

**PROCEDURE FOR FINES AND/OR
PENALTIES, NOTICES AND HEARINGS**

Pursuant to the By-Laws of Sweetwater Village Landowners Association, Inc., a Florida not-for-profit corporation ("Association") and the Declarations of Covenants, Conditions and Restrictions (collectively "Declaration") relating to the Sweetwater Village complex ("Properties"), as amended, the Board of Directors of the Association ("Board") hereby adopts the following in connection with fines and/or penalties to be imposed by the Association. Unless the context clearly dictates otherwise, all terms used herein shall have the same meaning as ascribed to them in the By-Laws and/or the Declaration.

1. An officer of the Association, a member of the Board, the manager of the Association, if applicable, or a person designated by the Board shall issue or cause to be issued a written notice ("Notice") to the owner/occupant of the property or their tenants, guests or invitees, or both, for the alleged violation of the By-Laws of the Association, as amended, the Declaration, as amended, and/or any rules and regulations promulgated by the Association (collectively "Documents") that exist, notifying them of the existence of the violation and requesting its correction within the time specified therein (such time shall be at least fourteen [14] days).

2. The Notice shall be in a form approved by the Board. The Notice shall be served by personal delivery or by Certified Mail, Return Receipt Requested, with a copy conspicuously posted on the affected property. The Notice shall include:

- A. An accurate description of the lot involved.
- B. A statement providing an accurate description of the violation for which the notice is issued.
- C. A specification of the provision and document upon which the notice of violation is based.
- D. The name or names of the person(s) or entity(ies) or their tenants, guests or invitees (individually and/or collectively as contextually appropriate "Person") in violation upon whom the Notice is served for the violation.
- E. A statement advising that the failure to correct the matter set forth in the notice shall, without further action or notice, shall result in a fine, penalty and/or suspension of rights to use the Common Properties and facilities of the Properties.

F. The amount of such fine, penalty and/or suspension if the offending condition or situation is not corrected.

3. Violators shall have twenty (20) days from service of the Notice and posting or actual receipt, whichever occurs first, within which to correct the violation of the Documents. In the event it appears that the violator shall not, through no fault of his/her own, be able to rectify the violation within the prescribed period, the violator may file a written request with the manager, if applicable, or the President of the Association ("President") stating the reasons they have been or will be unable to complete correcting the violation and, if reasonable grounds are shown therefore, the manager, if applicable, or the President is authorized to issue an amended Notice authorizing an extension of time not to exceed an additional sixty (60) days within which to complete correction of the violation. The Board, in exceptional cases and upon written request during the sixty (60) day period, may further extend the time within which to correct the violation; however, in no event shall the correction date extend beyond a maximum period of one hundred eighty (180) days from the date of the original Notice.

4. Within the period for correction set forth in the Notice, the affected Person to whom the Notice is directed may file a written request with the manager, if applicable, or the President for a hearing before a committee of at least three (3) individuals who are Owners that are appointed by the Board ("Committee") to respond to the contents of the Notice. Such Committee shall not consist of any officer, director or employee of the Association, or the spouse, parent, child, brother or sister of any officer, director or employee. The hearing shall be held as soon as practicable at the convenience of said Committee and the Person to whom the Notice is directed shall be advised in writing of the time and place of the hearing. The proceeding before the Committee shall be a de novo proceeding and the Person shall have the burdens of proof and persuasion to contest the Notice and alleged violation. At the hearing, the Committee must vote on whether the contents of the Notice is approved and the fine or suspension is merited. Such vote shall be announced at the meeting to the affected Person, and shall be reflected in the minutes of the Committee. In the event the Committee does not approve the Notice or fine or suspension by majority vote, the fine or suspension shall not be levied. Any affected Person may appear in Person, by counsel, or by an agent possessing a power of attorney (provided the agency instrument appears in the Official Records of Bay County, Florida), but may not appear through any other person.

5. Any Person violating any of the Documents shall be fined Fifty and No/100 Dollars (\$50.00) for the first violation and One Hundred and No/100 Dollars (\$100.00) for each successive violation thereafter. In the event of a continuing violation based upon a

single notice, each day of a continued violation shall constitute a separate offense or violation and shall subject the violator to additional fines and/or penalties. A single Notice and opportunity to be heard on one specific type of violation shall not result in a fine in the aggregate exceeding One Thousand and No/100 Dollars (\$1,000.00).

6. No fine shall become a lien against any lot or living unit.

7. In any action in which the violation is contested, the prevailing party shall be entitled to recover reasonable attorneys' fees and costs incurred.

8. The provisions of this instrument shall become effective as of the date adopted by the Board.

PASSED, APPROVED AND ADOPTED by the Board of Directors of Sweetwater Village Landowners Association, Inc., in a duly called meeting thereof as of this 1 day of MARCH, 2003.

SWEETWATER VILLAGE LANDOWNERS
ASSOCIATION, INC., a Florida
not-for-profit corporation

By: Louis W. Silberzahn
Louis W. Silberzahn
Its: President