POLICY AND PROCEDURE FOR VIOLATION OF COVENANTS ON ARCHITECTURAL CONTROLS

- (1) Any alleged violation of the covenants that pertain to architectural controls (Declaration of Covenants: Paragraphs 1, 2, and 4) shall be brought to the attention of the Association's Architectural Control Committee (ACC) in writing.
- (2) A member of the ACC, or another designated Association member, shall inspect the location of the alleged violation. (Inspectors shall adhere to the ACC's Member Guidelines.) The ACC shall determine whether the alleged modification exists and whether it is architectural, i.e., within the scope of the architectural covenants. If it is not, there is no architectural violation.
- (3) The files of the Association Manager shall be checked. If the architectural modification has been approved, no further action shall be necessary. If not, the modification automatically shall be in violation of the said covenants.
- (4) In all subsequent actions under this policy the Manager shall update the lot owner's file so that the Association has a complete record of any correspondence or any actions taken. Wherever possible, the file shall contain original documents. The manager shall certify the accuracy of any copies.
- (5) If the violation is deemed by the ACC to be minor, the ACC shall send a "Modification Completed" letter to the lot owner and a copy to the Manager. The modification shall no longer be in violation.
- (6) If the violation is deemed by the ACC to be major, the ACC shall assess whether it would be likely to approve the modification were a suitable request to be submitted. The ACC shall inform the Board and the Manager of its findings. The Manager shall send copies of the appropriate letter to the ACC Chairman and by return-receipt certified mail to the lot owner: (a) for approvable violations, use the "Greeting Violation" letter and attachments; (b) for others, use the "Preliminary Violation" letter and attachments.
- (7) A Request for Architectural Modification received as a result of a Greeting Violation letter shall be reviewed at the next regularly scheduled ACC meeting:

(a) ACC-approved requests shall be forwarded to the Manager, who shall send copies to the ACC Chairman and to the lot owner; the modification shall no longer be in violation.

(b) ACC-rejected requests shall be forwarded to the Manager, who shall promptly notify the lot owner by return-receipt certified mail and describe the options available (see Paragraph 8).

(8) For violations noted under Paragraphs 6b or 7b the lot owner has the following options, one of which must be completed within four weeks of the date of notification: (i) remove the modification and restore the area to its original condition, or (ii) appeal the ACC's action to the Board.

- (9) If the Manager has received no satisfactory response within six weeks to a letter sent under Paragraph 6 or 7b, the Manager shall inspect the lot and report the results to the Board in writing within two more weeks. The Board shall then review the situation.
- (10) An ACC action may be appealed by any member of the Association within six weeks of the action. Any architectural modification rejected by the Board upon appeal shall be in violation. Any architectural modification approved by the Board upon appeal shall no longer be in violation.
- (11) If the Board finds that a major architectural violation exists under paragraphs (9) or (10), the Board shall send a return-receipt certified warning letter to the lot owner. This letter shall describe the architectural violation clearly and shall advise the lot owner that the violation must be removed within four weeks of receipt of the letter or else the matter will be referred to an attorney for legal action.
- (12) Any and all costs to the Association for the enforcement of the architectural control covenants shall be recoverable from the person(s) in violation of this policy.

This resolution shall become effective immediately after its adoption.

Approved by the Derwood Station Homeowners Association No. 2, Inc. Board of Directors on April 13, 1992.

Art Rawson, President

Robert Cole, Secretary

Derwood Station Homeowners Association No. 2, Inc. Board of Directors Policy on Architectural Control Violations

RESOLUTION

WHEREAS, Derwood Station Homeowners Association No. 2, Inc., was formed "to organize and operate an association exclusively for recreational, educational, charitable and welfare purposes" (Articles of Incorporation, THIRD)

WHEREAS, the Association's Bylaws (Article VII, Section 1c) empower the Board of Directors of the Association to "exercise for the Association (sic) all powers, duties and authority vested in or delegated to this Association and not (otherwise) reserved to the membership"

WHEREAS, the Board is required by the Bylaws (Article VII, Section 2h) to perform all duties that may be required of the Board by the "Declaration" (defined in Article II, Section 7 as "the Declaration of Covenants, Conditions and Restrictions applicable" and recorded among the Land Records of Montgomery County, Maryland, as the "Declaration of Covenants, Covenants and Restrictions," Liber 5699, Folios 101--119)

WHEREAS, the Association's Bylaws (Article IX) require the Board to appoint "an Architectural Control Committee (ACC) as provided for in the Declaration of Covenants" (Liber 5848, Folios 787--790)

WHEREAS, in March of 1990 none of the original ACC members or their designated successors were members of the ACC, which therefore consisted of the owners of the properties comprising Parcel 1 in the "Declaration of Covenants, Covenants and Restrictions"

WHEREAS, in April of 1990 the Board found that a majority of those owners had voted in accordance with the said Declaration of Covenants to "designate the Board of Directors as their representative" to the ACC and had required the Board to "appoint the standing A.C.C. in accordance with the Association's Bylaws"

WHEREAS, the Association's Bylaws empower the Board to employ a manager and prescribe the manager's duties (Article VII, Section 1e) and also require the Board to supervise its agents and see that their duties are properly performed (Article VII, Section 2b)

WHEREAS, the Board feels that it is in the best interest of the Association and its members that architectural modifications in the lots comprising said Parcel 1 comply with the "Declaration of Covenants" and reflect the current community standards as represented by members of the ACC

NOW THEREFORE, the Derwood Station Homeowners Association No. 2, Inc., Board of Directors adopts the following resolution to ensure member conformance with the Association's architectural guidelines.

BE IT RESOLVED AND MADE A POLICY OF THIS ASSOCIATION, as follows: