

PROCEDURES FOR A COMPLIANCE COMMITTEE HEARING

1. Prior to any scheduled hearing before the committee, three members of the Compliance Committee will be chosen by lot by Board president.
2. After selection and prior to the scheduled hearing these members will be provided with a brief synopsis of the situation for which the Board is seeking a fine. This is NOT the time at which the Board will present its testimony or evidence.
3. Immediately preceding the hearing, the three Compliance Committee members will be seated together in a place which provides them clear view and access to all proceedings of the hearing. At this point the Compliance Committee members will decide among themselves which member will act as their spokesperson.
4. At the appointed time of the hearing the Board member presiding will call the meeting to order and follow standard opening procedures for A Board of Directors meeting. This opening will conclude with a statement of the purpose for the meeting, .e.g. "The Board is requesting a fine be imposed on Member x for the violation of (cited rule/bylaw).
5. A designated member of the Board of Directors will then present its position, to include reference to the specific rule/bylaw(s) which it believes was/were violated, and such evidence of the violation(s) as are to be presented for the Compliance Committee's consideration. The presenting Director may call directly involved witnesses as part of their presentation.
6. The Board member presiding will then provide an opportunity for the Corporation member(s) whom it wishes to fine to present any information, explanation, etc. as they may desire. The accused member may call appropriate witnesses who have pertinent information to contribute. If the accused member chooses not to attend the Compliance Committee hearing, or declines to participate in it, the Board's requested fine shall be imposed.
7. At this point, the Board member presiding will turn chairmanship of the hearing over to the Compliance Committee.
8. The Compliance Committee members may then direct question/inquiries to any person who participated in the hearing, to include the presiding Board member, but recognizing that Corporation Members attending the hearing as observers may not speak at a Compliance Committee hearing.
9. When the Compliance Committee members have concluded their inquiries, their chosen spokesperson will return the chair of the meeting back to the Board member presiding.
10. The Board member chairing will direct the members of the Compliance Committee

to retire to a place of privacy to confer among themselves to reach a decision.

11. The Compliance Committee may impose any fine allowed by law or may decide that the Board's request for fine is unwarranted. The law allows up to \$100.00 per day of the same violation, up to a maximum of \$1,000.00. The Compliance Committee may decrease or increase the amount of fine requested by the Board, within the limits allowed.

12. After arriving at its decision in private deliberation, the Compliance Committee will return to their seats. Their spokesperson will then announce to the Board member presiding the decision of the Compliance Committee.

13. If that decision involved the imposition of a fine, the Board member presiding will advise the accused Corporation Member(s) that they will have the amount of the fine applied to their monthly account as an assessment, and that failure to pay that assessment will result in a lien being placed on their Membership Certificate.

Pursuant to Florida Statutes 2005, Chapter 719, Part III, Section 719.303 (3) The following Resolution is proposed:

RESOLUTION REGARDING THE FINE PROCESS FOR NON COMPLIANCE WITH THE GOVERNING DOCUMENTS OF PORT CARLOS COVE, INCORPORATED

I certify that I am the Secretary of Port Carlos Cove, Incorporated, a Florida not-for-profit corporation (the Corporation), and that pursuant to a meeting held by a majority of the Board of Directors of the Corporation on January 19, 2015, the following resolution was duly and legally adopted and has not been revoked, altered or amended:

"RESOLVED, that the Board of Directors of Port Carlos Cove, Incorporated, has the authority under the governing documents of the Corporation to make certain rules, regulations and procedures regarding association matters.

Further that, pursuant to a meeting held by a majority of the Board of Directors of the Corporation on January 19, 2015, the following procedures regarding enforcement of violations of governing documents and subsequent fine and appeal process are hereby adopted.

1. A Standing Committee, known as the Compliance Committee, consisting of five or more volunteer members, who are not a board member or employee of the Corporation or anyone residing with or related to a board member or employee, be established. Members shall be nominated by the Board President and confirmed by majority vote of the board.

2. A total of three members of the Compliance Committee will be required to participate in any proceedings requiring Committee action.

3. When the Board becomes aware of a violation of the Corporation's governing documents by a member or authorized guest of a member, that member shall be provided with a courtesy notification. Such notice may be transmitted by regular mail or witnessed personal contact by a board member and shall state that the offending member is in violation and the particulars of the violation. Additionally they shall be provided a reasonable time frame in which to correct said violation.

4. If the violation has not been corrected within the time frame provided, the homeowner(s) will be notified by registered mail, or by correspondence hand delivered by an officer of the board accompanied by at least one other board member, that the violation still exists and the member shall have three days (72 hours) to comply. This notice will contain the specifics of the violation, citing the particular document reference(s), and forewarn that the Board intends to seek fines, the proposed amount of such fines and the possibility of the member incurring other expenses resulting from non-compliance.

5. If the violation is not then corrected, a time and date for appearance before the Compliance Committee shall be provided to the offending homeowner. This date shall be at least fourteen days but not more than thirty days, in the future. At that time the Compliance Committee will be convened to first hear the Corporation's position and then the member's appeal, if the member wishes to appeal. Any fine approved by the Compliance Committee will then be automatically applied to their account.

6. The hearing of the Compliance Committee shall be open to all other members of the Corporation, but those members may not speak at or participate in the proceedings.

7. Florida law currently limits fines to members to a maximum of one hundred dollars (\$100.00) per day of violation following notification, up to a maximum of one thousand dollars (\$1,000.00). However should the violation continue beyond ten days of fines, the Corporation may reinstate Compliance Committee procedures, and seek an additional period of fining, subject to the above dollar amount limitations

8. This resolution shall not be construed as a limitation on any other powers legally granted to the Board of Directors for the administration of the Corporation.

IN WITNESS THEREOF, I have set my hand as Secretary of the Corporation this 19th day of January 2015.

Katherine Becker