
- Require the Owner by a specified date to provide written notification to the Association's Managing Agent of their attendance at the Hearing or to exercise their right to request, one time, another date and time for the Hearing. A request for an alternate hearing may be granted if reasonable and satisfactory justification for rescheduling the hearing is presented and provided by the Response Date; and
- Require the Owner to provide notification that they will exercise their right to have their legal counsel present at the hearing at their expense;

B. The Hearing Notice shall be delivered by hand to the address of record with the Association at least fourteen (14) days prior to a hearing, or when sent by registered or certified mail, return receipt requested and regular first-class mail, it shall be sent to the Owner's address listed in the Association's records at least seventeen (17) days prior to the hearing, or to the property address if the hearing is for a non-monetary matter, if the Owner's listed address is different from the property address. Notice shall indicate actions the Association may take, at their sole discretion, at the conclusion of the Hearing, such as:

- declare the violation valid and require correction within a reasonable time frame;
- the Member may be deemed a Member Not In Good Standing
- Impose costs and monetary charges and covenant enforcement charges as an assessments;
- The amount of any monetary charges so assessed shall not be limited to the expense or damage to the association caused by the violation, but shall not exceed \$50 for a single offense or \$10 per day for any offense of a continuing nature and shall be treated as an assessment
- file an injunction action may file or defend legal action in general district or circuit court that seeks relief, including injunctive relief arising from any violation of the declaration or duly adopted rules and regulations.
- charge the Lot Owner for the fees and costs, including reasonable legal fees incurred in collection of the debt and enforcement of and attempted abatement of the alleged violations;
- continue the suspension of voting rights;
- create, record and foreclose the liens against the Lot;
- declare the entire balance of any assessment due and payable in full;
- refer the account to the Association's legal counsel for collection and enforcement actions in the Courts to include injunction actions to require compliance with the Governing documents;

- file an action at law against the Owner & garnish and levy on any assets of the owner so to collect the assessment due;
- notify the Owner's Mortgage holder of the non-payment of assessments;
- that in any proceeding against an Owner or Lot, the amount which may be recovered by the Association shall include all costs of the proceeding, including reasonable attorneys' fees; and
- All cost of notice will be assessed to the Owner's account as a cost of collection, and such costs shall include but not limited to legal or administrative expenses, to include certified mail or regular mail fees, management charges and fees as costs of collection resulting from an Owner's failure to pay assessments when due (regardless of whether suits or liens are filed) or from any other default referred to in this paragraph.

Notification will be deemed effective whether the Owner fails or refuses to sign any registered or certified mailing from the Association.

C. When no response is received by the Association from the alleged offender by the Response Date, or the Member fails to attend the hearing without providing reasonable and satisfactory explanation, the Board of Directors may impose monetary charges, charges as provided by the Declaration and/ or suspension of rights in the absence of the alleged offender.

5. DUE PROCESS HEARING/NOTICE OF DECISION

Hearing Procedure:

At the hearing, the Board shall provide the Owner with a reasonable amount of time to be heard and to present information which bears on the alleged violation. The Owner may have counsel present at the hearing. The hearing may be convened in open or executive session at the determination of the Board and shall be conducted in accordance with such rules as the Board deems appropriate.

When the Member exercises his or her right to a hearing, the Member has a right to present evidence and a general right to be heard.

6. DECISION/NOTICE OF RESULTS:

Following the hearing, the Board shall meet in Executive Session to discuss whether satisfactory proof of the alleged violation or a defense to the alleged violation was presented, and if so, whether monetary penalties and other sanctions, and any costs should be imposed and/or privileges should be suspended. The Board shall reconvene into Open Session of the Board meeting to vote on the action to be taken.

Notice of the hearing results shall be delivered to the Owner by hand or mailed by registered or certified mail, return receipt requested and regular first-class mail, within seven (7) days of the date of the hearing or such other period allowed by the POA Act, at the Owner's address listed in the Association's records, and if applicable to the property address, if the Owner's listed address is different from the property address.

Notification will specify if charges and costs will be imposed and the length of time to remit payment before additional actions will be taken, or if sanctions will continue or be imposed and the length of time the sanctions shall be imposed. The Owner's membership status within the Association shall be deemed Not in Good Standing and such status will continue until all debt obligations to the Association are paid in full and all violations of the Governing Documents are abated.

An Owner deemed by the Board as a Member-Not-In-Good-Standing, either through the suspension post due process, or following a Hearing, ceases to have their right to vote, to use Common Areas and to request approvals of Exterior House/Lot Modification applications until such time as the Member has corrected all violations and paid all assessments, charges, fees or costs owed to the Association or as determined by the Board of Directors.

7. OTHER REMEDIES

The procedures outlined in this Resolution may be applied to all violations of the governing documents, but do not preclude or in any way limit the Association from exercising, at any time, other enforcement procedures and remedies authorized by the Associations governing documents or law, including, but not limited to, the initiation of lawsuits or self-help remedies, as well as the suspension of Owner rights and privileges. The Board reserves the power to assign all of its powers and responsibilities herein to a standing or special committee of its choice or to its Manager or Managing Agent. Before charges for such other actions may be assessment, Notice and a Hearing shall be issued in compliance with this Resolution.

8. CORRECTION OF VIOLATIONS

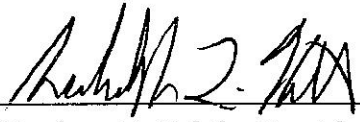
As provided for in Article VIII, Section 10 of the Declaration, the Board may, through agents, after twenty (20) days written notice by mail or posting on the property, enter Lots to abate violations of the governing documents in accordance with reasonable notice.

All costs of such action against the defaulting Owner shall be imposed after a hearing in compliance with this Resolution to include an additional Assessment of the total costs of remediation repair and enforcement as an Administrative Expense Assessment as provided

by Article VIII, Section 10. Except for emergencies or other circumstances which the Board believes warrants such action, the entry onto Lots to correct a breach of the governing documents shall only be taken after consideration is given to other available remedies.


EFFECTIVE DATE: January 1, 2017

GREAT OAK SQUARE HOMEOWNERS' ASSOCIATION, INC.

By: 
For Stephen M. Kobyly, President
Board of Directors

ATTEST:

I, Randolph Hill, Secretary for Great Oak Square Homeowners Association, Inc., hereby attest that the foregoing Policy Resolution as revised was adopted at a properly held meeting of the Board of Directors on the 15th day of November, 2016.



Randolph Hill, Secretary
Board of Directors

CERTIFICATION OF MAILING OF ADOPTED POLICY RESOLUTION

I hereby certify that a copy of the foregoing Policy Resolution No. 2016-01-DP, Procedures Relative to Suspension of Member Rights and Adopting Due Process, Sanctions, and Penalties, as amended, was

mailed to all Lot Owners at their address of record or Posted to the Website with notice of the posting in the community newsletter community mailing or by hand delivery.

My certification of these acts is as of this 21st day of December 2016.



Randolph Hill, Secretary

GREAT OAK SQUARE HOMEOWNERS' ASSOCIATION, INC.

RESOLUTIONS ACTION RECORD

Resolution type: Policy Policy Resolution No. 2016-01-DP

Pertaining to: PROCEDURES RELATIVE TO SUSPENSION OF MEMBER RIGHTS and ADOPTION OF DUE PROCESS, SANCTIONS AND PENALTIES - Revised

Duly adopted at a meeting of the Board of Directors of the Great Oak Square Homeowners' Association, Inc., held this 15th Day of November, 2016.

Motion by: Hill Seconded by: Florez

DIRECTOR	OFFICER TITLE	YES	NO	ABSTAIN	ABSENT
Stephen M. Kobily	President	X			
Jose Lara	Vice President	X			
Randolph Hill	Secretary	X			
Larry Hines	Treasurer				X
Nancy Brough	Director				X
Mary Ann Florez	Director	X			
Jennifer Henderson	Director	X			

ATTEST:

Randolph Hill
Randolph Hill, Secretary

11/1/16
Date

EFFECTIVE: Jan 1, 2017