

Spyglass Point Condominium Association of Pensacola, Inc.

I. ENFORCEMENT OF DECLARATION, BY-LAWS, COVENANTS AND RULES

The Board of Directors ("the Board") of the Spyglass Point Homeowners Association ("the Association") is granted the authority to enforce the rules and covenants under the Declaration of Condominium ("the Declaration") and by Florida Statute.

The Board solicits three volunteer Owners from the community to serve on a committee of other unit owners who are neither Board members nor persons residing in a board member's household, to serve as the Spyglass Point Homeowners Association Fines Committee ("the Fines Committee") for the purposes of impartially enforcing the Declaration, By-Laws, Covenants, and Rules and Regulations, or Florida Statutes (together the "Covenants").

The Association's rules regarding the enforcement of the Covenants are as follows:

1. If an Owner violates or is otherwise liable for a violation of the provisions of the Covenants, the following shall occur:

a. 1ST Notice of Violation:

Upon the first offense of any provision to the Covenants, the Owner(s) shall be issued a Notice of Violation and shall have 14 calendar days from the date of the Notice to correct the violation.

b. 2ND Second Notice of Violation and Notice of Hearing; fees begin accruing:

Upon a second offense of a reoccurring violation, the Owner(s) shall be issued a Second Notice of Violation and Notice of a Hearing. The Owner will be requested to attend a hearing to discuss the matter with the Spyglass Point Homeowners Association Fines Committee (the "Fines Committee"). The Fines Committee reserves the right to proceed with the hearing should the owner not attend. Failure of any owner to attend the hearing will be considered an admission by the owner of the validity of the violation of the Covenants specified in the Notice of Violation, and the Owner will be subject to the assessment of fines (*see* Article II - Schedule of Fines below).

Following the hearing, the Fines Committee will issue a "Notice of Determination" to the Board and Owner(s). The notice shall communicate the decision/conclusions reached by the Fines Committee regarding the alleged violations.

c. 3RD Notice of Violation (and Notice of Hearing, if applicable):

Upon further or continuing violations of the Covenants by any Owner, the Fines Committee may, but is not required to, request the Owner to attend additional hearings. The matter may be forwarded to the Association's attorney for appropriate legal action. All attorney fees and costs incurred will be the responsibility of the Owner.

d. FINAL Notice of Violation and Attorney Referral

The Fines Committee will remit the violation case to the Board for further consideration.

2. Any Owner assessed a fine(s) must pay such charges within fourteen (14) days of the date of the notice. Failure to make the payment in the specified time frame may subject the Owner to legal or equitable remedies necessary for the collection thereof.

3. The Board may suspend, for a reasonable period of time, the right of Owner(s), or an Owner's tenant(s), guest(s), or invitee(s), to use the common elements, common facilities, or any other Association property for failure to comply with any provision of the Covenants.

a. If an Owner is more than 90 days delinquent in paying a monetary obligation due to the Association, the Association may suspend the right of the Owner(s) or the unit's occupant(s), licensee(s), or invitee(s) to use common elements, common facilities, or any other association property until the monetary obligation is paid in full. This does not apply to limited common elements intended to be used only by that unit, common elements needed to access the unit, utility services provided to the unit, or parking spaces.

b. The Board may suspend the voting rights of a unit or member due to nonpayment of any monetary obligation due to the Association which is more than 90 days delinquent. A voting interest or consent right allocated to a unit or member which has been suspended by the association may not be counted towards the total number of voting interests necessary to constitute a quorum, the number of voting interests required to conduct an election, or the number of voting interests required to approve an action under the Covenants. The suspension ends upon full payment of all obligations currently due or overdue to the Association.

c. The suspensions specified above must be approved at a properly noticed board meeting. Upon approval, the association will notify the Owner(s) and, if applicable, the unit's occupant(s), licensee(s), or invitee(s) by the United States Postal Service or hand delivery.

4. The remedies hereunder are not exclusive, and the Board of Directors and/or Fines Committee may, in addition to notice or action already taken, take further action as provided for in the Covenants. Notices of Violation may also contain such demands as are necessary to protect the interests of the Association in accordance with the provisions of the Covenants, especially those which may represent a hazard or risk to the safety and security of the Condominium and community.

5. If any Owner feels they have been wrongfully or unjustly charged with a violation, the Owner may proceed as follows:

a. Within fourteen (14) days after the Owner is given Second Notice and hearing notified pursuant to 1(b) above, the Owner may submit, in writing, a protest to the Fines Committee stating the reasons why the Owner feels they did not commit a violation.

b. At the hearing, the Fines Committee shall hear and consider the arguments, evidence, and/or or statements by the Owner regarding the alleged violation. After the hearing, the Fines Committee shall notify the Board of Directors and the Owner of its determination regarding the alleged violation(s) via the United States Postal Service or hand delivery.

d. Fines shall become due and payable as specified in the Notices of Violation, unless the Fines Committee determines that the violation was made in error, in which case the Board of Directors and the Owner shall be notified of the determination as described above. However, if the violation is determined to be valid and is not corrected and/or the assessed fines remain unpaid, the Board of Directors retains the right to exercise other legal or equitable remedies if the Owner has not made a good faith effort to address and/or correct the violation.

II. SCHEDULE OF FINES

1ST Notice of Violation - No fine assessed as long as the violation has been addressed and/or corrected before the 14-day (calendar days) warning period has elapsed.

2nd Notice of Violation - A \$100.00 fine will be assessed *per day, per violation*, for up to 10 days - not to exceed \$1000.00 in the aggregate *per violation*. The balance shall be due and payable as deemed by the Fines Committee. Violation will be corrected and fee to be paid within the specified due date listed in the Notice of Determination.

3rd Notice of Violation - The fines balance due following the 2nd Notice of Violation will be due and payable immediately on receipt of the 3rd Notice of Violation (*on receipt* is defined "immediately" if hand-delivered, or, 3 business days, including Saturdays, following the posting of the notice with the United States Postal Service).

4th Notice of Violation, Final Notice and Attorney Referral - Owner will have seven (7) calendar days from the date listed in the Final Notice of Violation to correct the cited violation(s). At the end of 7-day period, if the violation(s) is/are not corrected, and/or if the balance of the assessed fines remain unpaid, the Fines Committee will remit the case to the Board of Directors for potential referral to the Association's attorney for review.