

General Schedule of Fines For Covenant Violations

Origin of Fine Provisions: The Homeowners Association fine policy was originally adopted in December 1992 as recorded in the Gift Plantation Rules and Regulations document.

Purpose of Fine Provisions: The purpose of these provisions is to create a dialogue and open discussion between the Board and a Member when there appears to be a violation of the General Covenants. It should be noted that violations relating to the Architectural Review Board Guidelines are handled under a separate set of provisions relating specifically to those matters.

Philosophy of Fine Enforcement: The levying of a fine is viewed as a last resort but is a needed tool for the Board of Directors to manage the administration and enforcement of our community covenants. Violations may be a one-time offense or in some cases continuing and repeated violations.

Amount of Fines: The Board has the authority to impose a \$25.00 per day fine for each second and subsequent day a violation exists. Fines are not to be used for the purpose of raising revenue and in total must be limited to an amount commensurate with the type and length of the violation.

Procedures for Assessment: When a potential covenant violation is brought or comes to the attention of the HOA Board of Directors, a Board Member will be assigned responsibility to reach resolution of the issue.

The assigned Board Member will gather the facts of the case and determine if there is sufficient evidence to support the fact that a violation exists. If so, the Member will be contacted as expeditiously as possible (email, telephone or in writing) in an effort to resolve the matter or for the member to otherwise inform the Board as to why they believe a violation does not exist.

Members may raise mitigating circumstances. For example, mitigating circumstances may include health issues or issues of a temporary nature that will be short term in duration. In reviewing the matter, the Board may also ask the Member to provide supporting documentation such as written background and oral information to help the Board understand the Member's point of view. This may include being invited to meet with the full Board for the purpose of discussing the matter and attempting a resolution at the next regularly scheduled Board Meeting.

The Member will be given an opportunity to present evidence and/or documentation to support a "no violation" outcome at the meeting or in the exchange of communications. Members should respond to the Board in a timely manner. Failure to respond in a timely manner may result in a "violation" determination based on the information available.

If after review, a majority of the Board determines that a covenant violation exists and has not been corrected or if a satisfactory resolution cannot otherwise be reached, the HOA Board will notify the member in writing within five business days of the Board's decision. If a violation is found and needs to be corrected the Board will provide a reasonable time frame for correction. The first written

correspondence will provide an expected date for compliance. The Board will begin to assess the fine of \$25.00 per day for each second and subsequent day the violation continues.

Collection of Fines: Members will be notified in writing of the total amount of the fine due. A first notice will be mailed to the Member requesting payment within thirty-days from the date of the notice. If payment is not received as a result of the first notice, a second final notice will be sent to the Member. The final notice will advise that civil action through the Charleston County Small Claims Court will be filed after the end of the second thirty-day period of time if the fine remains unpaid.

Any outstanding unpaid fines will be added to the amount(s) owed for regular annual membership dues and any special assessments if not otherwise paid or settled. As listed above if payment is not made after two written notices, the Board is authorized to pursue collection through the Charleston County Small Claims Court. All reasonable legal, collection and court costs will also be sought during the civil action.

Note: Repeat violations of the same nature will be reviewed and acted upon by the Board on an expedited basis. The Board can expedite the assessment of fines if the Member has a past history of the same violation.

Effective date of this document is September 29, 2015