

Pine Meadows Homeowners Association, Inc.

Fine Policy (Other than for Delinquent Assessments)

The undersigned, constituting all the members of the Board of Directors ("Board") of Pine Meadows Homeowners Association, Inc., an Arizona non-profit corporation ("Association"), hereby take the following action pursuant to the Association's By-Laws Section 5.09(G) and PART X, and ARS §§ 10-3302 and 10-3821, effective the 1st day of April, 2025 ("Effective Date").

RESOLVED: The Board of Directors hereby approves and adopts the following Fine Policy (other than for Delinquent Assessments) for the Association as of the Effective Date.

Fine Policy

First Notice (NO FINE): A courtesy violation letter shall be mailed to the Owner, which shall describe the violation and reference the section of the Declaration, Bylaws, law or other rule being violated ("First Notice"). The Owner will be required to remedy the violation within 21 days of the date the First Notice. The First Notice should describe the enforcement process, including the Owner's right to a hearing, the potential fines if the violation continues, and other legal remedies, including injunctive relief, available to the Association.

Second Notice: If the Owner has not cured the violation within 21 days of the First Notice, a second violation letter shall be mailed to the Owner, which shall reference the date of the First Notice and again request that the Owner remedy the violation ("Second Notice"). The Owner will be required to remedy the violation within 14 days of the date of the Second Notice. If the Owner fails to remedy the violation within 14 days of the Second Notice, a fine will be assessed in accordance with the Fine Schedule below, contingent only on the Owner's right to a hearing and the resolution thereof.

Third Notice: If the Owner has not cured the violation within 14 days of the Second Notice, a third violation letter shall be mailed to the Owner, which shall reference the date of the Second Notice and again request that the Owner remedy the violation ("Third Notice"). If the Owner fails to remedy the violation within 7 days of the date of the Third Notice, an additional fine will be assessed in accordance with the Fine Schedule below, contingent only on the Owner's right to a hearing and the resolution thereof.

Continuing violation: If the Owner does not cure the violation within 7 days of the date of the Third Notice, additional violation letters may be sent to the Owner, each of which should clearly define what additional actions will be taken and what additional fines will be assessed in accordance with the Fine Schedule below, contingent only on the Owner's right to a hearing and the resolution thereof.

Minimum Content of Violation Letters: In addition to other information, as determined by the Board, all violation letters shall contain:

- The deadline by which a violation must be cured in order to avoid a monetary penalty.
- The monetary penalty to be imposed if the violation is not cured in a timely manner.
- A copy of the Declaration, Bylaws, law or other rule being violated.*

- A copy of Part X (Violation-Enforcement of Covenants other than For Delinquent Assessments) of the Bylaws*
- A copy of this Fine Policy.*
- Instructions and time limits for the Owner to request a hearing about the violation.

* Or the internet address of the Association's website if the relevant document can be found on the Association's website.

Notices by Regular Mail: Each violation letter shall be mailed by regular US mail to the Owner's address as shown in the records of the Association. If more than one person or entity owns a lot/unit, a notice to one Owner shall constitute notice to all Owners.

Hearing: Upon a timely request by the Owner, the Board shall conduct a hearing in accordance with Section 10.03 of the Bylaws. Upon conclusion of the hearing, the Board shall determine, in its sole and absolute discretion, whether a violation occurred and, if so, the amount of the monetary penalty, if any, to be imposed for such violation. Such monetary penalty may not exceed the fine amounts set forth in the violation letters sent to the Owner. The Board shall inform the Owner by regular US mail of its decision. After notice of hearing, if the Owner fails to appear at the hearing, the Owner shall have waived his or her right to a hearing regarding the violation.

Variances: The Board reserves the right, in its sole discretion, to vary from the fine schedule and/or vary from the Fine Policy, contingent upon the Board adopting a resolution that provides the reasoning and details of the variance. The Board also reserves the right, in its sole discretion, to escalate a compliance issue to the Association's attorney and/or pursue legal action to enforce a compliance issue at any time.

Costs and Expenses. The Board reserves the right, in its sole discretion, to charge the Owner for the Association's costs and expenses incurred in connection with the Board's attempts to resolve the violation or collect fines including, without limitation, attorneys' fees, costs, and expenses.

Fine Schedule

The Board has determined that the fine schedule and fine amounts are appropriate based on the nature of the violations. In determining the appropriateness of each fine, the Board has taken into account (at a minimum), the impact that the violation may have on the community as a whole, including but not necessarily limited to, property values and aesthetics; the impact that the violation may have on individual members of the community, including but not necessarily limited to, a negative impact on the quiet enjoyment of their property and/or the common areas; and whether the fine amount is sufficient to increase the likelihood of compliance and reduce the likelihood of recidivism.

Description of Violation	Second Notice*	Third Notice*	Cont.Violation* **
Article 6 and/or 16 of the CC&Rs (major architectural control violation)	\$100.00	\$200.00	\$200.00

Article 6 and/or 16 of the CC&Rs (minor architectural control violation)	\$50.00	\$100.00	\$100.00
Article 11 and/or 13 of the CC&Rs - Structures, lot, and/or Landscaping Maintenance/Repair/Replacement (major violation)	\$100.00	\$200.00	\$200.00
Article 11 and/or 13 of the CC&Rs - Structures, lot, and/or Landscaping Maintenance/Repair/Replacement (minor violation)	\$50.00	\$100.00	\$100.00
Article 19 (major parking/vehicle violations)	\$100.00	\$200.00	\$200.00
Article 19 (minor parking/vehicle violations)	\$50.00	\$100.00	\$100.00
Article 20 (major nuisance violation)	\$100.00	\$200.00	\$200.00
Article 20 (minor nuisance violation)	\$50.00	\$100.00	\$100.00
All Other Violations	\$50.00	\$100.00	\$100.00

*The Board reserves the right to impose fines in amounts in excess of those set forth in the Fine Schedule, so long as the fine is reasonable in correlation to the violation.

**For continuing violations, the fine amounts set forth above may be levied on a daily, weekly or monthly basis, at the discretion of the Board, so long as the Owner is given notice.

Capitalized terms not defined in this Fine Policy itself are defined in the Association's Bylaws.

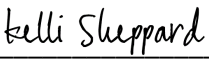
Pursuant to ARS 10-3821, as the action of the Board taken without a meeting, the undersigned, constituting all of the members of the Board, consent to, execute, and adopt this Fine Policy, effective as of the Effective Date.

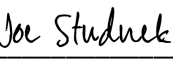
Signed by:

D318E914CE9D42E...
Jeff Ford

Signed by:

98851479EF7A4D6...
Nick DeBenedetto

Signed by:

8E11604CF88643B...
Kelli Sheppard

Signed by:

8A49BDA301C74B3...
Joe Studnek

DocuSigned by:

FD53EF0CA0B34CA...
Matt Donovan