

**RESOLUTION OF THE BOARD OF DIRECTORS #2004-1**  
**MESQUITE RANCH HOMEOWNERS ASSOCIATION**  
**ADOPTED August 12, 2004**  
**EFFECTIVE September 20, 2004**

**Violation Protocol Summary**

The Board of Directors of the MESQUITE RANCH HOMEOWNERS ASSOCIATION pursuant to Arizona Revised Statutes §33-1803, which provides that the Association's Board of Directors is entitled to impose fines for violation(s) of the Declaration of Covenants, Conditions and Restrictions (CC&RS), Rules or Project Documents adopts this resolution. The procedure for imposing fines for such violation(s) is set forth below:

**I. "Notice of Violation"** - A written "Notice of Violation(s)" together with a request to cease and desist from an alleged violation(s) shall be sent to the Owner of the Lot via regular mail and shall specify:

- (a) The alleged violation(s);
- (b) The action required to correct the violation(s)
- (c) A time period for compliance of not less than ten (10) days, if the violation(s) is a continuing one, or;
- (d) If the violation(s) is not a continuing one, a statement that any subsequent violation(s) of the same rule or provision of the CC&R'S may result in the imposition of sanctions after notice and hearing.
- (e) In the event that the Owner is leasing his/her home, the Association may provide a copy of the Notice of Violation(s) to the Owner's tenant.

**II. "Notice of Hearing"** - If the violation(s) continues past the period allowed in the "Notice of Violation" or if the same rule or provision of the Governing Documents is subsequently violated, the Compliance Committee via certified and regular mail shall serve the Owner with written "Notice of Hearing" to be held by the Board of Directors.

The notice shall contain:

- (a) The nature of the alleged violation(s);
- (b) The time and place of the hearing, which shall be not less than seven (7) days from the date of the notice;
- (c) An invitation to attend the hearing and produce any statement, evidence, and witnesses on his or her behalf;
- (d) The proposed sanction(s) to be imposed, which may include the imposition of a fine and the payment of any attorney fees incurred by the Association, in the event that the Association prevails in the suit, as allowed by the governing documents and law.

**III. Hearing.**

- (a) The hearing shall be held pursuant to the Notice of Hearing and the Owner shall be afforded a reasonable opportunity to be heard.
- (b) Prior to any sanction becoming effective, the Association shall submit proof of the notice and the invitation to be heard which shall be attached to the minutes of the Compliance Committee meeting.
- (c) Such proof shall be deemed adequate if a copy of the notice together with a statement of the date and manner of delivery is entered into the minutes by the officer or director who delivered such notice.
- (d) The notice requirement is satisfied if the Owner appears at the meeting.
- (e) The minutes of the meeting shall contain a written statement of the results of the hearing and the sanctions, if any, to be recommended to the Board.

**IV. Imposition of Fine and any other Sanctions.**

After the hearing, the Compliance Committee shall recommend to the Board of Directors the amount of the fine to be imposed, if any, based on:

- The seriousness of the violation(s),
- Whether this is a first violation or a continuing violation(s)
- Whether the type of offense poses a danger to property or any person
- Any other extenuating circumstances and whether the Owner agrees in good faith to correct the violation(s) within the time specified by the Compliance Committee.

After the Board of Directors determines the amount of the fine, if any, the Board of Directors shall send notice to the Owner of the amount of the fine and its due date. The Board of Directors is empowered to impose a fine for each day that the violation(s) continues. **SEE ATTACHMENT A – FINES GUIDELINES.**

The Board shall have the authority to deviate from the **FINES GUIDELINES** based on application of the factors contained in this section.

**V. Request for Reconsideration to the Board of Directors.**

- (a) The Owner may request reconsideration by the Board of Directors.
- (b) In order to schedule an appearance before the Board the Owner must submit a written request to the Association Manager within seven (7) days of receipt of notice of the sanctions.
- (c) The meeting shall be scheduled and the Owner notified of the date, time and location via certified and regular mail.
- (d) The meeting will be held pursuant to the Notice of Hearing and the Owner shall be afforded a reasonable opportunity to be heard.
- (e) After the meeting, the Board shall issue a ruling on whether the sanction stands, is modified or is rescinded.
- (f) The Board shall send a written notice to the Owner of its ruling.
- (g) The ruling of the Board will be final.

**VI. Payment of the Fine and/or Penalties.** The Board shall advise the Owner that any fine, which is not paid within fifteen (15) days of its due date, is delinquent and subject to late fees and/or interest consistent with the governing documents and applicable Arizona law.

**VII. Collection.** Collection of any fines and penalties may be enforced against any Owner in the manner consistent with the governing documents and applicable Arizona law.

**VIII. Effective Date.** The effective date of this resolution is 9-20-2004.

DATED this 12 day of AUGUST, 2004.

MESQUITE RANCH HOMEOWNERS ASSOCIATION

By: [Signature], President  
Attest: [Signature], Secretary

**RESOLUTION OF THE BOARD OF DIRECTORS #2004-2  
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**ATTACHMENT A - FINES GUIDELINES**

1. No fine shall be assessed until the Owner who has committed a violation has been given due written notice, and opportunity for a hearing.
2. Monetary fines for violation of the governing documents and rules and regulations of the Association are as follows:
  - First violation \$25
  - Second violation \$50
  - Third violation \$75
  - Each violation after the third \$100

The Board shall have the authority to deviate from the above schedule based on application of the factors contained in section IV of Resolution #2004-1.

3. If a corrected violation reoccurs within six months, the fine will immediately resume at next level.
4. It is the obligation of the Owner to advise the Association in writing that the violation has ceased.

**Effective Date.** The effective date of this resolution is SEPTEMBER 20, 2004.

Dated this 12 day of August, 2004.

MESQUITE RANCH HOMEOWNERS ASSOCIATION

By: [Signature], President

Attest: [Signature], Secretary