

**THE COVE HOMEOWNERS ASSOCIATION
OF SEMINOLE COUNTY, INC. (“ASSOCIATION”)**

GENERAL POLICIES & PROCEDURES

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I. Introduction

This publication is an accumulation of the Association's policies. It is intended to be a statement of purpose, policies, values, perspectives and relationships. Because of its nature, this is intended to be a "work in progress" in the respect that it will continue to grow and to be modified as better information and values are discovered. The hierarchy of authority begins with the members who make up the Association's Board of Directors.

It is intended that this publication serve as a tool that will assist in organizing the leadership of the Association and provide a foundation for the future leaders to respect and build upon.

II. General Information

The Association is comprised of 129 units with address locations on Reagan Trail, Safe Harbor Lane, Night Breeze Lane, Teak Place and Tidal Pool Cove. The Association is located in unincorporated Seminole Country.

As a private homeowners association, we are governed by our Articles of Incorporation, By-Laws and Declaration of Covenants, Conditions & Restrictions (collectively "Governing Documents"). We elect our own Board of Directors ("Board" from our unit owner membership ("members")) and the Board manages the affairs of the Association on behalf of our members.

Annual meetings are to be held in May. Regularly scheduled board meetings are held throughout the year.

The Board, on behalf of the Association, retains the services of a professional management company to handle the day-to-day operations of the Association as well as any other functions assigned to them from time to time.

The Association and the management company do not have the responsibility for law enforcement at the Association. The responsibility for dealing with suspicious or criminal activity remains exclusively with the Seminole County Sheriff's Office.

In accordance with the Association's Governing Documents, the Association intends to enforce the provisions of this document and the Governing Documents by any and all means available to the Association at law or in equity, and to seek recovery and reimbursement of all reasonable attorneys' fees, Association expenses and costs incurred by the Association in connection therewith.

Failure by the Association, the Board or any person to enforce any provision of this document shall in no event be deemed to be a waiver of the right to do so thereafter.

In the case of any conflict between the Governing Documents and this document, such provisions of the Governing Documents shall take precedence and supersede any provisions of this document.

In the event a Court of competent jurisdiction finds a provision of any of these Policies & Procedures void or otherwise unenforceable, the other provisions shall remain in full effect.

III. Adopting and Implementing General Policies and Procedures

The Board of Directors has adopted the following policy around the adopting and implementing general policies and procedures.

The Board, in its sole discretion, has the authority to implement general policies and procedures which it feels are just, sensible, not excessive and intended to promote legitimate goals for the benefit of the Association as a whole.

When proposing the implementation or modification of a policy or procedure, the Board will ensure that such proposal is:

- A. Consistent with applicable federal, state and local statutes
- B. Consistent with the Association's Governing Documents
- C. Fair and will not create a separate group or class of members
- D. Clear and unambiguous
- E. Uniformly enforceable

The following procedure shall apply to the Association's authority to implement policies and procedures.

- A. Adoption shall require a majority vote of the Board at a board meeting properly noticed and open to members.
- B. The Board may provide notice to the members of the issue and the proposal(s) to address the issue by policy or procedure.
- C. The Board may seek the comment of the members prior to voting on the adoption of the policy or procedure.
- D. The policy or procedure shall become effective 30 days after it is adopted by the Board and published to the members of the Association.

The Board is empowered in the Association's Governing Documents to adopt and publish rules and regulations governing the use of Common Area only. Any proposed changes to the Association's Governing Documents will be made in accordance with amendment provisions contained therein.

IV. Ethics and Conflict-of-Interest Code

The Board of Directors has adopted the following policy for board members, committee members and other volunteer leaders (individually or collectively referred to as “Volunteer Leaders”) of the Association. These principals and guidelines are intended to provide guidance with respect to issues pertaining to ethics or conflicts of interest as well as a mechanism for addressing violations of this policy. All Volunteer Leaders are required to certify to having received a copy of this Ethics and Conflict-of-Interest Code (the “Code”) as well as to agreeing to abide by the Code in its entirety.

A. Responsibilities of Volunteer Leaders

Volunteer Leaders are entrusted with the operation of the Association by its members and as such they must always hold themselves to the highest standards. A member serving as a Volunteer Leader represents and warrants that at all times in fulfilling their role they will:

1. Make every effort to attend and participate in all scheduled meetings and to respect parliamentary procedure at such meetings, refraining from speaking out of turn and participating in a businesslike manner.
2. Fully comply with all provisions of the Association’s governing documents and endeavor to uniformly enforce the Association’s governing documents.
3. Use their best efforts to at all times make decisions that: (1) represent the best interests of the members of the association; (2) are consistent with high principles; and (3) protect and enhance the welfare and property values of the Association and its members.
4. Focus his or her efforts on the mission of the Association and to do nothing that would violate the trust of the Association’s members.
5. Approach all Association issues with an open mind and make reasonable inquiry in an effort to ensure that all decisions are made in what the Volunteer Leader believes to be the best interests of the Association as a whole.
6. Protect the confidentiality of the personal lives of other Volunteers Leaders, owners or resident of the community.

7. Refrain from engaging in any writing, publishing or speech that defames or disparages any other Volunteer Leader, owner or resident of the community.
8. Refrain from interfering with the system of management established by the Board as a whole and the Association's management personnel and will not harass, threaten or attempt through any means to control, intimidate, extort or instill fear in another Volunteer Leader, owner, resident or management personnel.
9. Exercise only their official authority, except to the extent that other specific authority has been delegated by the Board to that Volunteer Leader.
10. Conduct themselves in a considerate and professional manner during all committee meetings, membership meetings and Board meetings.

B. Responsibilities of Directors

As a member of the Board of Directors, a member further represents and warrants that at all times in fulfilling their role they will:

1. Refrain from divulging to persons other than Board Members, the Association's professional advisers or others whose work is essential to the work of the Board as a whole any information that is confidential or privileged information received by the Board from the Association's legal counsel.
2. Operate, make decisions and act collectively as a Board. No single director has the authority or power to act individually or independent of the Board unless: (1) the Board specifically grants, by a majority vote, an individual director such authority or power; or (2) the Association's governing documents provide for such individual authority.
3. Recognize that as a director they are obligated to act in a fiduciary capacity and use their best efforts to ensure the Association's finances are well managed.
4. Accept and support the decision of the majority of the Board and acknowledge the finality of a Board vote on a particular issue by not reintroducing issues unless there is an intervening and substantial change in the underlying facts.

C. Conflicts of Interest

Volunteer Leaders have an affirmative duty to conduct all dealings with honesty and fairness and to safeguard information that belongs to the Association. With respect to the potential for conflicts of interest, a Volunteer Leader represents and warrants that at all times they will:

1. Refrain from using their position for personal advantage or for the personal advantage of the Volunteer Leader's immediate family.
2. Promptly disclose all direct or indirect financial interest that a Volunteer Leader or their immediate family has in a contractor or supplier or any other potential conflict of interest that might arise from time to time.
3. Refrain from knowingly misrepresenting any material fact to anyone for the purpose of advancing a personal cause or influencing owners or residents to place pressure on the Board to advance a personal cause.
4. Refrain from soliciting or accepting, directly or indirectly, any gift, gratuity, favor, entertainment, loan or any other thing of value from any resident, contractor, supplier or person who is seeking to obtain contractual or other business from the Association.
5. Recuse themselves from voting or any of the following matters:
 - a. Discipline of the Volunteer Leader
 - b. As assessment against the Volunteer Leader for damage to the common areas
 - c. A request by the Volunteer Leader for a payment plan for overdue assessments
 - d. A decision whether to foreclose a lien on the separate interest of the Volunteer Leader
 - e. Review of a proposed physical change to the separate interest of the Volunteer Leader
 - f. Any other vote where it may be reasonably assumed that participation would demonstrate a conflict of interest

D. Violations of the Code

Any Volunteer Leader who violates this Code shall be deemed to be acting outside the course and scope of their authority. Anyone in violation of this Code may be subject to disciplinary action, including, but not limited to:

1. Censure (private or public)
2. Removal from committees
3. Removal as an officer of the Board
4. Request for resignation from the Board
5. Legal proceedings

Any member who reasonably believes that a violation of the Code has occurred should promptly report such violation to the Board and provide all applicable supporting evidence.

Prior to taking any actions described above, all disinterested members of the Board shall review the evidence of the violation, endeavor to meet with the Volunteer Leader believed to be in violation, confer with the Association's legal counsel, and determine the appropriate action, if any, to pursue.

E. Certification

Each Volunteer Leader shall be provided a copy of the Ethics and Conflict-of-Interest Code to review and will be required to sign a certification attesting to their agreement to abide by its provisions. Such certification must be signed off prior to the Volunteer Leader assuming their responsibilities as a Volunteer Leader (for initial implementation, certification will be required within 10 days of the effective date of this policy). Copies of the signed Code will be maintained by the management company and noted in the minutes of the Board meeting next following such execution. The form to be used for certification can be found in the Index of this document.

V. Member Rules for Speaking at Regular Meetings of the Board of Director

The Board of Directors has adopted the following policy which pertains to the participation of members in regular meetings of the Board of Directors.

- A. All members of the Association have the right to attend regular meetings of the Association's Board of Directors.
- B. Tenants and other occupants of a property who are not members of the Association have the right to attend regular meetings of the Association's Board of Directors but have no participation rights unless specifically request of and granted by the Board.
- C. Association members shall have the right to speak to the Directors in attendance at a regular meeting of the Association's Board of Directors subject to reasonable restrictions imposed by this policy.
- D. The aggregate amount of time allotted for all member comments relative to a particular agenda topic shall be limited to 20 minutes unless otherwise indicated by the Director presiding of the meeting ("Chairperson").
- E. Each member's comments relative to a particular agenda topic shall be limited to 4 minutes unless otherwise indicated by the Chairperson.
- F. The meeting agenda shall include a topic for "Member Discussion" during which members will be given 30 minutes to comment on topics that were not designated on the agenda for the meeting.
- G. Each member's comments relative to a topic that was not on the agenda for the meeting shall be limited to 3 minutes unless otherwise indicated by the Chairperson.
- H. Members who do not wish to make comments at a meeting of the Association's Board of Directors may not yield to another member for the purpose of allowing the other member more than the allotted time for their comments.
- I. A member who desires to make comments during a meeting of the Association's Board of Directors shall indicate said desire on the sign-in sheet for attendees and shall indicate which agenda topic they wish to comment on or whether the comments pertain to the "Member Discussion" agenda topic.

- J. Subject to time limits imposed here, a member who did not indicate a desire to speak when they signed the attendance sheet may express their desire to speak by raising their hand after all members who properly indicated their own desire to speak have concluded their comments. The Chairperson shall call upon such members in the order in which they raised their hand as long as time limits permit.
- K. Members who intend to make comments to the Board of Directors shall wait to be called upon by the Chairperson or raise their hand and be recognized by the Chairperson before speaking.
- L. Members shall be respectful of all others in attendance, shall not interrupt others while they are speaking and shall refrain from the use of derogatory comments directed towards other individuals.
- M. Members shall state their first and last name and their address before commencement of their comments.
- N. Members who violate this policy or who otherwise disrupt the meeting in a manner that interferes with the Board's ability to conduct its business shall be subject to expulsion from the meeting at the sole discretion of a majority of the Board.
- O. Unless otherwise permitted by state law, the Association's Governing Documents or an order of the court, a member shall not record (audio or video) any regular meeting of the Association's Board of Directors.

VI. Enforcement of Covenants and Rules

The Board of Directors has adopted the following procedure to govern the process that is to be followed for enforcement of the Association's Governing Documents and this Policy & Procedure manual.

A. Informal Resolution of Alleged Violation

Any member of the Association may directly request another member of the Association to rectify or resolve any perceived act or omission which appears to be in violation of the Governing Documents.

In the event the perceived violation is also a violation of Federal, State or local laws or regulation, the Board may request the complaining member to contact the appropriate government entity to report the perceived violation.

B. Formal Resolution of Alleged Violations

A member may initiate a formal resolution of an alleged violation by filing a written notice with the Board. The notice must clearly indicate the specific nature of the alleged violation, the date, the time and the location of the alleged violation.

If, within the discretion of the Board, the written notice does not allege facts necessary to constitute a violation, the complainant will be notified in writing as to why no action will be taken. The complainant may request a reconsideration of the complaint.

If the Board, having reviewed the allegations contained in the notice, believes a violation of the Association's Governing Documents may have occurred, the Board will request the management company to initiate the notification process to the violating member.

The Board (individually or collectively) and the management company are authorized, based upon their own eyewitness account, to initiate the notification process for violation of any Governing Document or any Policy & Procedure.

If the accused individual is a tenant, family member, guest or agent of the member, that member will be notified. The letter will be issued by the management company, will request correction within 30 days and will require a written response to contest the violation notice.

If a written response is received by the management company and provided to the Board within the 30 days that either adequate corrective action has occurred or the Board determines from the response that there has been no continuing violation, the matter may be considered closed with a majority vote of the Board.

If no response is received and no corrective action is taken within 30 days, the Board, by majority vote, will request the management company to send a final letter to the member providing an additional 14 days for corrective action to occur. If, after the final 14 day notice, the violation has still not been resolved, the Board may, at their discretion and by majority vote, forward the complaint to the Association's legal counsel to initiate legal action against the member.

In the event that the Board believes a violation entails a safety, health or other immediate risk or feels the violation is so severe that it requires immediately attention, it may, by majority vote, bypass the notification process and forward the complaint directly to the Association's legal counsel.

VII. Requests for Gate to Remain Open

The Board of Directors has adopted the following procedure to govern the process that is to be followed for handling requests from members for the gate to the community to remain open for a specified period of time.

The Board recognizes the importance of assisting members in facilitating the timely and orderly sale of their home should a member elect to sell. From time to time, a member may choose to facilitate an "open house" to assist in this effort and thereby request that the Association gate remain open for a specified period of time so that prospective buyers can more easily gain access to the open house. In the event the need arises to request the gate to remain open, the member should contact the management company with the exact date and specific hours (not to exceed four (4) consecutive hours) they are requesting no less than seven (7) days in advance of the request date. Such requests may not be recurring and shall be for no more than two (2) dates in any calendar month.

Upon receipt of a request in good order and in compliance with this policy, the management company will notify the board of the request upon receipt and schedule the event(s). Any requests received by the management company from members that do not comply with this policy will require a supporting explanation for the non-compliance and will be require approval by the majority of the Board prior to scheduling.

VIII. (Intentionally Left Blank)

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Certification of Ethics and Conflict-of-Interest Code

The Cove Homeowners Association of Seminole County, Inc.

Certification of Ethics & Conflict-of-Interest Code

The Board of Directors of The Cove Homeowners Association of Seminole Country, Inc. (the "Association") has adopted an Ethics and Conflict-of-Interest Code ("Code") to govern the conduct of all board members, committee members and other volunteer leaders (individually or collectively, "Volunteer Leaders").

I, the undersigned, acknowledge receipt of the Code and I hereby certify that I have read and that I understood the Code in its entirety. By my signature on the date indicated below, I agree to abide by the Code and I acknowledge the potential for possible sanctions against me for violations of such as set forth in Section D of the Code.

Date: _____

Printed Name: _____

Signature: _____

Index B

History of Revisions

09-27-2017 – Board adopted policies I – VII with effective date of 10-28-2017.