

**RESOLUTION OF THE BOARD OF DIRECTORS
PALOMINO POINTE ASSOCIATION**

**ADOPTING AMENDMENT TO RULES AND REGULATIONS
CC&R VIOLATION AND ENFORCEMENT POLICY**

WHEREAS, the Board of Directors of Palomino Pointe Association (the “Association”), an Arizona nonprofit corporation, has taken the following action at a duly called meeting of the Board;

WHEREAS, the Association is governed by the Declaration Conditions, Covenants and Restrictions for Palomino Pointe recorded in the Official Records of the Maricopa County Recorder’s Office at Instrument No. 2005-1283457 (the “CC&Rs”);

WHEREAS, the CC&Rs at Section 5.3 empowers the Board to adopt, amend, and repeal rules and regulations, as it deems reasonable and appropriate;

WHEREAS, the Board of Directors wishes to amend the Association’s Rules and Regulations CC&R Violation and Enforcement Policy (the “Enforcement Policy”).

BE IT THEREFORE RESOLVED that the Board of Directors hereby amends the Enforcement Policy as attached hereto at Exhibit A.

BE IT THEREFORE RESOLVED that this resolution and amendment to the Enforcement Policy be included in the books and records of the Association and that a copy of this resolution and amendment be sent to all homeowners together with the existing Enforcement Policy, giving 30 days before the amendment becomes effective.

IN WITNESS WHEREOF, a majority of the Board of Directors adopted this Resolution at a duly called meeting of the Board of Directors at which quorum was present held on _____.

Palomino Pointe Association

By: _____
Its: President

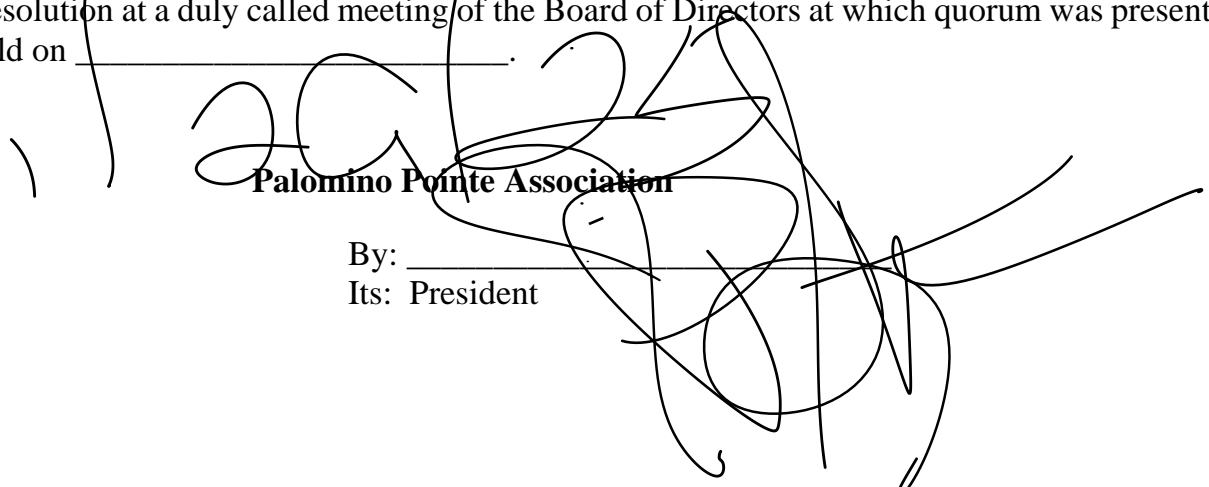


EXHIBIT A
Amendment to the Enforcement Policy

The Enforcement Policy is hereby amended by changing the following sections to raise the amounts of the monetary penalties/fines. The new amounts are **bolded and underlined**:

Second Notice and Assessment of Initial Monetary Penalty

The Association will assess an Initial Monetary Penalty of **two hundred fifty (250)** dollars if the Owner has not corrected or removed (or has chosen not to correct or remove) the violation or the violation has repeated or returned. The Owner will be given fourteen (14) calendar days to bring the violation into compliance.

Third Notice and Assessment of Additional Monetary Penalty

The Association will assess an Additional Monetary Penalty of **three hundred (300)** dollars if the Owner has not corrected or removed (or has chosen not to correct or remove) the violation or the violation has repeated or returned. The Owner will be given fourteen (14) calendar days to bring the violation into compliance.

Additional Monetary Penalty

After the imposition of the Maximum Initial Monetary Penalty, the full amount of the Additional Monetary Penalty of **three hundred (300)** dollars may be imposed upon subsequent inspections if the Owner has not corrected or removed (or has chosen not to correct or remove) the violation or the violation is repeated or has returned. Inspections will be conducted to coincide with the terms of the notices. The Owner will be given fourteen (14) calendar days to bring the violation into compliance.