



**OCEAN NEIGHBORS HOMEOWNERS ASSOCIATION
VIOLATION FINE POLICY**

WHEREAS, the Board of Directors of Ocean Neighbors Homeowners Association, Inc. is empowered to govern affairs of the owners association pursuant to Article VII of the Bylaws (available at www.postonco.com and www.oceanneighbors.com).

WHEREAS, there is a need to adopt a violation fine policy pursuant to the Ocean Neighbors Homeowners Association Covenants and Restrictions.

WHEREAS, it is the intent that this policy shall be applicable to all owners, tenants, occupants, agents, visitors, employees and guests and shall remain in effect until otherwise rescinded, modified, or amended by a majority of the Board of Directors.

NOW, THEREFORE BE IT RESOLVED THAT the Association will enforce the violation fine policy. The violation of any provision of the rules and regulations or guidelines shall be grounds for assessment by the association, acting through its duly constituted Board of Directors, of monetary fine against the involved owner. Such owner is ultimately responsible for such violations whether they occur as a result of his personal actions or the actions of his family, guests, tenants, or any other person admitted through such owner to the premises. Upon any such violation being alleged by the Board, the following procedures will be followed:

MINOR VIOLATIONS

Examples: mold/mildew, lawn care, yard debris, trash can misplacement.

1. Notice of the violation, including the rule violated, together with a description of the factual nature of the alleged offense set forth with such reasonable specificity as will place the Co-Owner on notice as to the violation, and shall be sent by first class mail and/or electronic email.
2. The offending owner shall have 7 calendar days from the date of the violation in which they may offer evidence in defense of the alleged violation. The evidence must be submitted in writing to Ocean Neighbors Board of Directors, c/o John Poston & Co., Inc., 304 Meeting Street, Charleston, SC 29401 and/or the registered agent for the community's management company.
3. Failure to respond to the notice of violation within 7 calendar days from the date of issue constitutes a default.
4. Upon written response by the owner to the Board and presentation of evidence of defense, or, in the event of the owner's default, the Board shall by majority vote of a quorum of the Board, decide whether a violation has occurred. The Board's decision is final.
5. Upon any violation of any provisions of the Governing Documents and after default of the offending Co-Owner or upon the decision of the Board as recited above, the following fines shall be levied:

First Offense: A warning notice.

Second Offense: A fine of \$25.00 shall be levied.

Third Offense: A fine of \$50.00 shall be levied.

Fourth Offense: A fine of \$100.00 shall be levied.

Each Subsequent Offense: A doubled fine of the previous violation fine. Legal action pursued per the Board's request.

MAJOR VIOLATIONS

Examples: street parking, improper boat storage, rental violations, etc.

1. Notice of the violation, including the rule violated, together with a description of the factual nature of the alleged offense set forth with such reasonable specificity as will place the Co-Owner on notice as to the violation, and shall be sent by first class mail and/or electronic email.
2. The offending owner shall have 7 calendar days from the date of the violation in which they may offer evidence in defense of the alleged violation. The evidence must be submitted in writing to Ocean Neighbors Board of Directors, c/o John Poston & Co., Inc., 304 Meeting Street, Charleston, SC 29401 and/or the registered agent for the community's management company.
3. Failure to respond to the notice of violation within 7 calendar days from the date of issue constitutes a default.
4. Upon written response by the owner to the Board and presentation of evidence of defense, or, in the event of the owner's default, the Board shall by majority vote of a quorum of the Board, decide whether a violation has occurred. The Board's decision is final.
5. Upon any violation of any provisions of the Governing Documents and after default of the offending Co-Owner or upon the decision of the Board as recited above, the following fines shall be levied:

First Offense: A certified letter with return receipt noting the violation and a fine of \$25.00 shall be levied.

Second Offense: A certified letter with return receipt noting the violation and a fine of \$50.00 shall be levied.

Third Offense: Legal action pursued per the Board's request.

For purposes of this policy, the number of the offense (i.e. first, second, etc.) is determined with respect to the number of times that an owner violates the same provision of the rules and regulations, and is not based upon time or violations of entirely different provisions. In the case of continuing violations, a new violation will be deemed to occur each time during which a violation occurs. Nothing in this policy shall be construed as to prevent the Association from pursuing any other remedy under the Governing Documents for such violations, or from combining a fine with any other remedy or requirement to redress any violation.

In the case of non-owner-occupied Lots, all residents and owners of the Lot will be provided copies of all correspondence.

The fines levied pursuant to the above stated rules and regulations and guidelines shall be assessed against the Owner and shall be due and payable immediately. Failure to pay the fine will subject the Owner to all liabilities set forth in the Governing Documents and will include, but not be limited to, a lien being placed on the unit. Unpaid fines will bear a late charge of 18% per annum will be assessed until paid in full.

Each violation will be tracked from the date of first offense and will start over every calendar year.

Any and all fines resulting from this policy will accrue each calendar year until the fines and interest are paid in full.

APPROVED MARCH 31, 2015 BY THE BOARD OF DIRECTORS OF OCEAN NEIGHBORS HOMEOWNERS ASSOCIATION.