

DISPUTE SETTLEMENT MECHANISM SHOW CAUSE HEARING “GUIDELINES”

These guidelines have been adopted by the Queens Landing Board of Directors (the “Board”) and are provided to assist Unit Owners and the Board in understanding its handling of the dispute settlement mechanism, and related Show Cause orders, as necessary, on behalf of the Council of Unit Owners of Queens Landing Condominium (Queens Landing).

Unit owners are asked to provide the Property Manager with the following written information (tenant complaints must be submitted by the Unit Owner) when an alleged violation or complaint occurs:

- Your name and unit address
- Your email address (if applicable) and home phone number
- Date(s) and time(s) of the alleged violation(s)
- Unit address where the alleged violation(s) occurred
- Background circumstances of the alleged violation(s)
- Your concerns and recommended action
- A statement concerning your willingness to appear for a formal Board hearing

This information may be submitted via the Queen’s Landing Web Site at www.queenslanding.org select “Covenants tab” located on top of the page then, “Forms Online” located on the top right side of the page. You may also submit the information in person at the Property Manager Office located in the Clubhouse.

Once the written complaint/violation is received by the Property Manager, the following sequence as directed in Section 11-113 of the Maryland Condominium Act begins:

Courtesy Notice; A courtesy phone call, email, or letter will be sent to the violator requesting they immediately stop or correct the violation. No Community sanction or loss of privilege will occur. If the violation is not resolved within a reasonable time period as determined by the Property Manager, formal written notification will follow.

Written Notification; If the complaint/violation continues, written notification will be sent to the violator requesting they cease and desist from the activities that generated the violation. The letter will specify:

- Notification that a written complaint has been received
- The violation and the action required to stop the violation
- Time period (10 days) during which the violation may be stopped or a show cause hearing maybe requested without sanctions taken

If the violation continues past the ten (10) day period stated in the written notice or if the same rule/regulation is violated within 12 months of the written notice, the Board will serve the violator with a certified letter announcing a hearing to be held by the Board.

Certified Letter; If the violation continues as outlined above, a certified letter will be sent to the violator. The letter will specify:

- Nature of the violation
- Announcement of the time and place of a “Show Cause Hearing” (not less than 10 days from the notice)
- Invitation to the violator to attend the hearing, and to provide any statement, evidence or witness on his/her behalf
- Notification of that possible fines and/or sanctions could be imposed

The letter will also state that the hearing will be held in Executive Session (a closed hearing) and that the owner will be responsible for reimbursing all Queen’s Landing legal costs, as applicable, if it is determined that the owner has committed a violation.

Hearing; A hearing will be held should the violation not be resolved. A quorum of the Board of Directors is required to hold the hearing and will hear all evidence and circumstance relevant to the issue at hand. If it is determined that the owner has committed a violation, the Board may take such action as required to resolve the violation(s) to include any Community sanctions and fines as deemed appropriate. The Board may also choose to invoice the owner for any applicable legal costs incurred by the Association in addition to any sanctions or fines. All violations are subject to a \$25 maximum fine or 1% of the unit owners Association dues, whichever is higher, which maybe levied daily and/or per occurrence without further hearings and possible loss of Community privileges. Unpaid fines and other costs may be subject to formal collection action, as defined in the Bylaws, including filing a lien against the property.

The hearing will be conducted in executive session at which only Board members, the Board’s invited witnesses, the charging Unit Owner(s), witnesses, and legal counsel (if applicable), the accused Unit Owner(s), witnesses, legal counsel (if applicable), Property Manager, and Association legal counsel (if applicable) will be permitted to be present at the hearing. The accused Unit Owner(s) does not have to be present.

The President of the Board, or his/her designee, will serve as the Hearing Officer of the hearing. The Property Manager or President will state the basis of the complaint/demand, with the assistance of any material witnesses (if applicable). The accused Unit Owner(s) will have the opportunity to provide his/her own witnesses, and to have a reasonable period in which to present any mitigating circumstance or “show cause” in his/her defense. The unit owner shall have the right to cross-examine witnesses.

Report; At the conclusion of the hearing, the Board shall either issue a finding to those present or issue within a reasonable time a written opinion of its findings. The Board’s written opinion will include confirmation of the original notice of violation(s), a brief statement of who was present at the hearing, the violation, the evidence presented at the hearing, the decision reached, a brief explanation of the decision, and any remedy imposed including sanctions and/or fines and the time table for compliance. Fines that

are not paid within 15 days will be subject to late fees and will be subject to a lien in accordance with the Governing Documents and the Maryland Contract Lien Act.