

**UNANIMOUS CONSENT TO ACTION
BY THE BOARD OF DIRECTORS
MOUNTAIN TRAILS COMMUNITY ASSOCIATION**

c/o AAM, LLC
1600 W Broadway Rd., Ste 200
Tempe, AZ 85282
(602) 957-9191

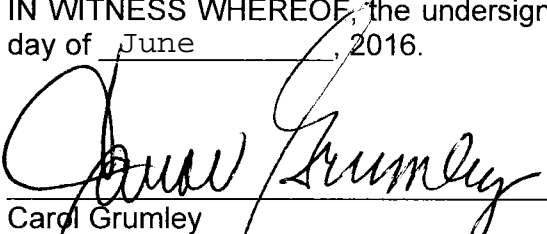
FINE POLICY AND APPEAL PROCESS

The undersigned, constituting all of the members of the Board of Directors of Mountain Trails Community Association, an Arizona nonprofit corporation, hereby take the following actions in writing and without a meeting pursuant to Section 10-3821, Arizona Revised Statutes, which actions shall have the same force and effect as if taken by the Board at a duly called meeting of the Board.

RESOLVED, that the Board of Directors hereby approves the Fine Policy and Appeal Process for Mountain Trails Community Association attached to this resolution.

The Board of Directors hereby instructs the managing agent to notify all Owners of the implementation of the Fine Policy and Appeal Process effective as of June 1, 2016.

IN WITNESS WHEREOF, the undersigned have executed this consent as of this 1st day of June, 2016.



Carol Grumley
President and Director, Board of Directors



Michael Milovanovic
Vice President and Director, Board of Directors



Ryan Johnson
Secretary/Treasurer and Director, Board of Directors

**MOUNTAIN TRAILS COMMUNITY ASSOCIATION
FINE POLICY AND APPEAL PROCESS
Effective June 1, 2016**

FINE POLICY

Pursuant to the Declaration, the Association shall have the right to adopt a schedule of fines for violation of any provision of the Governing Documents. The following Fine Policy and Appeal Process shall be followed for Mountain Trails Community Association:

FIRST NOTICE: An initial notice of the violation shall be mailed to the Owner requesting compliance within fourteen (14) days - **NO FINE**.

SECOND NOTICE: If violation still exists fourteen (14) days after the initial notice of violation, a second notice requesting compliance within fourteen (14) days shall be mailed to the Owner. A **\$25.00 FINE** will be assessed with the second notice of violation and is due immediately.

THIRD NOTICE: If violation still exists fourteen (14) days after the second notice of violation, a third notice requesting compliance within fourteen (14) days shall be mailed to the Owner. A **\$50.00 FINE** will be assessed with the third notice of violation and is due immediately.

FOURTH NOTICE: If violation still exists fourteen (14) days after the third notice of violation, a fourth notice requesting compliance within fourteen (14) days shall be mailed to the Owner. A **\$50.00 FINE** will be assessed with the fourth notice of violation and is due immediately.

CONTINUING VIOLATIONS: If the violation continues without resolution after the fourth notice of violation, a **FINE of \$100.00** shall be assessed **every fourteen (14) days** until the violation is resolved. In addition, the Board of Directors shall have the right to remedy the violation and/or take legal action, the cost of which shall be invoiced to the Owner and collected in the same manner as assessments.

FINES: No fine shall be imposed without first providing a written warning to the Owner describing the violation and stating that failure to correct the violation within fourteen (14) days or ***another occurrence of the same violation within three (3) months*** of the original violation shall make the Owner ***subject to imposition of a fine***. Failure to pay any fine shall subject the Owner to the same potential penalties and enforcement as failure to pay any assessments under the Declaration.

SELF HELP: Pursuant to Article 12.3 of the Declaration, In the event any portion of any Lot is so maintained as to present a public or private nuisance, or as to substantially detract from the Appearance or quality of the surrounding Lots or other areas of the Property which are substantially affected thereby or related thereto, or in the event any portion of a Lot is being used in a manner which violates this Declaration, or in the event the Owner of any Lot is failing to perform any of its obligations under this Declaration or the Association Rules, the Association may give notice to the offending Owner of the

particular condition or conditions that exist and inform the Owner that, unless corrective action is taken within fourteen (14) days, the Association may cause such action to be taken at said Owner's cost. If at the expiration of said fourteen (14) day period of time the requisite corrective action has not been taken, the Association shall be authorized and empowered to cause such action to be taken (either by undertaking such corrective actions or bringing suit to compel the offending Owner to undertake such corrective action) and the cost thereof, together with any attorney's fees expended by the Association in connection therewith, shall be added to, and become a part of, the Assessment to which the offending Owner and the Owner's Lot is subject, if any, and shall be secured by the Assessment Lien. The Association is hereby granted an easement to enter the Lot to perform such corrective action and, to the extent the Association or its agents or contractors enters the Owner's Lot to perform such corrective action, they shall not be deemed guilty of trespass. The Board may delegate any of its rights and responsibilities under this Section to a Committee appointed by the Board, or to its managing agent.

Notwithstanding the foregoing, the Board of Directors reserves the right to seek Injunctive Relief at anytime regardless of the presence or absence of notices hereunder, for any violation that the Board of Directors determines in its sole and absolute discretion constitutes a material danger to persons or property or requires immediate action for any other substantial reason.

The Board of Directors reserves the right to take any action permitted by law or the Declaration, in addition to the above mentioned fine policy.

APPEAL PROCESS

- When a violation notice is sent to an Owner, such notice shall include a statement notifying the Owner that he/she has the "RIGHT OF APPEAL."
- When an Owner desires to appeal a violation, he/she must so notify the Management Company in writing within twenty one (21) days after the date of the violation notice.
- Appeals shall demonstrate *extenuating circumstances* which require deviation from the Governing Documents.
- Appeal shall include all pertinent backup information to support the existence of the *extenuating circumstance*.
- All decisions of the Board are final and may not be further appealed.
- Any appeal that does not meet the above requirements shall not be heard by the Board and shall be considered **DENIED**.
- The Owner appealing the violation will be given written notice that the appeal has been received and it will be reviewed by the Board.
- If the appeal is denied, the Owner must bring the violation into compliance within fourteen (14) days. If the violation still exists after fourteen (14) days, the Owner will be fined until the violation is corrected. In addition, the Board of Directors may seek legal action to remedy the violation. All costs of legal action will be billed to the Homeowner and collected in the same manner as assessments.