

RESOLUTION
of the Board of Directors of
EAGLES SOUND PROPERTY OWNERS ASSOCIATION

(Adoption of Due Process Procedures for Enforcement of Covenants
and Nonpayment of Assessments)

WHEREAS, Eagles Sound Estates, LLC, a Virginia Limited Liability Company, caused to be created and recorded a Declaration recorded July 18, 2003 to create the subdivision of Eagles Sound Estates ("Association") by the Eagles Sound Estates Declaration of Covenants, Conditions and Restrictions (the "Declaration") Such Declaration is recorded among the deed records of the County of Accomack, as Instrument Number 200305353 in the Clerk's Office of the Circuit Court for the County of Accomack and the same has been or may be amended from time to time; and

WHEREAS, the Declarant did cause incorporation of Eagles Sound Property Owners Association, as a nonstock corporation, and thereafter adopted Bylaws of the nonstock corporation ("Bylaws"); and

WHEREAS, the Association is managed and operated pursuant to the Declaration and the Bylaws; and

WHEREAS, all Owners in the Association are Members of the Association by pursuant to the Declaration, and as such all Owners are subject to all of the covenants, conditions and restrictions in the Declaration; and

WHEREAS Article II, Section 2.4 of the Declaration provides that the Board shall adopt from time to time such rules and regulations and design guidelines as may be necessary to implement architectural control and the provisions of the protective covenants, conditions and restrictions; and

WHEREAS the Board is vested with all of the rights and powers provided for in the Property Owners Association Act, 55.1-1800 et seq. of the Code of Virginia and Section 7.1(p) vests rulemaking authority in the Board; and

WHEREAS, the Association's Board of Directors is empowered by Article V of the Declaration and by Section 13 of the Bylaws to enforce the covenants contained in the Declaration and to enforce any Board Resolutions, and Rules and Regulations adopted pursuant to the Declaration and Bylaws; and

WHEREAS, it is the intent of the Board to expressly adopt the provisions of Section 55-513 of Virginia's Property Owners' Association Act and to establish Rules and Regulations adopted pursuant to the Declaration as required by Section 55-513 for the Board and such Committees as may be designated by the Board in the future where

they must take action relative to questions of covenant enforcement; and

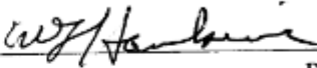
WHEREAS, for the benefit and protection of the Association and of the individual members, the Board of Directors deems it desirable to establish procedures to assure due process ("due process procedures") in cases where there is a question of compliance by an Association Member ("Owner"), the Owner's family, guests, invitees, licensees and/or tenant(s) and the tenant's(s') family, guests, invitees and licensees, with the provisions of the Declaration, the Articles of Incorporation, Bylaws, adopted Board Resolutions, Architectural Guidelines and Rules and Regulations and/or any amendments and/or supplements thereto (all such documents collectively referred to herein as the "Governing Documents"), thereby attempting to minimize the necessity of seeking action in or through a court of law; and

WHEREAS, the Board of Directors will provide notice of this policy to all current owners by mailing a copy of this Resolution to current owners and to all future owners by including the Resolution in resale disclosure packages prepared pursuant to Section 55-512 of the Property Owners' Association Act.

NOW THEREFORE, the Board of Directors of Eagles Sound Property Owners Association, Inc. (the "Board") does hereby adopt the attached Rules and Regulations governing Due Process Hearings.

IN WITNESS WHEREOF the undersigned President hereby certifies that this resolution was passed by majority vote of the Board of Directors on the "Effective Date" set forth below.

EAGLES SOUND PROPERTY OWNERS ASSOCIATION


_____, President

November 2, 2019
(Effective Date)

RULES AND REGULATIONS OF EAGLES SOUND PROPERTY OWNERS
ASSOCIATION REGARDING DUE PROCESS PROCEDURES FOR
ENFORCEMENT OF COVENANTS AND NONPAYMENT OF ASSESSMENTS

1. Adoption of Section 55.1-1819 of Virginia's Property Owners' Association Act. The Association's Board hereby adopts the provisions of Section 55.1-1819 of Virginia's Property Owners' Association Act, which states the Board shall also have the power to:

a. Suspend a member's right to use facilities or services, including utility services, provided directly through the association for nonpayment of assessments which are more than 60 days past due, to the extent that access to the Lot through the Common Areas is not precluded and provided that such suspension shall not endanger the health, safety, or property of any owner, tenant, or occupant; and

b. Assess charges against any Member for any violation of the Declaration, Bylaws or Rules and Regulations for which the member or his family Members, tenants, guests, or other invitees are responsible.

2. Suspension of Common Area Facilities Use Rights and Utility Services.

a. Common Area Facilities Use. Pursuant to Section 1.a of this Resolution, the Board may suspend an Owner's right to use the Association's facilities and services for nonpayment of any assessment against the Owner's Lot which is more than 60 days past due. An Owner's rights to use the facilities and services shall be suspended only after the Owner is afforded the due process procedures set forth in this Resolution.

3. Due Process Procedures. Failure to Pay Assessments.

a. When an Owner may be asked to attend a Due Process Hearing. In the event any Lot Owner's assessment account is more than 60 days past due, the Board may, in its sole discretion, notify the Lot Owner a due process hearing will be noticed and conducted in accordance with Rule 5 below.

b. Possible Delinquent Account Due Process Hearing Result. As a result of the due process hearing, the Board may suspend a Lot Owner's right to use the Association's services and facilities.

4. Due Process Procedures. Governing Documents.

a. Violation, First Notice. When a violation of the Declaration, Bylaws, Rules and Regulations or Resolutions, is either observed by or reported to the Board of Directors or the Association's Manager, the Owner will be issued a written warning to notice the Owner of the covenant violation. This covenant violation notice will state the specific nature of the violation, the action required to abate or cure the

violation, a reasonable time to cure the violation and the Board's authority to impose sanctions for failure to abate or correct the violation, after an opportunity to be heard.

b. Repeat of Cured Continuing or Single Occurrence Violation. In the event the Owner cures or abates the violation within the time frame stated in the covenant violation letter, the Owner is hereby notified the Board of Directors may, in its sole discretion, consider any repeat of the same violation within the next twelve (12) months a continuing violation of the noticed covenant violation and may schedule a due process hearing in accordance with Rule 5 below without further written covenant violation notices.

c. When an Owner will be asked to attend a Due Process Hearing. If the covenant violation is not cured within the time frame set forth in the covenant violation letter, or if the violation is of a non-continuing, single occurrence, nature and the Board determines a due process hearing is necessary, a notice of due process hearing will be issued. The due process hearing notice, hearing and results correspondence will comply with the provisions of this Resolution.

d. Possible Covenant Violation Due Process Hearing Result. If the Board finds the Owner to be in violation as a result of the due process hearing, charges may be assessed in an amount not to exceed fifty (\$50.00) dollars for a single offense or ten (\$10.00) dollars per day for a violation of a continuing nature until the violation is cured or, if the violation is not cured, for a period not to exceed ninety (90) days. Such charge(s) shall be treated as a lien against said Owner's Lot and shall have the same force and effect as if the charge was a part of the Assessments attributable to such Owner.

The Board of Directors may, in its sole discretion, consider any repeat of the same violation within twelve (12) months of the date of the due process hearing results letter a continuing violation of the violation for which the due process hearing was held and may impose charges for such covenant violation provided such notice of and potential imposition of charges is set forth in the due process hearing result letter required by this Resolution.

5. Due Process Notice, Hearing and Results Correspondence.

a. Due Process Hearing Notice.

1. The due process hearing notice will set forth the time, date and location of the due process hearing.
2. The due process notice shall provide the address of record, including any facsimile or email address if applicable, at which the Association may be contacted regarding the due process proceedings.
3. The Due Process notice shall state the alleged violation(s) and actions that may be taken by the Association related to such

violation.

4. The due process notice shall advise the Owner that they may have an attorney present to represent the Owner at the due process hearing but that they are not required to have an attorney.
5. Notice of the due process hearing shall, at least fourteen (14) days in advance thereof be hand delivered or mailed by certified United States mail, return receipt requested, to such Owner at the address of record with the Association for notices of meetings of the Association.
6. Any request to change a scheduled due process hearing date must be submitted in writing to the Association's address of record no later than twenty-four (24) hours prior to the due process hearing date. Approval of the Owner's request to postpone the due process hearing shall be mailed by U.S. Mail to the Owner's address of record with the Association, or if the Owners correspondence expressly requests response via email, such notice shall suffice. The postponement approval shall state the time, date and place of the rescheduled due process hearing and by requesting and receiving such postponement, the Owner agrees to waive the requirement of any additional notice of hearing and waives the right to have such notice sent via certified mail or hand-delivery.

b. Due Process Hearing. The due process hearing shall be conducted by at least a quorum of the Association's Board of Directors or by a Board appointed Tribunal.

Failure of an Owner to attend the scheduled due process hearing shall not waive the Board's right to continue to hold the due process hearing unless a postponement has been requested and granted in accordance with Paragraph 5. Should the Owner fail to request a postponement and/or fail to attend the due process hearing, the Board shall, even though the Owner is absent, have the authority:

(1) To suspend a Lot Owner's right to use the Association's recreational facilities; and/or

(2) Impose charges against the Owner.

All due process hearing results shall apply to the Owner, the Owner's family, guests, invitees, licensees and/or tenant(s) and the tenant's(s') family, guests, invitees and licensees

c. Due Process Hearing Result Correspondence. The due process hearing result shall be mailed by certified mail, return receipt requested, to the Owner at

the address of record with the Association within seven (7) calendar days of the due process hearing.

d. Costs of Enforcement. Any Owner found to be in violation shall be responsible for all attorneys' fees, administrative costs, including any postage fees and court costs that may result in the enforcement pursuant to this Resolution. Such fees and costs shall have the same force and effect as if the charge was an assessment attributable to such Owner.

6. The adoption of Section §55.1-1819 of the Property Owners' Association Act shall mean §55.1-1819 the Code of Virginia, 1950, as in effect on the date of this Resolution, and as amended from time to time thereafter. Except as otherwise expressly permitted herein, if any sections of the Virginia Code referred to in this Resolution are hereafter repealed or recodified, each such reference shall be deemed to apply to the sections of the Virginia Code that is the successor to the previous section referred to herein or, if there is no successor section, such reference shall be interpreted as if the section had not been repealed.

7. Other Remedies.

These Rules and Regulations shall not be interpreted to prevent the Association from exercising any other remedies authorized or available under the Governing Documents, the Property Owners association Act, or applicable law.