

VILLAS AT PALM VALLEY CONDOMINIUM ASSOCIATION
Resolution to Adopt Fine Policy and Supplemental Fine Schedule

The undersigned directors of Villas at Palm Valley Condominium Association, an Arizona nonprofit corporation (the “**Association**”), constituting all of the duly-elected members of the Board of Directors, hereby take the action set forth below without a meeting pursuant to A.R.S. § 10-3821, which shall have the same force and effect as if taken at a meeting.

WHEREAS, the Association and its Members are governed by the Condominium Declaration for Villas at Palm Valley Condominiums recorded in the official records of the County Recorder of Maricopa County, Arizona, at recording number 2007-0015603 (“**Declaration**”), and the Association’s Bylaws, and Articles of Incorporation (collectively and together with the Declaration, the “**Condominium Documents**”);

WHEREAS, pursuant to Article 6, Section 6.1 of the Declaration, the Association shall have such rights, powers and duties as are prescribed by law and as are outlined in the Condominium Documents, together with such rights, powers, and duties as may be reasonably necessary to effectuate the objectives and purposes of the Association as outlined in the Declaration and the Condominium Act;

WHEREAS, pursuant to Article 6, Section 6.3 of the Declaration, the Board may adopt, amend, and repeal rules and regulations. The rules may, among other things, restrict and govern the use by any Unit Owner, or by any employee, agent, invitee, licensee, or lessee of such Unit Owner, of any area within the Condominium subject to the Association’s jurisdiction and control;

WHEREAS, pursuant to Article 11, Section 11.1 of the Declaration and A.R.S. §§ 10-3302 and 10-3613, the Board has the power to enforce the provisions of the Condominium Documents in any manner provided therein or by law or in equity;

WHEREAS, A.R.S. § 33-1242(A)(11), the Association may, after notice and an opportunity to be heard, impose reasonable monetary penalties on Owners for violations of the Condominium Documents; and

WHEREAS, the Board recognizes the need to adopt a fine policy and a supplemental fine schedule to enforce specific violations of the Condominium Documents.

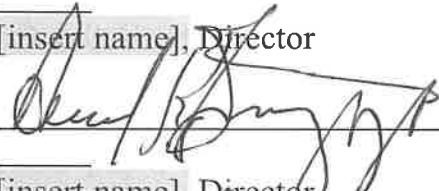
RESOLVED, that the Fine Policy (the “**Fine Policy**”) attached hereto as Exhibit A is hereby adopted and will be in effect as of the Effective Date; and

RESOLVED, that the Board reserves to itself the right to deviate from the Fine Policy and Schedule in certain cases, as the Board determines in its discretion to be appropriate.

IN WITNESS WHEREOF, the undersigned directors of the Association certify that, by unanimous written consent, the above resolutions were adopted on March 24, 2026.



[insert name], Director



[insert name], Director



[insert name], Director

[insert name], Director

[insert name], Director

EXHIBIT A

VILLAS AT PALM VALLEY CONDOMINIUM ASSOCIATION

FINE POLICY

(Effective Date: April 1, 2026)

I. SCOPE

The Plaza 333 Condominium Association (“**Association**”) Fine Policy (“**Policy**”) applies to all Members.

II. PURPOSE

The purpose of the Policy is to provide guidance for progressive fines for any violation of the Condominium Declaration for Villas at Palm Valley Condominiums, recorded in the official records of the County Recorder of Maricopa County, Arizona, at recording number 2007-0015603 (“**Declaration**”) or the other Condominium Documents (collectively, “**Violations**”) by its Members.

The Board intends to impose monetary penalties as authorized by A.R.S. § 33-1242(A) (11). In addition, the Board reserves the right to enforce the community’s restrictions in any other legal manner. The following Policy is intended only as a guide and does not create any rights or obligations.

III. FINE POLICY

FIRST NOTICE: An initial courtesy notice of the violation may be mailed via regular mail to the Member requesting compliance within ten (10) days. If the Member of the property is an absentee Member (offsite mailing address), a copy of the violation letter will also be sent to the tenant at the property address. **NO FINE** will be levied, but the letter will notify the Member of (1) the Board’s intent to levy a fine if the violation reoccurs or is not corrected by the deadline provided in the letter, and (2) the Member’s right to request a hearing.

SECOND NOTICE: If the violation recurs or remains after the deadline provided in the first notice, a second notice requesting compliance within ten (10) days may be mailed to the Member via regular mail. A **\$75.00 FINE** will be assessed and due within ten (10) days from the date of the second notice. The second notice will notify the Member of (1) the Board’s intent to levy a fine if the violation reoccurs or is not corrected by the deadline provided in the letter, and (2) the Member’s right to request a hearing.

THIRD NOTICE: If the violation recurs or remains after the deadline provided in the second notice, and the Association has not elected to pursue other legal remedies, a third notice requesting compliance within ten (10) days may be mailed via certified mail to the Member. A **\$100.00 FINE** will be assessed and due within ten (10) days from the date of the third notice. The third notice will notify the Member of (1) the Board's intent to levy a fine if the violation reoccurs or is not corrected by the deadline provided in the letter, and (2) the Member's right to request a hearing.

FOURTH NOTICE: If the violation recurs or remains after the deadline provided in the third notice, and the Association has not elected to pursue other legal remedies, a fourth notice requesting compliance within ten (10) days may be mailed via certified mail to the Member. A **\$125.00 FINE** will be assessed and due within ten (10) days from the date of the fourth notice. The fourth notice will notify the Member of (1) the Board's intent to levy a fine if the violation reoccurs or is not corrected by the deadline provided in the letter, and (2) the Member's right to request a hearing.

CONTINUING VIOLATIONS: If the violation recurs or remains after the fourth notice, a \$150.00 FINE may be assessed every ten (10) days until the violation is resolved, or each time the violation recurs. In addition, the Board shall have the right to take legal action against the Member.

REOCCURRING VIOLATIONS: If the same violation reoccurs within a one (1) year period following the date of any notice of violation, then the notification and fine process may resume from the most recent correspondence sent.

FINE: No fine shall be imposed without first providing a written warning granting the opportunity to be heard to the Member describing the violation and stating that failure to correct the violation within no more than ten (10) days, or another occurrence of the same violation within one (1) year of the most recent violation, shall make the Member subject to imposition of a fine.

SUPPLEMENTAL FINE POLICIES: The Board may adopt additional supplemental fine policies to address specific violations in the community, which shall be incorporated into this Fine Policy and made a part hereof. If a supplemental fine policy is not adopted, the Association's general fine policy shall control.

BOARD DISCRETION: Notwithstanding the foregoing, the Board, in its sole discretion, may at any time, after notice and an opportunity to be heard, assess a fine in an amount of up to \$10,000.00 for any incident the Board deems to be egregious, dangerous, that may threaten the life, health, safety, or welfare of any person, tenant, occupant, guest, invitee, or Member, or that may cause detriment or damage to any Association or other Member's property. The Board may levy this fine regardless of any past violation history.

INJUNCTIVE RELIEF: Notwithstanding anything herein to the contrary, the Board may request the Association's legal counsel to send a demand letter and/or seek injunctive relief against the Member to cure the violation at any time and without prior notice.

Notwithstanding the foregoing procedures, the Board of Directors reserves the right to deviate from the fine amounts and procedures set forth herein and reserves the right to seek Injunctive Relief at any time 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 reason. Moreover, the Board may, at any time during the enforcement process, refer the violation to legal counsel for action or pursue any other legal or equitable remedy available to the Association.

IV. VIOLATION APPEAL POLICY

When a violation notice is sent to a Member, the notice includes a statement notifying the Member that they have the "RIGHT OF APPEAL." When a Member wants to appeal a violation or fine, they must send the Association's management company a written notice requesting an appeal.

- Appeals shall be received within ten (10) days of the date of the violation notice.
- Appeals shall provide evidence that no violation existed or occurred, or demonstrate extenuating circumstances, which require deviation from the Condominium Documents.
- The Board may not hear any appeal that does not meet the above requirements and may automatically be considered denied.
- The Member appealing the violation will be given written notice that a hearing on the appeal is scheduled.
- The appeal shall be heard in Executive Session (unless Member requests that the appeal be heard in Open Session).
- The Board President will introduce all parties.
- Lengthy discussions are not a part of the appeal process.
- The Member who is appealing will be asked to state their case and present any applicable documentation.
- Each Board Member will have the opportunity to ask the Member specific questions regarding the appeal.

Upon completion of the question-and-answer period, the Board President will state that the appeal has been heard, and the Board will deliberate and make its decision in closed session. A "Written Notice" will then be mailed to the Member communicating the Board's decision within ten (10) working days following the appeal.

All decisions of the Board are final and may not be further appealed.

If the appeal is denied, the Member must bring the violation into compliance within ten (10) days of receipt of the denial notification. If the violation persists after ten (10) days, the Member will be fined pursuant to the Fine Policy and/or the Supplemental Fine Schedule every ten (10) days until the violation is corrected. In addition, the Board may seek legal action to remedy the violation. All costs of legal action may be sought from the Member.