

Pursuant to Article V § 6 of the By-Laws of North Brandon Home Owner's Association the Board of Directors of the North Brandon Shores Home Owner's Association (NBSHOA) hereby adopts the following procedures, which are designed to aid in the implementation, administration and enforcement of the Covenants. Additionally the Members of the NBSHOA approved these procedures on May 1, 2007.

**PROCEDURE FOR ENFORCEMENT OF COVENANTS AND ASSOCIATED
PENALTIES FOR VIOLATION(S) OF COVENANTS
(Adopted May 1, 2007)**

The procedure for enforcement and associated penalties for violation(s) of North Brandon Shores' Covenants is as follows:

- A. Upon notification regarding an alleged violation of the Covenants, the Board itself or, through a committee of its choosing (the "Committee"), shall investigate the alleged violation. If further action is deemed warranted, at the sole discretion of the Committee and/or Board, the following actions will be taken:
1. The Committee and/or a Board member shall attempt to make personal contact (phone or face-to-face) with the owner responsible for the violation. Immediately following such a contact and/or attempt to conduct such a meeting, the Committee and/or Board shall notify the owner in writing (the "First Notification") that a violation exists and should be corrected in an amount of time to be decided by the Committee and/or Board.
 2. If an owner fails to correct the violation within the time provided by the Committee and/or Board in a manner satisfactory to the Committee and/or Board, within the Committee's and/or Board's sole discretion, the Committee and/or Board shall notify the owner in writing (the "Second Notification"), at which time a Fifty Dollar (\$50.00) fine shall be assessed against the owner. The owner shall then have no more than fourteen (14) additional days to pay the fine **and** take all necessary actions to remedy the Covenant violation(s).
 3. In the event the owner fails to either pay the assessed fine or remedy the Covenant violation(s) as provided in A, 2, the Committee and/or Board shall then notify the owner in writing (the "Third and Final Notification"), at which time an additional One Hundred Dollar (\$100.00) fine shall be assessed against the owner.
 4. In the event the owner fails to either pay the assessed fines and/or remedy the violation(s) as provided in A, 2 and 3, the total fine balance due shall double at the first of each subsequent month and the owner's use of all common areas (to include the Lake) will be suspended until the owner both pays the assessed fine(s) and remedies the Covenant violation(s). From this point forward, all fines shall be assessed with no further notification to the owner, except an invoice for the outstanding fine balance due.
- B. If an owner is found to have violated a Covenant provision within one (1) year of having previously violated the same or similar provision, the following actions shall be taken:
1. The owner will be provided written notification of the Covenant violation(s) and shall be assessed a fine of Fifty Dollars (\$50.00). The owner shall then have no more than fourteen (14) days to pay the fine and take all necessary actions to remedy the Covenant violation(s).

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2. In the event the owner fails to either pay the assessed fine or remedy the Covenant violation(s) as provided in B, 1, the Committee and/or Board shall then notify the owner in writing, at which time an additional One Hundred Dollar (\$100.00) fine shall be assessed against the owner.
 3. In the event the owner fails to either pay the assessed fines and/or remedy the violation(s) as provided in B, 1 and 2, the total fine balance due shall double at the first of each subsequent month and the owner's use of all common areas (to include the Lake) will be suspended until the owner both pays the assessed fine(s) and remedies the Covenant violation(s). From this point forward, all fines shall be assessed with no further notification to the owner, except an invoice for the outstanding fine balance due.
- C. In the event an owner violates the same or similar Covenant(s) a third time within one (1) year, up to a Five Hundred Dollar (\$500) fine will be assessed against the owner, and the owner will be required to appear before the Board. If the owner refuses to appear before the Board and/or if the violation is not remedied, the total fine balance due shall double at the first of each subsequent month and the owner's use of all common areas (to include the Lake) will be suspended until the owner both pays the assessed fine(s) and remedies the Covenant violation(s).
 - D. There will be a ceiling of \$5000 per year on the amount of fines assessed on a Member.
 - E. The Board reserves the right to attach to any and all fines assessed all costs deemed necessary in the assessment and/or collection of such fines, including, but not limited to, attorneys' fees, court costs, expenses, and interest and late payment penalties not to exceed the limits allowed under Mississippi law.
 - F. An owner against whom a fine has been assessed may request to appear before the Board at any regular Board meeting to request waiver of the fine or suspension of common area use. The Board at its sole discretion may schedule a special meeting to hear the Member's request. The owner shall be given ten (10) minutes to present his or her case, and will be provided five (5) minutes to rebut any presentation made by the Board and/or its Committee. The Board should notify the Member of its decision within five business days unless there are extenuating circumstances.
 - G. The Board, in its discretion, may waive any fine assessed against any owner, grant an extension and/or remove any suspension of common area use. The provisions for enforcement of Covenants and associated penalties provided herein shall not act to limit any other rights and privileges granted to the Board to enforce covenants and/or assess penalties for the violation of same, including, but not limited to, the Board's right to pursue injunctive or other legal relief against owners.
 - H. These procedures and penalties may be applied to any Covenant violations, which are not remedied, including but not limited to: late payment of assessments, failure to have properly installed silt fences in place, and beginning construction on any structure without approval of plans by the Architectural Committee.
 - I. All decisions made by the Board regarding this section are final.