



## **Administrative Law Judge Policy**

WHEREAS, Desert Mountain Master Association and its unincorporated Villages ("Association") is governed by the Master Declaration of Covenants, Conditions, Restrictions, Assessments, Charges, Servitudes, Liens, Reservations and Easements for Desert Mountain, Recording Number 2011-0517763 at Maricopa County, Arizona ("Declaration");

WHEREAS, Recital 5.3 states, the affairs of the Association shall be conducted by the Board and such officers as the Board may elect or appoint in accordance with the Articles and the Bylaws. The Board may also appoint various committees (which may consist, in whole or in part, of individuals who are not on the Board) and may appoint a manager or managing agent who shall, subject to the direction of the Board, be responsible for the day-to-day operation of the Master Association.

WHEREAS, pursuant to A.R.S. 41-2198 *et seq.*, an administrative law judge will have jurisdiction to hear disputes between an owner and an association regarding the association's documents and/or the statutes governing the association;

WHEREAS, pursuant to A.R.S. 41-2198.01, an association must respond to an owner's petition within twenty (20) days of the mailing of the petition;

WHEREAS, the Board of Directors for the Association wishes to pass a resolution to set forth the procedure should the Association receive a petition from an Owner under A.R.S. 41-2198 *et seq.*;

NOW, THEREFORE, the Board of Directors resolves as follows:

1. The Board of Directors hereby appoints the President of the Association; or in the absence of the President, any other Officer; or in the absence of any other Officer, the Manager; for purposes of the ALJ proceedings, with duties as set forth below.
2. Upon receiving a petition from an Owner under A.R.S. 41-2189 *et seq.*, the Community Manager is authorized to immediately send the petition to the Association's legal counsel for review and analysis. Furthermore, the Community Manager shall provide copies of the petition to all Board members.
3. Within three (3) business days from receipt of the petition, the President, other Officer, or Manager may determine whether the petition should be turned over to the Association's insurance carrier. The President, other Officers, and/or the Community Manager are authorized to discuss this matter with the Association's legal counsel to assist in making this determination. The President, other Officers, and/or the Community Manager are further authorized to direct the Association's legal counsel to answer the complaint.

This Resolution was adopted by the Master Board of Directors at the Board meeting held on September 28, 2015.



## Collection Policy and Procedure

It is the policy of the Desert Mountain Master and Village Associations to use available legal remedies to ensure the payment of homeowner's association assessments. These assessments are billed in semi-annual increments and are secured by a Statutory Lien pursuant to ARS 33-1807. The following procedure is used in enforcing the Association's remedies against owners for default in the payment of amounts owed to the Master and/or Village Associations, as applicable.

1. Assessments are due and payable on the first day of the period billed, whether or not the owner received the bill.
2. A grace period until the 15<sup>th</sup> day of the first month of the period billed will be granted.
3. All owners whose assessments have not been received at the management company's lock box by the close of business on the 30<sup>th</sup> day of the first month of the billing period (30 days late) may be sent a Late Letter. The fee of \$23.50 for said letter will be assessed to the owner's account.
4. When arrears become greater than 51 days late after the first day of the billing period, a Demand Collection Letter may be mailed to the delinquent owner via Certified Mail (cc: via regular mail). The fee for the Demand Collection Letter is \$95.00 and will be assessed to the owner's account.
5. Thirty days after the Demand Collection Letter has been mailed (81 days late after the first day of the billing period), a Third Collection Letter may be sent by the Association to all owners still in arrears. The Association may also make follow up collection phone calls to all owners still delinquent to personally endeavor to collect amounts still delinquent.
6. Once an account in arrears has become more than 120 days delinquent, the Association may take subsequent action that may include any or all of the following:
  - Accelerating the full amount of the Annual Assessment as due and payable (where applicable), as allowed by ARS 33-1807.
  - Filing of a Notice of Lien (at a cost of \$203 that will be assessed to the owner's account).
  - Deactivation of the owner's vehicle eGo tags.
  - Turning the Account over to the Association's Counsel for action.
  - Turning the Account over to a Collection Agency for action.

This Resolution was adopted by the Master Board of Directors at the Board meeting held on September 28, 2015.



## Communications Policy

### Purpose

This Communications Policy will ensure that communication from the Desert Mountain Master Association is transparent, consistent, coordinated, effectively managed and responsive to the needs of Desert Mountain owners and members and that Master Association staff members provide timely, accurate, and high-quality information about the Association's policies, programs, services and initiatives to Desert Mountain owners and members.

The Communications Policy will also ensure that the Desert Mountain Master Association is visible, accessible and accountable to the members it serves. Communication initiatives will include a variety of ways and means to communicate and will engage Desert Mountain owners and members in meaningful two-way communication. Communication from the Desert Mountain Master Association will always strive to enhance the profile of the Association and to preserve the integrity and respect it has established.

### Policy Objectives

1. To provide Desert Mountain owners with accurate, timely and transparent information that is pertinent to their needs.
2. To ensure that all Desert Mountain Master Association communications materials are current and up-to-date, as well as accurately reflect both the provisions of the Master Association's Bylaws and Policies and the adopted positions of the Board.

### Assumptions and Principles

Given the part-time nature of the Desert Mountain community, residents rely on several sources to be informed of what is taking place in the community and how these events will impact them. Therefore, a variety of approaches and vehicles are required to ensure the effectiveness of the Master Association's communications program, including:

1. Written Materials
  - a. *Desert Mountain Connection Magazine*
  - b. Annual Report
  - c. Desert Mountain Trails Maps, Service Brochures and other Collateral Material
  - d. Correspondence from the Master Board and/or Management Staff to Desert Mountain owners
2. Graphic/Illustrated Material
  - a. Bulletin Board Postings
3. Online Communications
  - a. Desert-Mountain-HOA.com website
  - b. Email Blasts
4. Presentations by Desert Mountain Master Association Board Members/Management Staff at Master Board Meetings, Annual Meetings, etc.



## **Policy Guidelines**

### **1. General Provisions**

- A. The Community Manager is responsible for managing and administering the Desert Mountain Master Association's Communications Program.
- B. The Communications Program will convey news and information to Desert Mountain owners. This may include, but is not limited to:
  - a. Information from the Master Association in the areas of Governance, Finance, Operations/Compliance, Security and Design Review;
  - b. News about upcoming meetings, events and charitable endeavors; and
  - c. Emergency Communications.
- C. All communications with Desert Mountain owners will occur in a straightforward, timely, transparent, professional and courteous manner.
- D. Desert Mountain owners provide their contact information on a voluntary basis. Master Association staff will use this contact information solely for Master Association-related communications.
- E. Master Association staff will not release the contact information found in any of its databases to others, especially those not connected with the community in any way without the expressed permission of the individual(s) involved.

### **2. Frequency of Communications**

- A. The *Desert Mountain Connection* magazine is scheduled to be a quarterly publication mailed in March, June, September and December.
  - a. Submissions regarding community news, events, charitable endeavors/organizations and photography are welcome; publication of this information is determined by the Community Manager and Editorial Committee.
- B. The Annual Report will normally be mailed simultaneously each year with the March issue of the *Desert Mountain Connection*.
- C. The Desert-Mountain-HOA.com website is updated regularly (usually weekly, not less than monthly) to ensure all information is current and correct.
- D. Email Blasts are sent on an as needed/requested basis to:
  - a. Convey time-sensitive and/or emergency information;
  - b. Remind Desert Mountain owners of upcoming Annual/Master Board Meetings;
  - c. Send Annual/Board Meeting Summaries; and
  - d. Advise about upcoming Village- and/or Master Association-sponsored events/activities.
    - i. As the Email Blast system is set up to convey Master Association (and sometimes Village)-related news and information only, it should not be used to promote either the personal endeavors or events of Desert Mountain residents. On a limited basis, with the approval of the Community Manager, the Email Blast system may be used to communicate information regarding charitable endeavors in the community. No charitable organization will have access to the E-Mail Blast system more than once every two months. This can be waived by the Community Manager with the concurrence of a majority of the Master Board Officers.
    - 1. Also, overuse of the Email Blast system could result, over time, in the dilution of the overall effectiveness of the Master Association's communications.



### ***3. Review of Communications***

Guidelines for materials for general distribution:

- A. All communications vehicles will be reviewed for accuracy and legality by:
  - a. The Community Manager (in all cases)
  - b. The Editorial Committee and/or Master Association Officers (as needed)
  - c. Legal Counsel (as needed)
- B. All communications materials will meet the Guidelines established in this Policy

### ***4. Effectiveness Evaluation***

Desert Mountain owners will be asked to evaluate the clarity and usefulness of the information received via email surveys. The feedback, comments and suggestions shared in these surveys will be used by the HOA Manager to improve the quality of all communications vehicles.

This Resolution was adopted by the Master Board of Directors at the Board meeting held on September 28, 2015.



## Document Retention Policy

Desert Mountain Master Association, A Community Association ("Association") is a nonprofit corporation and a planned community formed under the laws of Arizona. In an effort to meet the responsibilities under Arizona law, the Association and its Board of Directors (the "Board") hereby adopts the following Document Retention Policy (the "Policy") for Board Members and members of Association committees, including the Design Review Committee:

1. Records of the Association. The Records of the Association consist of all records that involve Association business, whether directly or indirectly, regardless of whether the Record was generated by the Association's Community Manager, if any, a Board member, a member of an Association committee, a member, or some other third party. The term "Records" includes both paper documents and electronic documents.
2. Retaining Records of the Association. All Association Records, referenced below in this Paragraph 2, whether in hard copy or electronic form, that are received, sent or maintained by a Board or committee member or the Association's Community Manager must be stored and maintained pursuant to Paragraphs 3 and 4 of this Policy for the time period required by law based upon the content contained within the Record as follows:

### To be Kept Indefinitely:

- Declaration or CC&Rs
- Articles of Incorporation
- Bylaws
- Association Rules and Regulations
- Design Guidelines
- All amendments to the aforementioned
- Board Resolutions
- Minutes of all meetings of the Members and the Board of Directors
- Written documentation of all actions taken without a meeting by the Members or the Board of Directors
- Minutes of committee meetings
- Written documentation of actions taken by committees on behalf of Association
- Architectural approvals/denials in Lot files
- Keep all records of any kind relating to any dispute or potential dispute for purposes of a litigation hold

### To be Kept for 7 Years:

- All financial Records of the Association
  - Financials for past 3 years should be kept at the Association's place of business or readily available if in electronic format. Financial records 4 years or older may be stored off-site or archived if in electronic format.

### To be Kept 4 Years after the end of the term of the contract:

- All written communication to the Members (e.g., notices, emails, letters, blank ballots, Web pages, newsletters, etc.).

Documents Regarding Board Removal

- Keep for 4 years all records related to removal of a Board Member (e.g., petitions, notices, ballots, etc.).

Documents Regarding Board Elections

- Keep for 4 years all records relating to a Board election. Such records include, but are not limited to, ballots, calculation counting notes, names and contact information about who performed count and who witnessed count, etc.

Documents Regarding Association Contracts

- Keep for 6 years all Association contracts and related documentation after the end of the term of the contract (such as requests for proposals, bids, correspondence, emails, phone notes, etc.).

Documents Regarding Association Bids

- Keep for 1 year all Association bids received by the Association and related documents (such as correspondence, emails, phone notes, etc.).

CC&R Complaints

- Keep for 3 years all complaints from members (whether written, electronic or phone notes) in the Lot file (whether electronic or paper) about which the complaint is made until the owner of that Lot no longer resides in the home or the violation is resolved, whichever is later.

Communications with Owner

- Keep for 3 years all records relating to communication with the Owner (including but not limited to violations about their Lot, photos about violations, unpaid assessments, or any other dispute) in the Lot file (whether electronic or paper) about which the complaint is made until the owner of that Lot no longer resides in the home or the violation is resolved, whichever is later.

3. Electronic Records. Emails, PST files, PDF files, TIFF files, word processing files, JPEG files, multimedia or image files (graphics, audio and video), text files, or any other electronic files received by a Board or committee member may be accessed using appropriate software or printed by the member for reference and then maintained pursuant to the requirements related to paper documents. If an electronic Record of the Association does become saved on the personal property of a Board or committee member, then the electronic Record should be preserved in a separate folder within the personal computer, hard drive, thumb drive or other storage medium designated with the name of the Association. At such time that the Board or committee member no longer holds their position or at the end of their current term, whichever occurs first, a copy of all electronic Records maintained in the separate folder designated with the Association's name, as well as any other Association Records that are located on the member's personal property, shall be turned over to the Association's Community Manager or a member of the Board designated to receive the records. Then, the copy of the electronic records stored on the member's personal property shall be permanently deleted by the member.

4. **Association Documents.** Any Association Records in the form of paper documents received or printed by a member of the Board or committee shall be maintained by that member in a file designated with the name of the Association and the matter to which it relates. All such files shall be stored and maintained in a central location in the Board or committee member's home. At such time that the member no longer holds their position or at the end of their current term, whichever occurs first, all files of Association Records that are in the possession of the Board or committee member shall be turned over to the Association's Community Manager or a member of the Board designated to receive the files.
5. **Association Records to be Maintained at Principal Office.** The Board or the Association's Community Manager shall be responsible for maintaining the following Association Records at the Association's known place of business (e.g., Association on-site office, if any, or home of a designated Board member) or at the office of its statutory agent using paper files and/or electronic storage accessible on-site:
  - Its current Declaration or CC&Rs and all amendments to them currently in effect.
  - Its current Articles of Incorporation and all amendments to them currently in effect.
  - Its current Bylaws and all amendments to them currently in effect.
  - Any resolutions adopted by the Board relating to the characteristics, qualifications, rights, limitations and obligations of members or any class or category of members.
  - The minutes of all members' meetings and Records of all actions taken by members without a meeting for the past three years.
  - All written communications to members generally within the past three years, including the financial statements furnished to the members for the past three years under.
  - A list of the names and business addresses of its current Board members and officers.
  - The most recent annual report of the Association delivered to the Arizona Corporation Commission.
6. **Use of Storage and Electronic Archives.** The Board may coordinate the use of storage facilities, whether on-site or off-site, and/or electronic archiving of all Association Records that must be maintained for a period in excess of three (3) years but that need not be maintained at the Association's known place of business or the office of its statutory agent as provided in Paragraph 5.
7. **Destruction of Association Records.** Association Records that no longer need to be maintained pursuant to the requirements of Paragraph 2 may be destroyed by the Association's Community Manager or one or more Board members designated to undertake the destruction. In the case of paper documents, the Records shall be shredded prior to disposal. Electronic Records shall be permanently deleted using appropriate software chosen by the Association. The party (ies) responsible for the destruction of Association Records shall undertake an audit of existing Records on at least a quarterly basis to determine which Records are suitable for destruction.
8. **Litigation Hold.** In the event that the Association receives a threat of legal action, believes legal action is a possibility, or becomes involved in a legal action of any kind, all destruction of Association Records pursuant to Paragraph 7 shall be immediately suspended. The Association shall notify all persons who may have Records relevant to the legal action to perform an audit of their e-mail accounts, files, and personal property to determine what Association Records are in their

possession. The Association's legal counsel will then coordinate the collection of such Records and their use in the legal action.

This Resolution was adopted by the Master Board of Directors at the Board meeting held on December 7, 2015.



## DESERT MOUNTAIN MASTER ASSOCIATION RESOLUTION OF THE BOARD OF DIRECTORS

### Drone Resolution and Policy

WHEREAS, the Desert Mountain Master Association, Inc. ("Association") is governed by the Second Amended and Restated Declaration of Covenants, Conditions, Restrictions, Assessments, Charges, Servitudes, Liens, Reservations and Easements for Desert Mountain ("Declaration"), recorded at No. 2011-0517763, in the office of the Maricopa County Recorder, as amended from time to time, as well as the Second Amended and Restated Bylaws of the Desert Mountain Master Association ("Bylaws");

WHEREAS, Article 3, Section 3.1.2 of the Declaration authorizes the Board to "establish reasonable rules and regulations, which are not inconsistent with the provisions of the Master Declaration...pertaining to or restricting the use of the Master Common Areas by Owners, Occupants, or other Persons..."

WHEREAS, Article III, Section 2 of the Bylaws states that the "Board shall have the powers and duties necessary for the administration of the affairs of the Master Association and may do all such acts and things as are not by law or otherwise directed to be exercised and done by the Members or the President." Section 2 specifically gives the Board the "power to promulgate such rules and regulations pertaining to the rights and duties of the members of the Master Association, and all other matters, as may be deemed proper and which are consistent with the foregoing..."

WHEREAS, the Board of Directors is concerned with the impact on safety and privacy presented by the use of drones in the Desert Mountain community, as well as the potential for drones to create a nuisance for residents of the community;

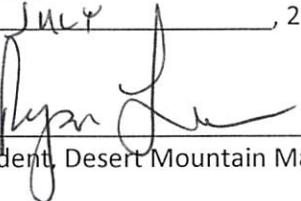
NOW, THEREFORE, the Board of Directors hereby adopts this Drone Resolution and Policy and makes it part of the Desert Mountain Master Association Rules and Regulations, in order to restrict the use of drones in the community.

1. The use of any Model Aircraft, as that term is defined in Section 336(c) of the FAA Modernization and Reform Act of 2012, or any small unmanned aircraft system (UAS) that is governed by Federal Aviation Administration (FAA) rules now or hereafter in effect (collectively, "Drones") and the operator of a Drone (the "Drone Operator") within the Association property are governed by this Drone Resolution and Policy.
2. Drone Operators operating Drones within the Association property are solely responsible for ensuring their own compliance with all federal, state and local laws, regulations, and rules including but not limited to ensuring that all Drones do not operate over 400 feet above ground level, remain within the Drone Operator's line of sight, are not operated remotely, are flown safely, and are registered as required.



3. Use of a Drone for nuisance and unlawful purposes within the Association property including but not limited to voyeuristic purposes is expressly prohibited.
4. Drone take offs and landings are prohibited on any portion of the Common Area, including, but not limited to, all landscaped areas, parks, improvements, pathways and trails, private streets, open space corridors, vista corridors, scenic corridors, washes, and easements situated upon the Common Area.
5. Due to the potential for injury to persons, pets, real property and personal property, operation of Drones within the Common Area is strongly discouraged. Notwithstanding the foregoing, the operation of Drones less than 200 feet above ground level of Common Area is prohibited.
6. The operation of Drones over or within 25 feet horizontally of unprotected persons and pets (that are not involved with operation of the Drone and who have not expressly consented to said Drone operation) and Association improvements is prohibited.
7. Drone Operators are encouraged not to utilize Drones within the Association property prior to dawn and after dusk due to the potential for Drone noise to be a nuisance. The Board reserves the right to determine whether the noise from a Drone is a nuisance.
8. A Drone may not be operated over any Lot except for the Lot where the Drone Operator currently resides, without the express permission of the non-Drone Operators Lot's Owners and residents.
9. Drone Operators are personally responsible for any and all legal claims related to their use of a Drone within the Association property including but not limited to trespass to property claims, nuisance claims, injury to persons and claims alleging damage to personal property (including pets) and real property.
10. Drone Operators operating Drones within the Association property are encouraged to obtain insurance that covers at a minimum injuries to persons, pets, real property and personal property.
11. The Board of Directors shall have the authority to enforce the provisions of this Drone Resolution and Policy in any manner provided by the Association's governing documents and applicable law. Notwithstanding the restrictions contained in this Policy, the Board of Directors, at its sole discretion, may permit deviations from and exceptions to the restrictions set forth herein as it deems appropriate and necessary.

This Drone Resolution and Policy is adopted and is immediately effective this 24 day of July, 2017 and shall form part of the Association Rules.

  
President, Desert Mountain Master Association



## eGo Tag and Portable Transponder Policy

WHEREAS Section 5.4 of the Desert Mountain Master Association Amended and Restated CC&Rs and Article III, Section 2 of the Desert Mountain Master Association Amended and Restated Bylaws states that the Master Board has the power to set rules and regulations pertaining to the rights and duties of Members of the Master Association, and

WHEREAS access to the Desert Mountain community is controlled automatically with eGo Tags and Portable Transponders, the Master Board of Directors has set forth the following policy to regulate and administer the use of eGo Tags and Portable Transponders for HOA Members, Vendors and Employees as defined below.

- **eGO TAG POLICY FOR MEMBERS OF THE DESERT MOUNTAIN MASTER ASSOCIATION AND THE DESERT MOUNTAIN CLUB\*\***
  - Limit of five eGo Tags per family (regardless of number of lots owned). The Community Manager may approve additional eGo Tags for family members at his discretion. Vendor eGo Tags requested by Desert Mountain owners are covered under "eGo Tag Policy for Vendors" on page two of this policy.
  - The initial purchase price of an eGo Tag is \$25.00.
  - eGo Tags are active for two years. The Tag automatically expires every two years from the issue date for an audit requiring verification of registration information for renewal. There is no renewal fee for owner eGo Tags.
  - When possible, staff will send an email to owners to inform them that their eGo Tag is about to expire so that information on file can be confirmed and/or updated. Owners may update their vehicle information and eGo Tag over the telephone or in person in the HOA office, or at the Desert Hills Gatehouse.
  - The cost to replace an eGo Tag is \$15.00 (e.g., when the windshield is replaced on a vehicle). There is no cost to replace an eGo Tag that is proven by HOA or Security staff to no longer work.
  - Payment for eGo Tags is by cash, check, credit card or money order.
  - eGo Tags may be deactivated for: insufficient funds, delinquent HOA assessments and/or not paying a speeding violation fine 60 days after receiving a notification letter. In this case, the eGo Tag on the vehicle that was used when the violation was issued is disabled until the fine is paid.
  - When the HOA is advised of a property transfer or the sale of a Club Membership, the eGo Tag associated with that property or membership will be deactivated.



- Owners who sell their vehicles should remove and discard the eGo Tag and contact the HOA so that it can be deactivated.

***\*\*Approved Desert Mountain guests and renters are given the same access level in all areas (eGo Tag cost, access times and access areas).***

- **eGO TAG POLICY FOR VENDORS**

- Vendors using eGo Tags have limited access to the community.
- Vendor eGo Tags cost \$40.00 and are issued to those listed on an Owner's Approved Guest List (e.g., maids, exterminators, home care takers, pool service technicians, landscapers, etc.). eGo Tags can be purchased at a cost of \$40.00/year or \$25.00/six-month period.
- Some Vendors are exempt from payment for eGo Tags, i.e. delivery and city vehicles.
- eGo Tags automatically expire every year from the issue date for an audit requiring verification of registration information and payment of a \$40.00 renewal fee.
- The cost to replace an eGo Tag is \$15.00.
- Payment is by cash, check, credit card or money order.
- Vendor eGo Tags are issued to listing agents of record only. The cost of the eGo Tag is \$40.00 and is active for one year or until the listing is sold, whichever occurs first.
- Vendor eGo Tags will be deactivated for insufficient funds and/or unpaid speeding violation fines.

- **eGO TAG POLICY FOR DESERT MOUNTAIN MASTER ASSOCIATION AND TENANTS**

- Approved/**documented** tenants can purchase an eGo tag for the length of their lease. Each six or twelve month term will have to be paid for at the same fee as a guest or vendor, \$25 for six months or \$40 for twelve months.

- **eGO TAG POLICY FOR DESERT MOUNTAIN MASTER ASSOCIATION AND CLUB EMPLOYEES**

- Master Association employees are not charged for eGo Tags; however, these eGo Tags must be renewed annually.
- Master Association and Club employees are generally given the same access times and areas as Desert Mountain owners (20 hours per day); Club employees do not have access to Desert Mountain Villages.



- eGo Tags cost \$15 for Desert Mountain Club employees and are paid for by the Desert Mountain Club (DMC).
- For additional vehicles, the cost to the Club employee is \$15.00 per vehicle. DMC's Senior Management must approve the issuance of additional eGo Tags to employees after two have been assigned.
- The eGo Tag for Club employees is activated for one year.

▪ **PORTRABLE TRANSPONDER PURCHASE POLICY FOR MEMBERS OF THE DESERT MOUNTAIN ASSOCIATION**

- Portable Transponders are available for purchase by Desert Mountain owners under the following circumstances only:
  1. An eGo Tag is proven by HOA and/or Security Staff not to adhere to the vehicle's windshield or not to work.
  2. The Desert Mountain owner is affiliated with a car dealership and, as a result, drives a variety of cars in the community.
  3. The owner resides in Desert Mountain part-time and rents a vehicle during each visit.
  4. Extenuating circumstances determined by the Community Manager.
- There is a maximum of one Portable Transponder per owner entity or household (regardless of the number of lots owned).
  1. Under extreme extenuating circumstances, the Community Manager can allow two Portable Transponders per owner entity or household at his discretion, but in no case will there ever be more than two Portable Transponders per owner entity or household.
  2. Portable Transponders must be tied to a specific vehicle unless a Desert Mountain owner resides in Desert Mountain part-time and rents a vehicle or is affiliated with a car dealership and, as a result, drives a variety of cars in the community. If the standard vehicle used in the community changes, the owner must re-register the Portable Transponder with the HOA office.
- Portable Transponders cost \$100.00 each and can be renewed annually; there is no renewal fee for owners who wish to renew their Portable Transponders. Previously purchased Portable Transponders will be grandfathered in at their original purchase cost, although, as stated above, no more than one – or in some extenuating circumstances as determined by the Community Manager, two – Portable Transponder(s) will be issued per owner entity or household.
- Payment of Portable Transponders is by cash, check, credit card or money order.
- Owners may update their vehicle information and Portable Transponder over the telephone or in person in the HOA office.



- If an owner lends or gives his/her Portable Transponder to a non-Desert Mountain owner or a vendor, the privilege of owning a Portable Transponder will be immediately revoked.
- **PORTABLE TRANSPONDER RENTAL POLICY FOR MEMBERS OF THE DESERT MOUNTAIN ASSOCIATION**
  - Desert Mountain owners may rent a temporary Portable Transponder for use with rental cars (e.g., the owner's vehicle is being repaired and he/she is driving a rental car, OR he/she is an absentee owner and drives a rental car for the limited periods of time he/she resides in or visits Desert Mountain).
  - Owners who wish to rent a Portable Transponder will incur a \$25 non-refundable Portable Transponder Rental Fee. Owners are also required to pay a \$250 deposit when renting a Portable Transponder that will be refunded when the Portable Transponder is returned.
  - The maximum use period for renting a Portable Transponder is 30 days and Desert Mountain owners will incur a \$25.00 rental charge for each 30-day period the Portable Transponder is rented. No exceptions will be granted.
  - Non-owner use of Portable Transponders is prohibited. Only Desert Mountain owners may have Portable Transponders and they must be tied to a specific vehicle except in the limited cases outlined in this policy. Should a Desert Mountain Owner transfer the use of a Portable Transponder to a renter, guest, or other person for their use, the Portable Transponder shall be deactivated immediately and any deposit or amounts remaining on the bar shall be forfeited to the HOA.
  - Family members, guests of Desert Mountain owners, renters of Desert Mountain homes, vendors of any kind and Desert Mountain employees may not purchase or rent a Portable Transponder.
  - When the HOA is advised of a property transfer or the sale of a Club Membership, the Portable Transponder associated with that property or membership will be deactivated.
  - Portable transponder bars may be deactivated for:
    1. Insufficient funds.
    2. Delinquent HOA assessments.
    3. Not paying a speeding violation fine 60 days after receiving a notification letter.

This Resolution was adopted by the Master Board of Directors at the Board meeting held on September 28, 2015.



## Policy & Procedure for Imposing Fines

To be able to impose fines according to the provisions in Article VII of the Bylaws, the following procedures must be followed:

1. The Board may delegate a Covenants Committee to listen to hearings to contest fines.
2. Before imposing fines, the Association must take the following steps:
  - a. The Association must serve the violator, and the Owner, if the violator is an occupant, guest or invitee of an Owner, with written notice describing/providing:
    - i. the nature of the violation,
    - ii. the proposed sanction to be imposed,
    - iii. a statement that the proposed sanction shall be imposed as contained in the notice unless a challenge is begun during a Hearing Request Period.
    - iv. A Hearing Request Period is established within 15 workdays of receiving a "Uniform Safety Violation Notice." During this period, the violator may present a written request to the Covenants Committee or the Board for a hearing to present oral and/or written opposition.
  - b. If no request is made for a hearing within the Hearing Request Period, the sanction shall be imposed no less than 5 days after the expiration of the Hearing Request Period. The Owner must receive the notice of the Hearing at least 20 days prior to the hearing date. At the Owner's request, a hearing may be held in less than 20 days if all parties agree.
  - c. If the violator or the Owner requests a hearing, the Association needs to allow the violator and the Owner to be heard.
  - d. When a person requests a hearing, the Association must provide proof of proper notice in the minutes of the meeting for each person upon whom a fine is imposed. The proof of proper notice in the minutes for each violation must include:
    - i. A copy of the violation notice.
    - ii. A statement of the date and manner of delivery entered by the officer, director, or agent who delivered the notice. Notice may be given by any method reasonable calculated to provide actual notice. Notice sent by mail must be sent either by first-class or registered mail.
    - iii. Ideally, the Association would want to also include this information for all of the violations for which owners did not request hearings, so that the Association can prove that proper notice was given, if challenged after the fact.
  - e. When a violator's (and/or Owner's) hearing is held before a Covenants Committee appointed by the Board, the violator and/or Owner has the right to appeal the decision to the Board by submitting a written notice of appeal to the President or Secretary of the Association within thirty (30) days after the date a decision is issued by the Covenants Committee. A reasonable administrative fee may be charged for such an appeal.

This Resolution was adopted by the Master Board of Directors at the Board meeting held on September 28, 2015.



## **Rules Regarding Improper Treatment of Directors, Management Staff, and Contractors**

WHEREAS, pursuant to Section 5.4 of the Association's Declaration and Article III, Section 2 of the Association's Bylaws, the Board of Directors ("Board") of Desert Mountain Master Association ("Association") has the power to adopt such rules and regulations as it deems reasonable and appropriate to govern the use and/or occupancy of the Master Common Areas, Lots, and Parcels; and

WHEREAS, unless otherwise defined, capitalized terms used herein shall have the meanings ascribed to them in the Declaration.

NOW, THEREFORE, BE IT RESOLVED THAT the Board of the Association hereby adopts the following rules applicable to all Owners, Occupants, and invitees (together, "Association Individuals"):

- Association Individuals shall not in any way harass, threaten, or otherwise attempt to intimidate any Association or Village director, the Community Manager, management staff, or any contractor performing under a contract with the Association or a Village Association.
- Association Individuals shall not interfere with the duties of directors, the Community Manager, management staff, or any contractor performing under a contract with the Association or a Village Association. All communications with contractors must go through the Community Manager, or must otherwise be in accordance with Board policy. Any complaints concerning management staff shall be made to the Community Manager in a discreet and private manner, not directly to any staff member.
- Association Individuals shall not suggest to management staff items for improvement of operations. Any such suggestion should be made directly to the Community Manager in writing.
- Association Individuals shall not ask any management staff member to leave the management office on errands or to perform any other service not normally part of the staff member's responsibility.
- Association Individuals shall not give a loan, under any pretext, money or other remuneration to any management staff member.
- Owners may report any conduct believed to be in violation of these rules to the Community Manager.
- All Owners shall be responsible for the conduct of their lessees and any Occupants of, or invitees to, their Lot while in Desert Mountain. Owners shall be responsible for ensuring that such individuals comply with the Governing Documents, including, but not limited to, this Resolution.

### **VIOLATIONS OF POLICY**

Any Owner who is found to be in violation of these rules may be subject to appropriate remedial action, including, but not limited to, injunctive relief being sought against him/her, fines, and suspension of membership privileges. Such remedial action shall be at the sole discretion of the Board of Directors.



Further, under Section 5.13 of the Declaration, in the event the Association acts to enforce this Resolution, regardless of whether suit is filed, the Association "shall be entitled to recover, in addition to any other remedy, reimbursement for attorneys' fees, court costs, costs of investigation and other related expenses incurred in connection therewith including but not limited to the Master Association's administrative costs and fees." Pursuant to Section 5.13, "[s]aid attorneys' fees, costs and expenses shall be the personal liability of the breaching Owner and shall also be an Individual Assessment secured by the Assessment Lien against said Owner's Lot."

This Resolution was adopted by the Master Board of Directors at the Board meeting held on September 28, 2015.



## **Lot Tie Policy**

The Lot Tie Policy, initially adopted on December 10, 1992, was revised by the Master Board of Directors in Board Resolutions on June 11, 2001, August 27, 2007, September 10, 2007, December 3, 2007 and July 31, 2009 and describes the provisions required to tie Lots in Desert Mountain.

**An Owner** who wishes to combine two or more contiguous platted Lots for the purpose of building a single family residence or Compound on the combined Lots on or after January 1, 2008, who has received approval from the Master Design Review Committee, the City of Scottsdale and the Developer in accordance with the terms and conditions of Section 1.2.22 of the Master Declaration, and which improvements span the lot lines, will be assessed by the Master Association for each Lot and will have voting rights for each Lot until such time as the owner has provided a copy of the recorded Covenant and Agreement to Hold Property as One Parcel. The foregoing applies to regular and special assessments of the Master Association. The foregoing does not apply to parcel assessments.

**When the Developer** combines two or more platted Lots for the purpose of marketing the combined Lots as one residential Lot, each Lot will continue to be assessed and each Lot will have voting rights until the date when a third party purchases the Lot each Lot will continue to be assessed and will have voting rights for each Lot.

**When One Lot** is tied to another Lot for the purpose of dedicating one of the Lots to the City of Scottsdale as Natural Area Open Space a deed must be recorded.

**Pursuant to the discretion** granted to the Board via Section 1.1.22 of the Declaration, upon the completion of the Lot Tie, the combined Lots shall pay one total assessment and be entitled to one total vote for both tied Lots. Upon written request by a Lot Owner, tied Lots will be untied by the Master Association, in which event all Assessment for all of the untied Lots that had not been paid as a result of the Lot tie will be immediately due and payable. By way of example, if two Lots were tied on January 1, 2006; and if the Assessment for Lots had been a constant \$1,000 per year; and if the Lot Owner paid only one Assessment after January 1, 2006, as a result of the Lot tie; and if the Lots were untied at December 31, 2009, then the unpaid Assessments totaling \$4,000 would be immediately due and payable. This applies to Lots, as defined in the Master Declaration and in all of the Declarations of unincorporated Villages that are managed by the Master Association.

**Untying Lots**, as permitted above, has no effect on the NAOS designations, which is a City of Scottsdale matter, and has no effect on the configuration of the Building Envelope, as provided for and enforced pursuant to the Master Design Guidelines. Changes to the Building Envelope to accommodate building on one or more untied Lots is within the authority and discretion of the Master Design Review Committee, as provided for in Section 12.2.2 of the Master Declaration.

**If two or more Lots** have been tied, and if the Building Envelopes that existed on the Lots before the Lots were tied have never been changed by written approval of the Master Design Review Committee, as provided for in the Master Design Guidelines, then those Building Envelopes continue to exist in their pre-lot-tie configuration.

This Resolution was adopted by the Master Board of Directors at the Board meeting held on September 28, 2015.



## Non Payment of Fines Policy and Procedure

WHEREAS, most owners who are currently being billed for their (and their guests) speeding fines pay, a number do not. The Association can either seek a personal judgment in court or hope the fine is satisfied when the owner's property sells. Neither option is practical and court costs would be greater than the amount that would be collected. The Board therefore adopts the following policy and procedure to collect unpaid fines:

### POLICY:

If an \*owner does not pay the fine 60 days after receiving a notification letter, the eGo tag on the vehicle that was used when the violation was issued will be disabled until the fine is paid.

Vendors who are not Club members, may be refused entry into Desert Mountain if their fines are not paid. This may include ALL company vehicles as well as individuals who have been ticketed. Companies will be notified and have 30 days to pay any outstanding fines.

\*Owner is defined as all Association members and Club members who are not HOA members.

### PROCEDURE:

1. **USG-01, SPEEDING, IS AMENDED** to categorize renters as guests of owners. The Association has no way of recouping fines from renters; therefore, owners need to recoup fines from renter's deposits.
2. **ALL ASSOCIATION MEMBERS AND CLUB MEMBERS'** (who are not HOA Members') eGo tags will be disabled 60 days from the date a letter is sent to the owner notifying them that the fine is due. The letter will state 1) the date of the infraction, 2) the amount owed, 3) whether a timely appeal had been filed and 4) that their eGo tag (the tag on the car in violation) will be disabled if the fine is not paid within 60 days of the date of the letter.

**VENDORS AND CLUB MEMBERS WHO ARE NOT HOA MEMBERS WILL BE REFUSED ENTRY** into Desert Mountain if their fines are not paid. This may include ALL company vehicles as well as individuals who have been ticketed, upon the discretion of the Board. Companies will be notified and have 30 days to pay any outstanding fines.

At such time as the Master Board feels appropriate, legal counsel will be engaged.

3. **ALL ASSOCIATION MEMBERS, NON-HOA MEMBERS AND VENDORS'** eGo tags will be disabled if a speeding violation fine is not paid 60 days after receiving a notification letter.

This Resolution was adopted by the Master Board of Directors at the Board meeting held on September 28, 2015.



## **Operating and Reserve Funds Investment Policy**

The Bylaws of the Desert Mountain Master Association, an Arizona non-profit corporation (hereafter the "Association"), grants that the Board of Directors shall have the powers necessary to and shall be responsible for the administration of the affairs of the Association.

The Association accumulates relatively substantial reserve funds and operating savings, which should be invested safely, and

The Board of Directors, using its best business judgment, finds it advisable to establish guidelines for the investment of reserves and operating funds of the Association.

**IT IS RESOLVED THAT** the Board of Directors hereby adopts the following Investment policy for the Desert Mountain Master Association:

### **I. PURPOSE**

To establish guidelines for the investment of reserves and operating funds of Desert Mountain Master Association and its participating constituent sub-divisions.

### **II. OBJECTIVE**

Investments shall be made with judgment and care, of which persons of prudence, discretion and intelligence exercise not for speculation, but for safety of capital. Taking into consideration known cash requirements, funds shall be deposited in such manner as will minimize the risk to the funds. This Investment Policy allows for Excess Deposit Programs (EDPs) when offered by a bank, provided the insurance companies that underwrite the EDPs have been given excellent ratings by Moody's, A. M. Best, S&P, and Fitch. Monies shall be invested on in Certificates of Deposit in FDIC-insured financial institutions with no more than the FDIC-insured maximum dollar limits in any such institution, unless additional private deposit insurance is provided by the institution and/or bank and purchased with the intent to hold to maturity.

CCMC may, in turn, delegate certain investment and management functions to an established investor representative such as a brokerage company or bank. CCMC shall take all appropriate steps to assure that time and brokerage deposits of the Association are insured to the maximum extent under existing deposit and investor insurance coverage. Securities may be held in street name or custody by the brokerage firm or bank. All investment accounts shall be maintained in the name of the Association.

### **III. OVERSIGHT**

Master Board Officers will make recommendations to the Master Board for implementation.

### **IV. INVESTMENT LIMITATIONS**

**A. As to operating funds:** Monies shall be invested only in certificates of deposit and depositary accounts insured by the United States government or an agency thereof, in Treasury bills, notes,

or bonds maturing in one-year or less from the date of investment, or in money market funds which in turn are invested virtually exclusively in securities enumerated in this paragraph.

B. As to reserve accounts: The same investments permitted in paragraph A above shall be permitted for reserve accounts. In addition, investment maturities may be extended for portions of the reserves, as certified by the Master Board Officers, not to exceed the liquidity needs of the organization.

#### V. IMPLEMENTATION

The Master Board Officers will maximize returns within the context of this policy while also matching maturities with needs outlined in Desert Mountain's Reserve Study.

This Resolution was adopted by the Master Board of Directors at the Board meeting held on December 7, 2015.



## **“For Sale/Rent” Sign Policy for Desert Mountain**

### **I. Purpose**

The purpose of this “For Sale/Rent” Sign Policy is to (1) comply with Arizona Revised Statutes (A.R.S.) §33-1808(F), which governs the use of, placement of or the indoor or outdoor display of a for sale, for rent or for lease sign and a sign rider by an association member on that member's property in any combination; (2) facilitate the sale of property within Desert Mountain to ensure marketability and property values; (3) to preserve community aesthetics and safety; and (4) provide guidance to selling homeowners and their real estate agents who wish to place “For Sale/Rent” signs on properties.

### **II. For Sale/Rent Signs**

- A. In accordance with A.R.S. §33-1808(F), one (1) 18”x24” “For Sale/Rent” sign and one (1) 6”x24” rider attached to the sign may be placed on an owner's property.
- B. If an owner is selling/renting their home without the assistance of a real estate agent, one “For Sale/Rent by Owner” sign may be installed. A.R.S. §33-1808(F) size requirements apply and the sign must be professionally manufactured.
- C. Signs **shall not** have:
  - a. Illumination
  - b. Flier holders (even if left empty)
  - c. Balloons
  - d. Banners
- D. Placement of the “For Sale/Rent” signs is as follows:
  - a. On personal homeowner property only. It **shall not** be:
    - i. Within the Master or Village HOA's deeded property, this is eight (8) feet from every roadway within Desert Mountain. Any sign placed within eight (8) feet from the roadway may be removed at realtors/homeowners expense; if the sign is less than eight (8) feet from the roadway, a written notice asking for relocation of the sign will be sent to the homeowner, copying the realtor.
    - ii. In an area that may impact line of site for vehicles.
    - iii. On Desert Mountain Club, Inc. property.
- E. Signs must be removed within five (5) days after close of escrow.
- F. Enforcement for any non-compliant sign will follow the Desert Mountain Master Association's Violation Enforcement Policy & Procedure (amended September 28, 2015).



## **Access to Association Records Policy**

WHEREAS, Desert Mountain Master Association ("Association") keeps correct and current books and records of account and Minutes of the proceedings of its members and Board of Directors;

AND WHEREAS the Bylaws of the Association provides that the owners and lien holders shall have the right, during reasonable business hours, to inspect the books and records of the Association,

AND WHEREAS it is desirable to impose certain reasonable restrictions on the process of record inspection and copying;

NOW THEREFORE, IT IS RESOLVED that the following requirements are hereby established for the inspection of the records of the Association.

1. A notice of intent to inspect must be submitted in writing to the Association Manager.
2. The notice of intent to inspect must specify with some particularity, which records are to be inspected, so that such records may be recovered in an orderly manner and assembled for inspection.
3. All records shall be inspected at the Association offices between the hours of 9:00 AM and 4:00 PM, Monday through Friday except holidays.
4. Person(s) requesting access shall not disrupt the ordinary business activities of the registered office during the course of inspection.
5. No original records may be removed from the office without the express written consent of the Board of Directors.
6. The Association is under no obligation to provide any additional information other than that, which is required by law.
7. In the event the person(s) reviewing the records is desirous of making photocopies, the Association shall make such documents that are to be duplicated and copies will be furnished at a cost to the requesting party of \$0.15 per page.

This Resolution was adopted by the Master Board of Directors at the Board meeting held on September 28, 2015.



## **RESERVING FOR BAD DEBT POLICY**

WHEREAS, Desert Mountain Master Association ("Association") has authority pursuant to the Declaration of Covenants, Conditions, Restrictions, Assessments, Charges, Servitudes, Liens, Reservations and Easements for Desert Mountain, Recording Number 2011-0517763 at Maricopa County, Arizona ("Declaration"), to determine, in its reasonable discretion, the manner in which to reconcile delinquent accounts.

NOW THEREFORE, IT IS RESOLVED that accounts receivable 120 days past due should be 100% reserved for and then, if and when collected, the reserve may be reduced. Charge offs may be done annually. In addition, a bad debt reserve shall be established in accordance with the recommendation of the Association auditor during the Association's annual audit.

This Resolution was adopted by the Master Board of Directors at the Board meeting held on September 28, 2015.



## Violation Enforcement Policy & Procedure

**WHEREAS**, the Desert Mountain Owners Association ("Association") has authority pursuant to the Governing Documents to determine, in its reasonable discretion, the manner of remedy for violations of the provisions set forth in the Declaration and/or Bylaws;

**WHEREAS**, the Board of Directors of the Association ("Board") finds there is a need to establish procedures for the enforcement of the use restrictions and architectural control provisions of the Declaration and Bylaws for the elimination of violations found to exist within Desert Mountain Owners Association.

**NOW THEREFORE, IT IS RESOLVED** that the following procedures and practices are established for the enforcement of violations of the use restrictions and architectural control provisions of the Declaration and Bylaws of the Desert Mountain Owners Association and for the elimination of violations of such provisions found to exist in, on or about any property within the Association and the same are to be known as the "Deed Violation Enforcement Policy" of the Association in the discharge of its responsibilities for determination and enforcement of remedies for deed violations within the Association.

### 1. Establishment of a Violation

- a. Architectural. Any improvement of any kind or nature erected, placed or altered on any Lot which has not been first approved by the Design Review Committee and the Master Board or which does not in all respects conform to that which has been so approved is deemed a "Violation" under this Enforcement Policy for all purposes.
- b. Use Restriction. Any activity or condition allowed to continue on any Lot that is in direct opposition to the Declaration and/or Bylaws or the Rules and Regulations of the Board of Directors, which is not expressly authorized by the Board, is deemed a "Violation" under this enforcement policy for all purposes.

### 2. Notice of Violation

- a. Initial Notice. Upon verification of the existence of a Violation by the management staff ("Management") of the Association, Management will send a written notice of the discovery of the Violation ("Initial Notice") to the Lot/Home Owner ("Owner"). The Initial Notice will inform the recipient as follows:
  - (i) The nature, description and location of the Violation; and
  - (ii) A request to remedy the Violation; and
  - (iii) Notice that if the Violation has already been corrected or plans and specifications for a subject improvement have been submitted to the Design Review Committee to disregard this notice.



- b. **Notice of Violation.** If the Owner fails to remedy the Violation **if the violation is continuing** or if the violation reoccurs within a one (1) year period, or if the Owner fails to submit plans and specifications for the offending improvement to the Design Review Committee or if the Design Review Committee has denied approval of the plans and specifications submitted, and the violation is continuing, no earlier than ten (10) working days from the Initial Notice, Management shall send to the Owner a Second Notice of Violation informing the Owner as follows:
  - (i) The nature, description and location of the violation and the failure of the Owner to correct the violation, as previously requested, **or a notice that the Owner has committed the same violation within a one (1) year period;**
  - (ii) Notice that if the violation is corrected or eliminated within ten (10) working days from the delivery of the Second Notice of Violation, **or if the violation does not reoccur within a one (1) year period**, no further action will be taken;
  - (iii) If necessary, work on any Improvement must cease immediately and may not resume without the written approval of the Design Review Committee and/or the Master Board;
  - (iv) Failure to remedy or cease work on any subject improvement will result in the Association electing to pursue any one or more of the remedies available to the Association under the Declaration, Bylaws or this Enforcement Policy.
- c. **Failure to Remedy.** Failure to (i) cease all work immediately upon receipt of the Second Notice of Violation, or (ii) remedy the current violation existing upon the Lot within ten (10) working days of the date of the Notice of Violation, **or (iii) commit the same violation within a one (1) year period**, shall constitute a continuing Violation and result in one or more of the following: (a) **the Board intending to impose a fine**, (b) correction of the offending Improvement by the Association at the expense of the Owner through an Individual Assessment being levied against the Owner, subject to the requirements of Section 8.3 of the Declaration, which may be recorded as a lien against the Lot/Home or (c) any other remedy under law or at equity, the Declaration or this Enforcement Policy, including but not limited to injunctive relief. Management shall send to the Owner a formal Notice of **Intent to Fine** informing the Owner of the continuing Violation and the remedy chosen as a result thereof. The date of the Notice of **Intent to Fine** shall be the "Notice of **Intent to Fine Date**."
- d. **Fine Structure.** Any fine imposed pursuant to the provisions of Paragraph 2 shall begin to accrue no earlier than **twenty (20)** days following the Notice of Fine Date.

Exceptions: (i) Traffic violation fines

After a second traffic violation notice has been issued the Owner is charged \$100.00.

(ii) Architectural fines



- e. **Hearing.** Included in the Notice of Fine will be the opportunity for the Owner to request and be granted a hearing by the appropriate Committee or the Board prior to any fine or Individual Charges being levied upon the Owner. The Notice of Fine will allow the Owner fifteen (15) days to contact Management, in writing, to request a hearing upon the issue of the continuing Violation. Should the Owner fail to contact Management within 15 days of the Notice of Fine date, that party will have waived its opportunity for a hearing.
3. **Corrective Action.** Subject to the requirements of Section 8.3 of the Declaration, where a Violation is determined to exist and referred to the Board of Directors of the Association, pursuant to any provision of this Enforcement Policy, Management, with the approval of the majority of the Board of Directors of the Association, may undertake to cause the Violation to be corrected, removed or otherwise abated by qualified contractors if Management, in its reasonable judgment, determines the Violation may be readily corrected, removed or abated without undue expense and without breach of the peace. Where Management decides to initiate any action by qualified contractors, the following will apply:
  - a. Management must give the Owner and any third party directly affected by the proposed action prior written notice of undertaking of the action. The foregoing notice may be given at any time.
  - b. Cost incurred in correcting or eliminating the Violation will be referred to the Association to be recovered from the Owner as an Individual charge as set forth in the Declaration.
  - c. The Association, and its agents and contractors will not be liable to the Owner or any third party for any damages or costs alleged to arise by virtue of action taken under this Paragraph 3 where the Association and its agents have acted reasonably and in conformity with this Enforcement Policy.
4. **Referral to Legal Counsel.** Where a Violation is determined to exist and is referred to the Board of Directors of an Association pursuant to any of the provisions of this Enforcement Policy and where Management deems it to be in the best interests of the Association, the Board may, at any time during the enforcement process, refer the Violation to legal counsel for action seeking injunctive relief against the Owner to correct or otherwise abate the Violation, or to pursue any other legal or equitable remedy that may be available to the Association.
5. **Notices.**
  - a. Any notice required by this Enforcement Policy to be given, sent, delivered or received in writing will be deemed to have been given, sent, delivered or received, as the case may be, upon the earlier to occur of the following:
    - (i) When the notice is delivered by facsimile, the notice is deemed delivered when the sender receives a facsimile acknowledgment acknowledging delivery.
    - (ii) When the notice is placed into the care and custody of the United States Postal Service, the notice is deemed delivered as of the date the notice is deposited into a receptacle of the



United States Postal Service with postage prepaid and addressed to the most recent address of the recipient according to the records of the Associations. Any Second Notice of Violation will be sent certified mail, return receipt requested.

- b. Where the interests of an Owner in a Lot/Home have been handled by a representative or agent of such Owner or where the Owner has otherwise acted so as to put the Association on notice that its interests in a Lot has been and is being handled by a representative or agent, any notice or communication from the Association or Management pursuant to this Enforcement Policy will be deemed full and effective for all purposes if given to such representative or agent.
- 6. **Cure of Violation During Enforcement.** An Owner may correct or eliminate a violation at any time during the pendency of any procedure prescribed by this Enforcement Policy. Upon verification by Management that the Violation has been corrected or eliminated, the Violation will be deemed no longer to exist and the Notice of Violation voided. **However, if the violation is of a recurring nature, and the violation reoccurs within a one (1) year period, the violation process will continue.** The Owner will remain liable for all costs and fines under this Enforcement Policy, which costs and fines, if not paid upon demand thereof by Management, will be referred to the Association for collection by any means allowed by law.

This Resolution was adopted by the Master Board of Directors at the Board meeting held on September 28, 2015.



## Rules for Visiting Realtors

Licensed realtors who wish to familiarize themselves (and their clients if they choose) with the Desert Mountain community and properties for sale therein, may do so between 8:00 am and 6:00 pm daily. They first must register with the security officer at the main gate by providing the following:

- Business Card
- Picture ID
- Vehicle License Number
- Purpose of visit (including specific property they have obtained permission to enter, if necessary)
- Expected time to depart Desert Mountain

Any violation or abuse may result in restriction for the realtor or their firm.

This Resolution was adopted by the Master Board of Directors at the Board meeting held on September 28, 2015.