



RULES AND REGULATIONS
OF
THE VILLAS AT SEVEN CANYONS

TABLE OF CONTENTS

I.	INTRODUCTION	1
II.	DEFINITIONS.....	2
III.	GENERAL RULES - USE, BUILDINGS AND GROUNDS.....	5
3.01	OCCUPANCY.....	5
3.02	MAXIMUM OCCUPANCY OF A VILLA.....	5
3.03	PHYSICAL AMENITIES.....	5
3.04	LEASING PROHIBITED.....	5
3.05	NO COMMERCIAL ACTIVITY.....	5
3.06	NO OBSTRUCTION.....	5
3.07	SKATEBOARDS, SCOOTERS, BICYCLES, ROLLERBLADES, ETC.....	5
3.08	OUTSIDE DRYING OR LAUNDERING.....	5
3.09	WINDOW AIR CONDITIONERS, HEATERS OR FANS.....	6
3.10	NOISE / ODORS.....	6
3.11	DECORATIONS.....	6
3.12	SHADES/AWNINGS/AIR CONDITIONERS OR OTHER ITEM VISIBLE FROM THE EXTERIOR OF THE VILLA.....	6
3.13	SIGNS.....	6
3.14	INSURANCE RISK AND OTHER HAZARDS.....	6
3.15	STORM DAMAGE.....	7
3.16	SMOKING.....	7
3.17	MAINTENANCE OF VILLAS AND COMMON ELEMENTS.....	7
3.18	DAMAGE BY OWNER OR GUESTS.....	7
3.19	WATER.....	7
3.20	NO INTERFERENCE.....	7
3.21	PETS.....	7
3.22	SERVICE ANIMALS.....	9
3.23	VEHICLES AND PARKING.....	10
3.24	TOWING.....	11
3.25	PRIVACY.....	11
3.26	FIREWORKS.....	11
3.27	FIREARMS.....	11
3.28	DRONES/REMOTE-CONTROLLED AERIAL VEHICLES.....	11
3.29	CONDUCT WITH STAFF AND COMPLAINTS, CRITICISMS, AND SUGGESTIONS.....	11
3.30	EARLY ARRIVAL/LATE DEPARTURE.....	12
3.31	DRESS CODE.....	12
3.32	CODE OF CONDUCT.....	12
3.33	POOL USE.....	13
3.34	ASSUMPTION OF RISK; INDEMNIFICATION.....	13
3.35	GRATUITIES.....	13
IV.	RESERVATION PROCEDURES & RULES.....	14
4.01	PVR BOOKING AND CONFIRMATION.....	14
4.02	CANCELLATIONS.....	15
4.03	UNUSED PLANNED VACATION NIGHTS.....	15
4.04	SPACE-AVAILABLE RESERVATIONS.....	15
4.05	UNACCOMPANIED GUESTS.....	16
4.06	WEEKEND RESERVATIONS.....	16
4.07	CHECK IN/CHECK OUT.....	16
V.	SALE/TRANSFER PROCEDURES AND RULES.....	16

5.01	VOA'S RIGHT OF FIRST REFUSAL	16
5.02	NOTICE OF SALE OR TRANSFER.....	17
5.03	SUBMISSION OF THE VILLA FRACTIONAL UNIT/INTEREST TRANSFER INFORMATION FORM.	17
5.04	WAIVER OR NOTICE OF INTENT TO EXERCISE VOA'S RIGHT OF FIRST REFUSAL.	17
5.05	TRANSFER FEES.	17
5.06	MARKETING/BRANDING ENHANCEMENT FEE.....	17
VI.	JOINT OWNERS & DESIGNATED OWNER REPRESENTATIVE.....	17
6.01	ISSUE AND OBJECTIVE OF RULE.....	17
6.02	JOINT OWNER REPRESENTATIVE DESIGNATION AND VOTING CERTIFICATE.	17
6.03	CHANGE TO DESIGNATED OWNER REPRESENTATIVE.	18
6.04	DESIGNATED OWNER REPRESENTATIVE AUTHORITY AND ROLE.	18
6.05	SINGLE ACCOUNT; JOINT AND SEVERAL LIABILITY.....	18
6.06	VOTING.	18
6.07	VIOLATION.	18
VII.	COLLECTION: ASSESSMENTS, FEES, & CHARGES.....	19
7.01	OWNERSHIP INTERESTS.	19
7.02	COLLECTION FEES.	19
7.03	APPLICATION OF FUNDS RECEIVED.	19
7.04	OWNERSHIP RECORDS.	19
7.05	NOTIFICATION TO OWNER/DESIGNATED OWNER REPRESENTATIVE.	20
7.06	ALTERNATIVE COLLECTION PROCESSES; FORECLOSURE.	21
7.07	SUSPENSION OF PRIVILEGES.....	21
7.08	VERIFICATION OF INDEBTEDNESS.	21
VIII.	ENFORCEMENT.....	21
8.01	GENERALLY.....	21
8.02	REPORTING OF VIOLATIONS.	22
8.03	NOTICE AND HEARING PROCESS.	22
8.04	FINE SCHEDULE.	23
8.05	CONTINUING VIOLATIONS.	23
8.06	REFERRAL TO LEGAL COUNSEL.	23
8.07	WAIVER OR VARIATION FROM THESE ESTABLISHED VIOLATION AND ENFORCEMENT PROCEDURES.....	24
EXHIBIT A - GENERAL FEES & FINE SCHEDULE		
EXHIBIT A-1 - SUPPLEMENTAL FEES & FINE SCHEDULE		
EXHIBIT A-2 - VOA ASSESSMENT COLLECTION POLICY		
EXHIBIT B - VILLA FRACTIONAL UNIT/INTEREST TRANSFER INFORMATION FORM		
EXHIBIT C - FORM OF JOINT OWNER REPRESENTATIVE DESIGNATION AND VOTING CERTIFICATE		
EXHIBIT D - VIOLATION CLASSIFICATIONS SCHEDULE		
EXHIBIT E - CONFIDENTIAL DISABILITY CERTIFICATION FORM		
EXHIBIT F - PET REGISTRATION FORM		

I. INTRODUCTION

The Villas at Seven Canyons is an exclusive, luxury, private community of 30 old-world style villas nestled along a Tom Weiskopf-designed golf course within the greater Seven Canyons master-planned development.

To ensure the distinctive character and culture of The Villas at Seven Canyons can be enjoyed by all Owners and their guests, it is important that each Owner and guest adhere to a common set of rules and conduct while on the premises of the Villas. *(It should be noted that the Club at Seven Canyons – which is a separate and distinct entity within the masterplan development from The Villas at Seven Canyons – has its own, separate set of Rules and Regulations tailored to the golf course/clubhouse operations, to which its Members and guests are also subject.)*

These Rules and Regulations of The Villas at Seven Canyons (the “Rules”) are established by the Board of Directors (the “Board”) of The Villas at Seven Canyons Owners Association, Inc. (the “VOA”) under the authority granted by the Condominium Documents (defined below) to promote the health, safety, welfare and enjoyment of the Owners, their families and guests and all other persons onsite at The Villas at Seven Canyons. Furthermore, the Board may, from time to time, and subject to the provisions of the Condominium Documents, modify or repeal all or any portion of these Rules, or adopt new rules. The Board may deviate from, or grant an exception to, these rules where special circumstances warrant, and/or charge a fee for such an exception if it deems that to be appropriate. Unless otherwise defined herein, each capitalized term shall have the same meaning as set forth in the Declaration. These Rules are in addition to the restrictions set forth in the Declaration and are intended to serve as guidelines for the Owners and guests.

Owners and guests shall abide by all Rules as they may be amended from time to time. The Board and its representatives will apply and enforce these Rules for the benefit of all Owners. Persons enjoying the Villas and Common Elements must respect the rights of others sharing in their use. Courtesy and common sense must prevail in the proper utilization of the Villas and Common Elements. All Owners have a right to “quiet enjoyment,” privacy, and an expectation of a world-class, exclusive luxury experience at all times while in residence or otherwise on the premises. To uphold these standards, Owners and guests are expected to act in a manner consistent with good taste that promotes harmony, mutual respect, and promotes the good reputation of The Villas at Seven Canyons.

In the event of conflict between the terms and provisions hereof and Condominium Documents or applicable law, or between any of them, the By-Laws shall control over these Rules; the Articles of Incorporation shall control over both the By-Laws and these Rules; the Declaration shall control over the Articles of Incorporation, the By-Laws and these Rules; and applicable law shall control

over all the foregoing. It is important to note that *The Villas at Seven Canyons* is a private community not open to the public. As such, it is not a “public accommodation” that would otherwise be subject to the Americans with Disabilities Act of 1990, or other federal or state restrictions and regulations applicable to places generally accessed by the public.

II. DEFINITIONS

Certain terms and phrases have been defined below to clarify their intended meaning and usage. Throughout the Rules, these terms and phrases can be identified because they begin with capital letters. Capitalized terms and phrases used in these Rules that are not defined here, shall have the meaning given to them in the other Condominium Documents.

“*Accompanied Guest*” means any guest who lodges with an Owner in their reserved Villa.

“*Articles*” means the Articles of Incorporation for the VOA filed with the Arizona Corporation Commission, as may be amended from time to time pursuant to its terms.

“*Assessment*” means any assessment of expenses against an Owner and Unit or Fractional Interest pursuant to Article 9 of the Declaration.

“*Board*” means the Board of Directors of the VOA.

“*By-laws*” means the by-laws of the VOA, as may be amended from time to time pursuant to its terms.

“*Common Element*” means any portion of the Property that is not a Unit, including the pool and adjacent playground areas.

“*Condominium Documents*” means the Declaration, Plat, Articles, By-laws, Rules, and Policies, as each may be amended from time to time pursuant to their own respective terms.

“*Declaration*” means the Declaration of Condominium and Fractional Ownership Plan of *The Villas at Seven Canyons*, a condominium, recorded February 3, 2005, in Book 4230, Page 584, of the official records of the County Recorder of Yavapai County, Arizona, as it may be amended from time to time.

“*Designated Owner Representative*” means, with respect to a Fractional Interest with more than one Owner, the person designated by such joint Owners in a *Joint Owner Representative Designation and Voting Certificate* to be the sole point of contact related to VOA business, including receiving notices from the VOA, and who has the full and sole authority to act on behalf of all joint Owners with respect to such Fractional Interest, including making reservations and casting votes allocated to such Fractional Interest.

“*Fractional Club Membership*” means a membership in The Club at Seven Canyons, which is separate and distinct from membership in the VOA. This type of membership, which is available from time to time only to accredited/recognized Owners of a Fractional Interest, entitles a person to exercise full Club privileges subject to the terms and conditions of membership in The Club at Seven Canyons.

“*Fractional Interest*” means an undivided 1/10th interest in a specific Unit, entitling the Owner of the Fractional Interest to the assured annual use of 28 Planned Vacation Nights in a Unit of the same Unit Type and the potential of additional use on a space-available basis, in accordance with the Declaration and the other Condominium Documents.

“*Fractional Ownership Plan*” means the plan of fractional ownership of Units as described in the Declaration.

“*Management Company*” means the company engaged to manage the affairs of the VOA pursuant to the direction of the Board.

“*Maintenance Periods*” means the periods during which Villas and/or the Club may be closed (during low occupancy periods) for maintenance of the Villas and Club facilities. The Maintenance Periods will allow for performance of maintenance projects that are otherwise disruptive to normal Owner services, minimize the cost of operations during these marginal weather times and provide the staff an opportunity for vacations between high seasons. The VOA Board will set the actual dates of the Maintenance Periods, if any, for each year.

“*Occupancy Fee*” means the fee charged per Space Available Night after the Owner’s allocated number of Planned Vacation Nights have been reserved, whether directly or by contribution to the Elite Alliance Exchange Network.

“*Owner*” means the record owner of fee simple title to a Unit or Fractional Interest, whether one or more persons and whether or not the Unit or Fractional Interest is subject to a mortgage or deed of trust.

“*Planned Vacation Night*” means, with respect to a Fractional Interest, the allocated right to occupy and use a Villa at no additional charge, except applicable incidental charges. As to each Fractional Interest, the Owners are given the opportunity to reserve up to 28 Planned Vacation Nights each Use Year.

“*Planned Vacation Reservation*” or “*PVR*” means, with respect to a Fractional Interest, a reservation to use a Planned Vacation Night. For the sake of clarity, a reservation made can include a deposit of PVRs into the Elite Alliance Exchange Network.

“*Plat*” means the condominium plat of The Villas at Seven Canyons.

“*Policies*” means the policies and procedures adopted by the Board that are not included in these Rules.

“*Property*” means the property within the boundaries of The Villas at Seven Canyons.

“*PVR Booking Period*” means the booking window in which Owners (or Designated Owner Representatives in the case of joint Owners) submit, in writing, their requests for PVR for the upcoming Use Year.

“*Reservation Priority Number*” means the reservation priority number assigned to each Fractional Interest at the initial purchase from the Developer. This number is used by the Villa Reservation Office to allocate PVRs in order of priority. The Reservation Priority Number assigned to each Fractional Interest remains assigned to that Fractional Interest for each future Use Year, so that, on a rotating basis, each Fractional Interest will have a priority for making PVRs. This Reservation Priority Number remains unchanged upon resale of a Fractional Interest.

“*Resident*” means a person occupying a Villa, whether an Owner, Accompanied Guest or Unaccompanied Guest.

“*Sleeping Capacity*” means the maximum number of persons permitted to lodge in a Villa. The Sleeping Capacity of a Villa is the number of beds times two. Maximum is eight persons.

“*Space Available Night*” means, with respect to a Fractional Interest, a pre-reserved night of occupancy and use of a Villa by an Owner and/or its guests pursuant to a Space Available Reservation.

“*Space Available Reservation*” or “*SAR*” means a reservation made by an Owner to occupy and use a Villa beyond such Owner’s allocated Planned Vacation Nights, space permitting.

“*Unaccompanied Guest*” means any guest, including an Elite Alliance Exchange participant, who lodges in a Villa without an Owner during such Owner’s PVR or SAR.

“*Unit*” or “*Villa*” means a condominium unit as that term is defined in ARTICLE 5 of the Declaration and refers to that part of the Condominium Property which is subject to individual ownership, together with the appurtenant interest in the Common Elements and Limited Common Elements.

“*Use Year*” means the period commencing on the first Sunday in January through the first Saturday in January of the following year. **Note:** Because the Villas are closed for annual, major maintenance/cleaning during the first weeks of January, the initial residencies typically commence on the third (3rd) Friday in January.

“*Villa Reservation Office*” means the VOA administration office, located either onsite or elsewhere, where reservations are confirmed for PVRs and SARs.

“VOA” means The Villas at Seven Canyons Owners Association, Inc., an Arizona nonprofit corporation, which is responsible for the operation of The Villas at Seven Canyons.

“Weekend” means the period of time which is comprised of Friday and Saturday nights, or any combination of Friday or Saturday and/or Sunday thereof.

III. GENERAL RULES – USE, BUILDINGS AND GROUNDS

3.01 *Occupancy.* Except for Villas not subject to the Fractional Ownership Plan, no person may occupy a Villa or use any facilities of the Property at any time other than during the time that a Villa is properly reserved in accordance with the Condominium Documents.

3.02 *Maximum Occupancy of a Villa.* The total number of persons lodged in a Villa that is subject to the Fractional Ownership Plan cannot exceed the sleeping capacity of that Villa (set at two per bed).

3.03 *Physical Amenities.* Use of the physical amenities is restricted to the Owners and guests in residence – no day use.

3.04 *Leasing Prohibited.* Owners of Fractional Interests are not allowed to lease or rent any part of their accommodation rights at any time, under any circumstance. To “lease” or “rent” means to grant permission to use a Villa to a person who is not the Owner of such Villa in exchange for something of value.

3.05 *No Commercial Activity.* The Villas are for residential use only and Residents shall not conduct any commercial activity that is detectable by sound, smell, or sight (e.g., customers/clients and couriers coming to and from the Villa) on the Property.

3.06 *No Obstruction.* All walkways, hallways, entrances, elevators and stairways shall not be obstructed or used for any purpose other than ingress and egress. No articles shall be placed or allowed to remain in the walkways, hallways, entrances, elevators, and/or stairways.

3.07 *Skateboards, Scooters, Bicycles, Rollerblades, Etc.* To help ensure the safety of Residents, recreational scooters, skateboards, go-carts, bicycles, and other similar objects shall not be used on sidewalks or in the parking areas within the Property, with the exception of service scooters and/or wheelchairs for disabled individuals. Residents are responsible for appropriately securing their bicycles and other recreational toys/equipment at the sole risk of Resident.

3.08 *Outside Drying or Laundering.* No clothing or other articles shall be hung in or from a patio, windows, Limited Common Elements or the Common Elements. No exterior clothesline shall be erected or maintained for drying or airing clothes on any portion of the Property.

3.09 *Window Air Conditioners, Heaters or Fans.* No window or portable air conditioners, heaters or fans of any kind shall be installed in a Unit or on a patio.

3.10 *Noise / Odors.*

(a) Pursuant to Section 14.3 of the Declaration, no Resident shall produce or permit in their Villa, in the Common Elements or Limited Common Elements, any noises or noxious odors that will disturb or annoy the occupants of other Villas. Nor shall a Resident do or permit anything to be done therein that will interfere with the rights, comfort or convenience of Residents of other Villas. Residents should use any and all practical means to reduce cooking odors.

(b) Loud, boisterous behavior that disturbs other Residents is prohibited anywhere within the Property, including, but not limited to, inside Villas, patios, and the Common Element entrances, stairways, hallways, etc. Should any loud, excessive or annoying sounds be emitted from a Villa so as to cause complaints to be filed with the VOA, the Resident of such Villa shall take all steps necessary to immediately eliminate such excessive noise. Owners are responsible for disturbances caused by their guests.

Please use common sense and courtesy in regard to voice levels, unnecessary noises and boisterous conduct. This includes, but is not limited to, televisions, radios and/or other sound-emitting devices. Keep the volume at a reasonable level at all times so other Residents are not disturbed.

3.11 *Decorations.* Exterior decorations are not permitted without express written consent of the Board. All interior decorations within Units subject to the Fractional Ownership Plan must not be affixed to any walls or cause damage to any portion of the Villas or property.

3.12 *Shades/Awnings/Air Conditioners or Other Item Visible from the Exterior of the Villa.* No shades, awnings, reflective window film, window guards, ventilators, fans or air conditioning devices, or other items visible from the exterior of any Villa shall be installed or used in or about any Villa, Common Elements, Limited Common Elements, or Patios other than such items as may have been installed with the original development or by the VOA, or as later approved by the Board of the VOA.

3.13 *Signs.* Except as permitted by law, no sign, notice or advertisement shall be permitted on the exterior of a Villa or in the interior of a Villa if such sign, notice or advertisement shall be visible from the exterior of a Villa, or on any other portion of the property.

3.14 *Insurance Risk and Other Hazards.* No Owner or guest shall permit anything to be done or kept in a Villa, Limited Common Elements or Common Elements that will result in an increase in, or the cancellation of, insurance on the Villa or that would be considered hazardous, flammable,

dangerous, or illegal.

3.15 *Storm Damage.* Residents shall close all exterior windows or doors and take all other reasonable, precautionary and preventative steps when necessary to avoid possible damage from storms or the elements.

3.16 *Smoking.* Smoking is strictly prohibited in any Villa that is subject to the Fractional Ownership Plan. It is also important to be courteous and respectful of others nearby when outdoors. Please refrain from smoking in areas where smoke is likely to travel to adjacent areas that would bother or disrupt others, such as patios and condensed outdoor spaces. "Smoking" includes, but is not limited to tobacco, marijuana, and other inhalants, whether consumed via a cigarette, cigar, pipe, vaping device, incense or other method or device. Owners shall be liable for any damages that may occur as a result of Smoking by such Owner or its guests. If the smell of smoke is detected in the Villa after your departure, a Smoke Cleaning Fee (in the amount set forth in the General Fees & Fine Schedule attached to these Rules as **Exhibit A**) will be levied and posted to your account.

3.17 *Maintenance of Villas and Common Elements.* Owners are reminded that alterations and repairs of the Villas (except those not subjected to the Fractional Ownership Plan, if any) and Common Elements is the sole responsibility of the VOA. No person shall do any painting or decorating of the Villas or any of the Common Elements or make any other alterations or construct any improvements to the Villas or any of the Common Elements.

3.18 *Damage by Owner or Guests.* All damage to the Villas or Common Elements caused by the negligence or misconduct of an Owner or its guests or invitees shall be the responsibility of, and paid for by, such Owner. Furthermore, no person shall remove from the premises any property or furnishings belonging to the VOA. Pursuant to the Declaration, the costs incurred by the VOA in repairing such damage/loss may be assessed against the Owner and secured by the assessment lien against the applicable Fractional Interest. To the extent of any damage by an Elite Alliance guest, the VOA will attempt to recover the damage from that guest, but may pursue the Owner pursuant to which such Owner's PVR the Elite Alliance guest stayed.

3.19 *Water.* Water shall not be left running for an unreasonable or unnecessary length of time. Owners and guests shall immediately notify the VOA of any broken or leaking pipes, water closets, clothes washers or water heaters and any water intrusion into the Villas from the roofs or windows.

3.20 *No Interference.* No Resident or other person shall interfere in any manner with any portion of the plumbing, heating, air conditioning or lighting apparatus in any Villa or Common Element.

3.21 *Pets.* As a Villas at Seven Canyons guest, we are delighted to accept your dog as our guest; but please note that cats – and any other animals – are not allowed in Villa. To ensure a comfortable stay

for yourself and your fellow owners, we would appreciate your observing of the following guidelines:

- (a) There is a “fee per stay” charge for the deep cleaning of the Villa unit associated with your dog’s in-house status. This charge does not vary based on the duration of the dog’s Villa stay.
- (b) We will accommodate your pet in the Villa unit, provided that your dog weighs 75 pounds or less, is fully trained and appropriately restrained by you.
- (c) A maximum of two (2) dogs, with a combined weight totaling no more than 75lbs, may occupy a Villa unit at any one time.
- (d) As Yavapai County requires a current Rabies Vaccination for all dogs, for protection of all Owners (and their dogs) and staff, alike we require proof of your dog’s current Rabies and Distemper vaccinations prior to your arrival at Seven Canyons.
- (e) Your dog must be kept under your control at all times and, if necessary, be on a leash everywhere on the property when it is outside of your Villa unit.
- (f) You are responsible for cleaning up after your dog anywhere on the Seven Canyons property.
- (g) To ensure the protection of the furnishings of the Villa unit and to ensure that all owners have a quiet and restful stay at The Villas at Seven Canyons, we must insist that no dog be left unattended in the Villa unit for a period of more than four (4) hours.
- (h) If you find the need to leave your dog unattended in the Villa unit at any time, your dog must be restrained within a kennel.
- (i) Dogs are not to be left unattended on the Villa Patio or tied up in the front of the Villa unit.
- (j) Please be mindful and respectful of the many activities and use areas throughout Seven Canyons. Accordingly, dogs are not allowed to interfere with golfers’ play at any time on the golf course or to be inside any part of the Clubhouse, including the Dining Room and Health & Wellness Center, spa or pool areas of Seven Canyons.
- (k) Any disturbances, such as barking, must be curtailed immediately to ensure other owners are not inconvenienced. If excessive barking is not controlled, you may be asked to remove your dog from the premises.
- (l) Please contact the Villa Member Services Department at Extension 3415 to arrange a convenient time for servicing your Villa unit; no attempt to enter and/or clean the unit can be made unless the owner is present and the dog is appropriately restrained.

(m) Owners are responsible for all property damage and/or personal injury resulting from your dog. And, we all know, “accidents can happen”, and if that should occur with your pet, or in the event of any incident of personal injury or property damage, please contact Villa member Services at Extension 3415, or our Director of Security at Extension 2030 immediately so that an incident report may be completed.

(n) The VOA reserves the right to charge your account commensurate to the cost of such damages over and above the initial \$300.00 cleaning fee. Excess damage fees may include, but are not limited to the following:

- (i) Out of Service Fee (charged per day the Villa unit is out of service)
- (ii) Deduction of PVRs from Owner’s allocated PVRs for any time the Villa unit is out of service
- (iii) Carpet Cleaning
- (iv) Linen Cleaning Fee
- (v) Courtyard Cleaning Fee

(o) You further agree to indemnify and hold Seven Canyons, the Villas at Seven Canyons Owners Association, its owners, guests, staff, contractors and operators free from all liability and damage suffered as a result of your dog.

(p) The VOA is not responsible for any physical harm caused to your dog during its visit by any flora, fauna, or environmental conditions. Local wildlife includes but is not limited to javelina, coyote, bears, bobcats, owls, hawks, bats, raccoons, snakes, gila monsters, tarantulas, scorpions, and spiders.

(q) The VOA reserves the right to prohibit and/or revoke in-Villa pet privileges from any owner whose dog is responsible for excessive disturbances and/or property damage.

All pets permitted to be on the Property are required to be registered with the VOA. Each Resident, prior to their stay, must complete and submit the Pet Registration Form to management (see **Exhibit F** for the Pet Registration Form).

3.22 *Service Animals.* If an Owner or guest with a disability is planning to have an animal in residence with them to help alleviate the effects of such disability (e.g., a service dog or emotional support animal) that would otherwise violate the pet restriction described in Section 3.21 above, a request for accommodation is required prior to such animal’s stay in order for the Board to evaluate the request and determine if an accommodation is needed. The form to be completed and submitted in support of such a request for accommodation can be found at **Exhibit E** attached to these Rules.

3.23 *Vehicles and Parking.*

- (a) Safe and proper speeds must be maintained while driving on Property. There may be some blind spots present.
- (b) Owners, Residents and guests must observe all posted signs, including but not limited to, stop signs, one-way signs, posted speed limits, parking and/or entrance/exit signs.
- (c) Owners, Residents and guests must park all motor vehicles in the spaces designated by the Management Company. No vehicle may be parked in any other areas of the Property or neighboring property, except temporarily for loading and unloading.
- (d) All vehicles are to be registered with Management.
- (e) No parking is permitted at any time:
 - (vi) in posted areas prohibiting parking
 - (vii) in traffic lanes
 - (viii) in front of trash doors/bins
 - (ix) in front of gate, storage or building entrance/exit
 - (x) blocking vehicles egress from or their ingress to a parking space
 - (xi) in reserved/assigned parking spaces not assigned to that Resident.
 - (xii) fire and/or emergency lanes
 - (xiii) in areas designated for handicap parking (unless the vehicle displays a handicap parking plate or placard)
- (f) No automobile, truck, van, motorcycle, or bicycle shall be parked in any portion of Property other than within a designated parking space, unless specifically authorized by Management.
- (g) No trailer, camper, motor home, recreational vehicle, dune buggy, boat, commercial truck, or any other similar vehicles shall be parked on any portion of Property.
- (h) No maintenance, repairs or other work may be performed on vehicles, including in designated parking spaces, except for minor emergency work necessary for start-up or towing.
- (i) Owners of vehicles leaking oil, or otherwise causing damage, to the parking area or other portion of the Property will be notified to clean up the spills and remove their car. Cleanup of fluids, oil, or other litter is the responsibility of the Resident and Owner.
- (j) Vehicles are not permitted to be washed, waxed, detailed and/or serviced in the

parking area or any other location on the Property.

(k) No motorized vehicles, including golf carts, shall be parked or operated on sidewalks or areas that are not roadways, unless authorized by Management.

(l) The Board and/or Management shall have the power, but not the obligation, to grant relief for “exceptional circumstances” (*i.e.*, police, fire, ambulance vehicles) and/or for good cause.

3.24 *Towing.* The VOA reserves the right to tow a vehicle parked on the Property; decisions to tow a vehicle shall be made by Management. Efforts will be made to contact the owner of a vehicle that may be towed, prior to towing, except when this is not practical or in the case of an emergency. Vehicles may be towed if parked in violation of Section 3.23 above. Typically, a vehicle will not be towed unless the vehicle has been issued a notice of parking violation and twenty-four (24) hours have elapsed since the issuance of that notice; however, some instances may necessitate immediate towing without prior notice and/or warning, such as when the vehicle is parked in such a manner that constitutes a hazard (*e.g.*, parking in a fire lane) or that interferes with another Resident’s permitted parking (*e.g.*, parking in another Resident’s assigned parking space, parking in a manner that interferes with another’s ability to enter and exit the premises).

3.25 *Privacy.* Owner “rosters” or contact database/lists of Owners are for the private use of VOA Owners only. Owners shall not use any roster or list for solicitation or commercial purposes or distribute same to anyone other than an Owner.

3.26 *Fireworks.* Fireworks are strictly prohibited anywhere on the Property or adjacent areas.

3.27 *Firearms.* Firearms and other weapons are not permitted on the Property unless ‘in transit’ and safely disassembled/made inoperative for travel (*e.g.*, consistent with FAA/TSA requirements).

3.28 *Drones/Remote-controlled Aerial Vehicles.* Operating of drones or any similar, remote-controlled aerial vehicles or devices is prohibited anywhere on the Property and adjacent areas unless otherwise approved by the Board of the VOA.

3.29 *Conduct with Staff and Complaints, Criticisms, and Suggestions.* Owners and their guests may not abuse or intimidate any of the employees or staff of the VOA verbally or otherwise. All staff and employees are under the supervision of the VOA’s management company and no Owner or guest shall reprimand or discipline, use vulgar inappropriate behavior or language – nor shall they request any staff/employee to leave the Property – for any reason. Nor should any Owner request special personal services from the staff/employees who are on duty or the personal use of the Villas’ furnishings or equipment which are not ordinarily available for use by Owners. Any staff/employee not rendering courteous and prompt service should be reported to the General Manager (via email

at GeneralManager@sevencanyonsvillas.com) and the VOA President (via email at President@sevencanyonsvillas.com). **NOTE:** All complaints, criticisms, or suggestions of any kind related to the operations of the Villas, or its staff/employees, must be in writing, signed and addressed accordingly.

3.30 *Early Arrival/Late Departure.* The VOA can guarantee an early check-in (before 4PM) only if you have also booked your Villa for the night prior to your arrival date. In this case, you may take possession of your reserved Villa at any time on your arrival day. Otherwise, your request will be noted and the VOA staff will do its best to accommodate, but there cannot be any guarantee that your reserved Villa will be ready before 4PM. Late check-outs are sometimes available, but must be requested through the Villa Reservation Office. Call the Villa Reservation Office to determine if your request can be accommodated. If departure is after 11AM without pre-arranging a late check-out, an Unauthorized Late Check-Out Fee (in the amount set forth in the General Fees & Fines Schedule attached to these Rules as **Exhibit A**) will be charged for every hour beyond 11AM that you and/or your possessions remain in the Villa.

3.31 *Dress Code.* It is expected that Owners and their guests will dress in a fashion befitting the surroundings and atmosphere of Seven Canyons. Owners are expected to advise their guests of the dress code requirements. In general, gentlemen and ladies shall dress in a fashion compatible with the appropriate occasion. Shoes with metal spikes are prohibited at all times on the Property.

3.32 *Code of Conduct.* All Owners and Residents on the Property, in attendance at any VOA meeting, community event or gathering, when addressing community issues, or when using VOA Common Elements shall:

- (a) Conduct themselves in a dignified and professional manner at all times.
- (b) Refrain from harassing any other person. "Harass" is defined as a single act or series of acts over any period of time that is directed at a specific person that would cause a reasonable person to be seriously alarmed, annoyed or harassed and the conduct in fact seriously alarms, annoys or harasses the person and serves no legitimate purpose.
- (c) Refrain from exhibiting anger or hostility, and from directing physical, verbal or written abuse (e.g., verbal or written language that can reasonably be considered to be prejudicial, condescending, aggressive, belittling, or impolite) against anyone.
- (d) Refrain from making accusations against anyone which are needlessly inflammatory.
- (e) If in attendance at a Board meeting or committee meeting, wait to be formally recognized by the chairperson of the meeting if the person wishes to speak at the meeting. No person shall speak out of order or without recognition of the meeting chairperson, nor

shall any person engage in any activity which interrupts or distracts any other person when another person has the floor for discussion purposes. At all times the meeting chairperson shall determine who has the floor to speak and may impose reasonable time limitations pursuant to statute.

3.33 *Pool Use.* All persons visit and use the pool at their own risk. The VOA is not responsible for accidents or injuries in connection with the use of the pool area. Specific pool rules, including hours of operation, will vary throughout the year and are posted at the pool area. The following also apply to use of the pool area:

- (a) Shower before using.
- (b) Proper attire required; swimsuits only while in the pool.
- (c) No glass, food or pets allowed in or around the pool area.
- (d) No soaps or oils allowed.
- (e) Do not use while intoxicated.
- (f) No loud or boisterous play; radios and other devices with headphones only.
- (g) Anyone under the age of 14 must be accompanied by an adult while in or around the pool area.
- (h) The Board reserves the right to deny use of pool to anyone or to close the pool at any time at its sole discretion.

NOTE: The pool at the Seven Canyons clubhouse is not governed by the VOA and will have separate rules and regulations adopted by the Club.

3.34 *Assumption of Risk; Indemnification.* Any Owner, family member, guest or other person who, in any manner, makes use of or accepts the use of any apparatus, appliance, facility, privilege or service whatsoever owned, leased or operated by the VOA, including without limitation, the use of Villas and the Common Elements, or who engages in any contest, game, function, exercise, competition or other activity operated, organized, arranged or sponsored by the VOA, either on or off the Property, shall do so at his or her own risk. The Owner and his or her family members and guests shall hold the VOA, its affiliates, and their respective directors, members, employees, agents, officers and attorneys (collectively, the “Indemnified Parties”) harmless from, and indemnify them against, any and all loss, cost, claim, injury, damage, obligations, suits, charges, expenses and liability, including attorneys’ fees and court costs, sustained or incurred by him or her (collectively, “Losses”), resulting therefrom or arising out of or incident to membership in the VOA.

3.35 *Gratuities.* Gratuities or cash tipping of VOA staff/employees is prohibited. Notwithstanding,

however, it is customary for the VOA Board to send a letter providing an opportunity for Owners to contribute a suggested amount to a **Holiday Fund** to be shared by all VOA staff/employees. Payment of such contribution will be voluntary and will be included on the contributing Owner's 4th Quarter invoice. This holiday fund provides the Owners with an opportunity to show their appreciation to VOA staff/employees during the holiday season. The VOA Board shall be responsible for the distribution of these funds.

IV. RESERVATION PROCEDURES & RULES

4.01 *PVR Booking and Confirmation.* Each Owner of a Fractional Interest (or Designated Owner Representative, as applicable) is allowed to reserve a total of 28 Planned Vacation Nights for the Use Year, for the Spring/Summer and/or Summer/Fall seasons, plus SARs, subject to availability. Each such Owner (or Designated Owner Representative, as applicable) may reserve Planned Vacation Nights in increments of two or more night stays, totaling 28 Planned Vacation Nights in each Use Year. The maximum number of Weekends available per Fractional Interest in one Use Year is four (4). Written requests for PVRs for any given Use Year will be taken in the immediately preceding year as follows:

- (a) By October 1st of each year, Owners (or Designated Owner Representatives in the case of any Fractional Interest owned by more than one Owner) are emailed a Planned Vacation Night reservation form which requests Owners to select their Planned Vacation Night dates for the following year. The Reservation Priority Number for each Fractional Interest will be noted on the Planned Vacation Night reservation form by the Villa Reservation Office. If the Planned Vacation Night reservation form is not received by the Owner (or Designated Owner Representative, as applicable) by October 15th, the Owner should immediately notify the Villa Reservation Office.
- (b) By October 31st of each year, the completed Planned Vacation Night reservation forms are returned by Owners (preferred via email, but can also be returned by fax, overnight courier, or in person) to the Villa Reservation Office. It is the Owner's responsibility to complete and ensure the VOA's receipt of the Planned Vacation Night reservation form by 5:00 PM (local AZ time) on October 31st to preserve priority rights for the upcoming Use Year. Planned Vacation Night reservation forms received after that time will be considered on a first-come, first-served basis after all Planned Vacation Night reservation forms received in a timely manner have been processed.
- (c) Beginning on November 1st, the Villa Reservation Office will commence the work to allocate the PVRs in the following manner:

- (i) First Reservation Confirmation Round – Reservation requests are confirmed if there is sufficient lodging supply to meet the demand for any given period. When demand for certain periods exceeds lodging supply, the Fractional Interest with the lowest numerical Reservation Priority Number will be confirmed.
- (ii) Second Reservation Confirmation Round – After the first Reservation Confirmation Round has been completed, additional PVRs are processed. These PVRs are confirmed if there is sufficient lodging supply to meet the demand for any given period. When demand for certain periods exceeds lodging supply, the Fractional Interest with the lowest numerical Reservation Priority Number will be confirmed.
- (iii) Subsequent Reservation Confirmation Rounds – After the second Reservation Confirmation Round has been completed, additional PVRs are processed in subsequent reservation confirmation rounds in the same manner as prior rounds.

Typically, by November 15th, written confirmation of PVRs is sent to each Owner (or Designated Owner Representative, as applicable) by email. No reservation request will be honored unless it has been confirmed by the Villa Reservation Office. The VOA will do its best to accommodate special requests for reservation of a particular Villa or fairway locations; however, specific Villas (or fairway locations) cannot be guaranteed.

4.02 *Cancellations.* A PVR will be deemed to have been used if it is reserved and not cancelled at least two weeks (14 days) prior to the scheduled commencement of occupancy, unless the nights are re-booked with another Owner. SARs may be cancelled without penalty up to 48 hours prior to the scheduled commencement of occupancy. A fee of one nights' stay will be charged for any SAR cancellation less than 48 hours in advance. An Owner's ability to make another reservation will be subject to remaining availability in the current Use Year and cannot be guaranteed.

4.03 *Unused Planned Vacation Nights.* Unused Planned Vacation Nights may be used during the current year (if space is available), but cannot be carried over from one Use Year to the next or be borrowed from a future Use Year for use in an earlier period or year.

4.04 *Space-Available Reservations.* After the Villa Reservation Office has confirmed the PVRs, requests for SARs may be made starting on December 1 of each year.

- (a) Owners have access to and usage of the Villas on a space-available basis. Owners are limited to a maximum period of seven consecutive nights per SAR (again, space permitting). Only one active SAR may exist per Fractional Interest at any given time; provided, however,

that within fifteen days prior to an existing SAR, one additional reservation for future Space Available Nights may be made.

(b) Space Available Reservations for PVR may be made once the reservation booking period is concluded (December 1st of each year) and are subject to availability.

(c) All SAR requests will be processed by the Villa Reservation Office on a first-come, first-served basis by email. Space Available Nights reserved above and beyond the 28 Planned Vacation Nights per Use Year will be charged an Occupancy Fee per night as set forth in the General Fees & Fine Schedule attached to these Rules as **Exhibit A**.

(d) If a Resident fails to check in with the front desk on the reserved date without written notice to the Villa Reservation Office at least 48 hours prior to scheduled check-in, the SAR reservation shall be deemed cancelled and the Owner shall pay a cancellation fee equivalent to one night's Occupancy Fee as set forth in the General Fees & Fine Schedule attached to these Rules as **Exhibit A**.

(e) Preference shall be given as follows: (i) to Owners with an active, confirmed "waitlist" PVR request; and/or (ii) to Owners making SAR requests for personal use rather than for use by an Unaccompanied Guest.

4.05 *Unaccompanied Guests.* An Owner of a Fractional Interest requesting lodging for an Unaccompanied Guest shall provide such guest's name, address and telephone number in writing at least 14 days prior to arrival so that the Villa Reservation Office may send a confirmation notice to that Unaccompanied Guest. All Unaccompanied Guests must abide by these Rules and comply with the Condominium Documents. The Owner is responsible for any damages to the Property caused by the Unaccompanied Guest.

4.06 *Weekend Reservations.* There is a maximum of four weekends which may be reserved during the PVR Booking Period. Additional Weekends (if available) may be requested after December 1.

4.07 *Check In/Check Out.* Check-in time is after 4:00 p.m. (local AZ time) and check-out time is before 11:00 a.m. (local AZ time).

V. SALE/TRANSFER PROCEDURES AND RULES

5.01 *VOA's Right of First Refusal.* The transfer of any Villa or Fractional Interest is subject to certain rights and restrictions set forth in the Declaration, including the VOA's right of first refusal to purchase such Villa or Fractional Interest. The information requested on the *Villa Fractional Unit/Interest Transfer Information* form attached to these Rules as **Exhibit B** is required in order for

the VOA to evaluate whether it will exercise its right of first refusal or waive such right.

5.02 *Notice of Sale or Transfer.* At least 45 days prior to the closing of any sale or transfer of an interest in the Villas, the seller of such interest must provide the VOA notice of such pending sale or transfer.

5.03 *Submission of the Villa Fractional Unit/Interest Transfer Information Form.* At least 45 days prior to the closing of any sale or transfer of an interest in the Villas, the buyer and seller must complete and submit to the VOA the *Villa Fractional Unit/Interest Transfer Information* form attached to these Rules as **Exhibit B**.

5.04 *Waiver or Notice of Intent to Exercise VOA's Right of First Refusal.* Upon evaluation of a completed and submitted *Villa Fractional Unit/Interest Transfer Information* form, the VOA will notify the buyer and seller (and escrow agent, if applicable) of its intent to waive or exercise its right of first refusal.

5.05 *Transfer Fees.* Pursuant to A.R.S. § 33-1260(C), the VOA, or its Management Company designee, may levy certain fees related to the resale disclosure required or allowed by law and related administrative burdens. Such Resale Fees are identified on the General Fees & Fine Schedule attached to these Rules as **Exhibit A**.

5.06 *Marketing/Branding Enhancement Fee.* On the sale or transfer of an interest in a Villa, the VOA may levy a Marketing/Branding Enhancement Fee in the amount set forth on the General Fees & Fine Schedule attached to these Rules as **Exhibit A**. No Marketing/Branding Enhancement Fee will be levied upon transfer of title: (a) by a co-owner to any person who was a co-owner immediately prior to such transfer; (b) to a family trust or a family limited partnership controlled by the guarantor, or to the owner's estate, surviving spouse, or child upon the death of the owner; or (c) to an entity wholly owned by the grantor or, provided that upon any subsequent transfer of an ownership interest in such entity, the Marketing/Branding Enhancement Fee may become due.

VI. JOINT OWNERS & DESIGNATED OWNER REPRESENTATIVE

6.01 *Issue and Objective of Rule.* The objective of this Article VI is to provide effective and efficient administration, accounting and communication, and to protect the rights and interests afforded by the Declaration to all Owners of this private, luxury, exclusive experience of limited fractional ownership in the Villas.

6.02 *Joint Owner Representative Designation and Voting Certificate.* Pursuant to Section 10.1 of the Declaration, for any Fractional Interest owned by more than one Owner (including through an LLC, partnership, corporation, or other entity), such joint Owners shall complete and sign the form of Joint Owner Representative Designation and Voting Certificate approved by the VOA (attached to

these Rules as **Exhibit C**). When completed and signed by all joint Owners, the Joint Owner Representative Designation and Voting Certificate shall be provided to the VOA's General Manager by email, GeneralManager@sevencanyonsvillas.com, or by mail in care of HOAMCO, 35 Bell Rock Plaza, Ste. A, Sedona, AZ 86351.

6.03 *Change to Designated Owner Representative.* Joint Owners may change the Designated Owner Representative only once in any Use Year, and upon sale of such Fractional Interest or Villa, and must do so only by completing and submitting a new Joint Owner Representative Designation and Voting Certificate. The VOA will not recognize any person other than the person designated on such certificate as the Designated Owner Representative made in compliance with these Rules.

6.04 *Designated Owner Representative Authority and Role.* The Designated Owner Representative designated by the joint Owners has the full and sole authority to act on behalf of all joint Owners with respect to such Fractional Interest, including making reservations and casting votes allocated to such Fractional Interest. In addition, the following applies:

(a) Notice sent to the Designated Owner Representative at the address provided on the Joint Owner Representative Designation and Voting Certificate shall constitute formal notice to all joint Owners of such Fractional Interest for all VOA purposes related to the Fractional Interest.

(b) The VOA may rely on any act or representation made by such Designated Owner Representative and shall be held harmless against any loss or claim resulting from such reliance.

(c) Reservations for occupancy of villas must be made by the Designated Owner Representative only and not any other joint Owner.

6.05 *Single Account; Joint and Several Liability.* There is one membership account for a Fractional Interest regardless of the number of joint Owners. Pursuant to Section 9.1(f) of the Declaration, all joint Owners of a Fractional Interest are jointly and severally liable for all charges, fines, fees, assessments, interest, costs and reasonable attorneys' fees levied against such Fractional Interest and its Owners.

6.06 *Voting.* Pursuant to Section 10.1 of the Declaration, each Fractional Interest (1/10th interest in a Unit) has one vote in the VOA, which cannot be divided or cast in fractions, and can only be cast by the Designated Owner Representative.

6.07 *Violation.* Failure to complete and return the Joint Owner Representative Designation and Voting Certificate, or otherwise comply with this Article IV, shall constitute a violation of these Rules for which the VOA may enforce pursuant to Article VII of these Rules, the Condominium

Documents, and Arizona law.

VII. COLLECTION: ASSESSMENTS, FEES, & CHARGES.

The following procedures and practices are established for the collection of Assessments, fees, and other charges owing and to become owing by the Owners of Units and/or Owners of Fractional Interests:

7.01 *Ownership Interests.* Pursuant to the Declaration, the Owner(s) of a Unit or Fractional Interest as of the date an Assessment becomes due is/are personally liable (and jointly and severally liable in the case of joint Owners) for the payment of the Assessment. The personal obligation for delinquent Assessment shall not pass to the successors in title of the Owner unless expressly assumed by them.

7.02 *Collection Fees.* In order to recoup costs incurred because of the additional administrative expenses associated with collecting delinquent Assessments, the VOA will levy and collect the following fees (amount of each fee is set forth in **Exhibit A: General Fines & Fees Schedule**), which will be added to the amount outstanding and are collectible to the same extent and in the same manner as the delinquent Assessment:

- (a) Collection Notice Fee (applicable upon issuance of a notice of delinquent account to the Owner);
- (b) Returned Check Fee (applicable in the event of any payment returned due to insufficient funds);
- (c) Intent to Lien Notice Fee (applicable upon issuance of a notice of Intent to Lien sent to the Owner); and
- (d) Lien Fee (applicable upon recording of a Notice of Lien).

7.03 *Application of Funds Received.* All moneys received by the VOA will be applied to amounts outstanding to the extent of and in the following order:

- (a) First, to any unpaid Assessments;
- (b) Next, to interest and late fees;
- (c) Then, to reasonable collection fees and for unpaid attorney's fees and costs incurred by or on behalf of the VOA; and
- (d) Last, to any remaining unpaid fees, charges and monetary penalties.

7.04 *Ownership Records.* All collection notices and communications will be directed to those persons shown by the records of the Association as being the Owner (or Designated Owner

Representative in the case of a Unit or Fractional Interest owned by more than one Owner) of the Unit or Fractional Interest, as applicable, for which Assessments are due and will be sent to the most recent address of such Owner solely as reflected by the records of the VOA. Any notice or communication directed to a person at an address, in both cases reflected by the records of the VOA as being the Owner and address for a given Unit or Fractional Interest, as applicable, or the Designated Owner Representative in the case of a Unit or Fractional Interest owned by more than one Owner, will be valid and effective for all purposes pursuant to the Declaration and these Rules until such time as there is actual receipt by the VOA of written notification of any change in the identity or status of such person or its address or both.

7.05 *Notification to Owner/Designated Owner Representative.* The notifications given to Owners/Designated Owner Representatives are summarized below, but the full collection polic(y/ies) adopted by the Board are attached to these Rules as **Exhibit A-2** and should be reviewed by all Owners. Amendments to these policies and/or new policies will be appended to these Rules upon adoption by the Board.

(a) **Late Notice.** A payment is deemed delinquent if it is unpaid fifteen (15) or more days after the due date. A late notice will be sent via regular first-class mail, a Late Fee and a Collection Notice Fee, in the respective amounts described in the attached exhibits, will be charged to the Owner's account. Interest will accrue at the Applicable Interest Rate, specified in the attached exhibits, from the date due until paid. Pursuant to Article X, Section 10.11 of the Declaration, reservation and occupancy privileges will be suspended until such time as the account is brought current.

(b) **2nd Late Notice.** No sooner than thirty (30) days after the due date, the VOA will send a notice via regular first-class mail setting forth the amount of the delinquent Assessment owing. All fees associated with this letter will be charged to the Owner's account, including an additional Collection Notice Fee.

(c) **Intent to Lien Notice.** No sooner than forty-five (45) days beyond the due date, the VOA will send a notice of Intent to Lien making formal demand for immediate payment for all outstanding amounts. The Intent to Lien notice will be sent via regular and certified mail, return receipt requested. All fees associated with this letter, including an Intent to Lien Notice Fee, will be charged to the Owner's account. The Intent to Lien notice shall include the following statutorily required language:

YOUR ACCOUNT IS DELINQUENT. IF YOU DO NOT BRING YOUR ACCOUNT CURRENT OR MAKE ARRANGEMENTS THAT ARE APPROVED BY THE ASSOCIATION TO BRING YOUR ACCOUNT CURRENT WITHIN THIRTY DAYS AFTER THE DATE OF THIS NOTICE,

YOUR ACCOUNT WILL BE TURNED OVER FOR FURTHER COLLECTION PROCEEDINGS. SUCH COLLECTION PROCEEDINGS COULD INCLUDE BRINGING A FORECLOSURE ACTION AGAINST YOUR PROPERTY.

(d) **Recordation of Lien.** No sooner than sixty (60) days after the due date, where the Board has determined an Assessment lien is to be pursued, if an Owner fails to pay in full the entire amount covered by an Intent to Lien notice by the date specified, the Board will cause to be prepared and recorded with the County Recorder a written notice of lien. A Lien Fee will be charged to the Owner's account.

(e) **Referral to Legal Counsel.** If the delinquency is not resolved on or before the end of the thirty (30) day period following issuance of the Intent to Lien Notice, the VOA may refer the matter to its legal counsel for further collection efforts.

7.06 *Alternative Collection Processes; Foreclosure.* The VOA is not strictly bound by the foregoing collection process and order and may deviate where in the best interest of the VOA. The Board, acting with input and recommendation from management and legal counsel, will evaluate the appropriate course of collection action that appears to be in the best interest of the VOA for recovery of unpaid Assessments. Where foreclosure of the Assessment lien in favor of the VOA against a Unit or Fractional Interest, together with pursuit of personal judgment against the Owner(s), is determined to be advisable or personal judgment alone, the Board will direct legal counsel to proceed accordingly.

7.07 *Suspension of Privileges.* Pursuant to Section 10.11 of the Declaration, upon any failure to pay Assessments within fifteen (15) days when due, such Owner(s) privileges to reserve, occupy, or otherwise use and enjoy a Villa or the amenities shall be automatically suspended until such delinquency is paid in full.

7.08 *Verification of Indebtedness.* Where an Owner requests verification of the indebtedness, Management will, upon notification of the Owner's request, supply such verification within fifteen (15) business days. The exercise of the collection rights of the VOA regarding Assessments will in all ways comply with applicable law.

VIII. ENFORCEMENT.

8.01 *Generally.* Pursuant to Section 10.10 of the Declaration, these Rules shall be enforced by the Board or the Management Company and/or VOA General Manager as directed by the Board. The Declaration, at Section 10.11, and Arizona law give the VOA the right to levy reasonable monetary

penalties and impose sanctions for violation of the Condominium Documents, including these Rules (after notice and hearing, pursuant to Section 10.11 of the Declaration), including without limitation the following:

- Suspending the privileges of Membership (and access) including right of an Owner to reserve PVRs and SARs or occupy a Villa (notice and hearing is not required prior to suspension if it is due to the non-payment of Assessments);
- Imposition of reasonable monetary penalties against an Owner;
- Recovery of attorney fees or damages for any violation or non-compliance with the Condominium Documents, including these Rules;
- Levying assessments against an Owner's Fractional Interest or Unit to cover certain Common Expenses;
- Suspension of services to an Owner or its guests; and
- Removal of Owners and/or guests from the Property.

8.02 *Reporting of Violations.* An Owner or Resident may report a violation of these Rules or the Condominium Documents in writing to the Management Company or the Board, which writing shall set forth: (i) the alleged violation; (ii) the name of the person who allegedly committed the violation; (iii) the name of the Owner who is responsible for the violation; and (iv) the name, address and phone number of the person making the complaint. Any violation/complaint form submitted to the Management Company will be copied as a matter of course and sent to the VOA President and/or the Board.

8.03 *Notice and Hearing Process.* The following process shall be followed when the VOA has deemed an Owner to be in violation of the Condominium Documents:

- (a) The Management Company shall notify Owners of the VOA's determination that a violation has occurred.
- (b) Unless the violation consists of the failure to pay Assessments when due (for which violation the right of an Owner to occupy a Unit or Fractional Interest may be immediately suspended until the delinquent Assessments is paid), no fine shall be imposed and no such suspension shall be made except after a meeting of the Board.
- (c) Written notice of the meeting and the purpose thereof, including the reasons for the fine or suspension sought, shall be given to the Owner against whom such fine is to be imposed or whose privileges are to be suspended at least 15 days prior to the holding of the meeting.

(d) The Owner shall be entitled to appear at the meeting and present the Owner's case as to why the fine should not be imposed or the privileges should not be suspended. The Board may determine whether the Owner will be permitted to present a written or oral defense to the charges.

(e) The decision whether a fine should be imposed or privileges should be suspended shall be made by a majority of the members of the Board present at the meeting, but such decision is not required to be made at such meeting. Written notice of any disciplinary action taken and the reasons therefor shall be given to the disciplined Owner and the disciplinary action shall become effective on the date the notice is given or on such later date as may be specified in the notice.

8.04 *Fine Schedule.* The Board may impose fines against an Owner for any infraction of the Condominium Documents by the Owner or the Owner's guests. Before fines are imposed, an Owner will be given notice and an opportunity to be heard as detailed in Section 8.03, above. The Owner will be given written notification (via electronic or regular mail) of the amount of fines imposed and the due dates for payment of such fines. The amount of the fines imposed by the Board shall be determined based on the General Fee & Fine Schedule adopted by the Board, as amended from time to time, and attached to these Rules as **Exhibit A**. Notwithstanding anything herein to the contrary, the Board retains the discretion to adopt supplemental fine schedules to address specific violations of the Condominium Documents. All supplemental violation-specific schedules shall be set forth as exhibits (e.g., "Exhibit A-1," "Exhibit A-2," "Exhibit A-3") to these rules once adopted. If a supplemental violation-specific schedule is not adopted, the General Fee & Fine Schedule shall apply.

8.05 *Continuing Violations.* Once it has been determined that the Owner's violation is a continuing violation, the Board may impose reasonable continuing monetary fines (such as daily, weekly, or monthly fines) in accordance with the applicable Fine Schedule while the violation continues, and such continuing fines shall accrue until the owner notifies the Board that the violation has ceased and the Board has confirmed that, this, in fact, is the case. If any violation recurs within three (3) months from a past violation, it will be considered a reoccurrence of the original violation. Additionally, continuing or reoccurrence of violations can also result in suspension of an Owner's rights to reserve and/or occupy Villas and the right of the Owner to participate in any vote or other determination provided for in the Condominium Documents (*see* Declaration at 26 [Sec. 10.11]).

8.06 *Referral to Legal Counsel.* Where a violation is determined to exist and where Management or the Board deems it to be in the best interests of the VOA, the VOA 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 VOA.

8.07 *Waiver or Variation from these Established Violation and Enforcement Procedures.* The procedures described in this Article VII of the Rules is intended to serve as a guideline for the VOA. The Board retains the right and authority to vary from these procedures when, in its sole judgment, it determines that any such variance is appropriate. The decision by the VOA to levy fines does not relieve the Owner from the obligation to correct the violations or comply with the Condominium Documents. These enforcement procedures and the remedies set forth herein do not constitute an election of remedies by the VOA, and the VOA reserves all such remedies available at law and in equity. The VOA shall have the right to enforce the Condominium Documents through any other remedies available to the VOA concurrently with the enforcement procedures set forth herein.

EXHIBIT A

General Fees & Fine Schedule

The fines set forth in this General Fees & Fine Schedule shall be considered to constitute damages sustained by the VOA, and are intended to compensate the VOA for the adverse impact of the violation on the community and the administrative burden of addressing the violation.

The Board reserves the right to deviate from the fine amounts set forth herein if, after a hearing on the matter, the Board finds good cause to decrease, or increase, the amount of the fine levied in a particular case. The Board also reserves the right to pursue any and all other remedies set forth in the Declaration at the same time or in lieu of levying the fines set forth in this General Fees & Fine Schedule.

VIOLATION NOTICES. The following notices shall be sent to Owners upon a determination that a violation has occurred:

Initial Courtesy Notice: An initial notice of the violation shall be emailed and/or mailed to the Owner requesting compliance within a specific timeline, as set forth in the notice. NO FINE will be levied.

Second Violation Notice: If the violation still exists after the expiration of the deadline for compliance provided in the Initial Courtesy Notice, a Second Notice requesting compliance within ten (10) days shall be mailed to the Owner. The Owner shall be notified of (1) the Board's intent to levy a fine in the amount set forth in this General Fees & Fine Schedule for the applicable violation if the violation is not corrected by the deadline provided, and (2) the Owner's right to attend a meeting of the Board regarding the matter and the date, time, and location of such meeting. The fine shall be levied after the meeting of the Board provided in the notice unless the Board finds good cause to decrease, or increase, the amount of the fine.

Continuing Violations: If the violation still exists days after the expiration of the deadline for compliance provided in the Second Violation Notice, a fine in the amount set forth in this General Fees & Fine Schedule for the applicable violation shall be assessed every thirty (30) days until the violation is resolved.

Reoccurring Violations: If the same violation reoccurs within the three (3) month period following the date of the Initial Violation Notice or any subsequent violation notice, it will be considered a recurrence of the original violation and a fine in the amount set forth in this General Fees & Fine Schedule for the applicable violation shall be assessed upon each recurrence. In addition, the Board shall have the right to remedy the violation and/or take legal action, in accordance with the Condominium Documents.

FINE SCHEDULE. The following fines shall be levied for the following stated violations¹:

<u>Violation Description:</u>	<u>Fine Amount/occurrence:</u>
Leasing/Renting	\$1,000 per day
Repeat Violations: <ul style="list-style-type: none"> • Two or more Class II or III violations within 12 months; or • Three or more Class II or III violations within 24 months 	\$1,000
Intentional Damage/Theft	\$1,000
Violation of Article VI (Joint Owners/Designated Owner Representative Rules and Procedures)	Up to \$1,000
Violation of Special/Emergency Policies and/or Restrictions (e.g., COVID-related requirements)	Up to \$1,000
Pet-related	\$300
Smoking	\$300
Fireworks	\$300
Pool-related	\$200
Bad Behavior/Conduct	\$200
Noise/Disruption of "Quiet Enjoyment"	\$100
Privacy-related	\$100
Firearms (other than discharge or threatening with)	\$150
Vehicle-related (e.g., parking/speeding)	\$100
Unauthorized Drone Operation	\$100
Other Minor Infractions (not specified above)	\$50

¹ These fines may be in addition to any fees and/or expenses authorized to be levied as a result of damage, cleaning, etc.

FEE SCHEDULE:

<u>Fee Description:</u>	<u>Fee Amount:</u>
Transfer Fees:	
• Transfer Fee	\$200
• Disclosure Fee	\$180
• Service/Delivery Fees	\$20
• Rush Fee	\$100
• Update Fee	\$50
Marketing/Branding Enhancement Fee	\$400
Occupancy Fee	\$300/night
Smoke Cleaning Fee	\$500
Unauthorized Late Check-Out Fee	\$100/hour
Pet Fee	\$300/visit
Late Fee	10% of Assessment
Collection Notice Fee	\$15
Returned Check Fee	\$25
Intent to Lien Notice Fee	\$35
Lien Fee	\$135
Applicable Interest Rate	15% per annum

EXHIBIT A-1

Supplemental Fees & Fine Schedule

[Currently None Adopted]

EXHIBIT A-2

VOA Assessment Collection Policies

THE VILLAS AT SEVEN CANYONS OWNERS ASSOCIATION, INC.

Assessment Collection Policy

Pursuant to the Arizona Nonprofit Corporation Act, A.R.S. 33-1242 and 33-1256 for condominiums and Article IX, Sections 9.1 of the Declaration of Condominium and Fractional Ownership Plan of The Villas at Seven Canyons, a Condominium, as supplemented by resolutions adopted from time to time by the Board for Directors for The Villas at Seven Canyons, ("Declaration"), the following resolution is hereby adopted by the undersigned, all being directors of The Villas at Seven Canyons Owners Association, Inc. ("Association").

NOW THEREFORE, IT IS RESOLVED that the following procedures and practices are established for the collection of Assessments owing and to become owing by the Owners of Units and/or Owner of Fractional Interests in the Association and the same are to be known as the "Assessment Collection Policy" for the Association in the discharge of its responsibilities regarding collection of Assessments levied against Units:

1. **POLICY OBJECTIVE.** The Association will pursue collection of all Assessments pursuant to the Declaration and this Assessment Collection Policy.

2. **OWNERSHIP INTERESTS.** Pursuant to the Declaration, the person who is the Owner of a Unit and/or Owner of Fractional Interests as of the date an Assessment becomes due is personally liable for the payment of the Assessment. The personal obligation for delinquent Assessment shall not pass to the successors in title of the Owner unless expressly assumed by them.

3. **HANDLING CHARGES AND RETURNED CHECK FEE.** In order to recoup costs incurred because of the additional administrative expenses associated with collecting delinquent Assessments, collection of these fees and charges are part of the Collection Policy. These fees and charges, including a \$15.00 Collection Notice Fee, will be added to the amount outstanding and are collectible to the same extent and in the same manner as the delinquent Assessment.

4. **APPLICATION OF FUNDS RECEIVED.** All moneys received by the Association will be applied to amounts outstanding to the extent of and in the following order:

- a. First to any unpaid Assessments;
- b. Next, to late fees and interest accrued;
- c. Then to reasonable collection fees and for unpaid attorney's fees and costs incurred by or on behalf of the Association.
- d. Last to any remaining unpaid fees, charges and monetary penalties.

5. **OWNERSHIP RECORDS.** All collection notices and communications will be directed to those persons shown by the records of the Association as being the Owner of the Unit and/or Owner of Fractional Interest for which Assessments are due and will be sent to the most recent address of such Owner solely as reflected by the records of the Association. Any notice or communication directed to a person at an address, in both cases reflected by the records of the Association as being the Owner and address for a given Unit, will be valid and effective for all purposes pursuant to the Declaration and this Assessment Collection Policy until such time as there is actual receipt by the Association of written notification of any change in the identity or status of such Owner or its address or both.

6. **NOTIFICATION TO OWNER.**

a. **LATE NOTICE.** A payment by a member is deemed delinquent if it is unpaid fifteen (15) or more days after the due date. A late notice will be sent via regular first-class mail, a late fee of 10% and a \$15.00 Collection Notice Fee will be charged to the Owner's account. Interest will accrue at a rate of 15% per annum from the date due until paid. Pursuant to Article X, Section 10.11 of the Declaration, Owner's and/or Fractional Owner's reservation and/or occupancy privileges will be suspended until such time as the account is brought current.

b. 2nd LATE NOTICE. No sooner than Thirty (30) days after the due date, the Association will send a notice via regular first-class mail to the Owner setting forth the amount of the delinquent Assessment owing. All fees associated with this letter will be charged to the Owner's account, including an additional \$15.00 Collection Notice Fee.


c. INTENT TO LIEN NOTICE. No sooner than Forty-five (45) days beyond the due date, the Association will send a notice of Intent to Lien to the Owner making formal demand for immediate payment for all outstanding amounts. The Intent to Lien notice will be sent via regular and certified mail, return receipt requested. All fees associated with this letter, including a \$35.00 Intent to Lien fee, will be charged to the Owner's account.

d. RECORDATION OF LIEN. Sixty (60) days after the due date, where the Board has determined an Assessment lien is to be pursued, if an Owner fails to pay in full the entire amount covered by an Intent to Lien notice by the date specified, the Board will cause to be prepared and recorded with the County Recorder a written notice of Lien pursuant to A.R.S. 33-1256 for condominiums. A lien fee of \$135.00 will be charged to the Owner's account.


7. ALTERNATIVE COLLECTION COURSES. The Board, acting with input and recommendation from management and counsel, will evaluate which course of legal action appears to be in the best interest of the Association for recovery of unpaid Assessments. Where foreclosure of the Assessment lien in favor of the Association against a Unit, together with pursuit of personal judgment against the Owner, is determined to be advisable or personal judgment alone, the Board will direct counsel to proceed accordingly pursuant to the minimum foreclosure requirements of A.R.S. 33-1256 for condominiums.

8. VERIFICATION OF INDEBTEDNESS. Where an Owner requests verification of the indebtedness, Management will, upon notification of the Owner's request, supply such verification within fifteen (15) business days. The exercise of the collection rights of the Association regarding Assessments will in all ways comply with applicable law.


IT IS FURTHER RESOLVED THAT this Assessment Collection Policy replaces and supersedes in all respects all prior resolutions with respect to the collection of Assessments by the Association and is effective upon adoption hereof, to remain in force and effect until revoked, modified, or amended.



President
ROBERT ANGELO
Print Name



Secretary
William E. Sweeney, Jr
Print Name



Treasurer
Michael Hofmann
Print Name

This is to certify that the foregoing resolution was adopted by the Board of Directors of The Villas at Seven Canyons Owners Association on the 13 day of November, 2012, to be effective as of 11-13-12, and has not been modified, rescinded, or revoked.



Secretary

Date 11-13-12

**RESOLUTION OF THE BOARD OF DIRECTORS
OF
THE VILLAS AT SEVEN CANYONS OWNERS ASSOCIATION, INC.**

The undersigned constituting all of the members of the Board of Directors (the “Board”) of The Villas at Seven Canyons Owners Association, Inc., an Arizona nonprofit corporation (“Association”), hereby take the following action by unanimous written consent and without a meeting pursuant to A.R.S. §10-3821, which action shall have the same force and effect as if taken by the Board of Directors at a duly called meeting of the Board of Directors.

WHEREAS, both the state of Arizona and the federal government have declared a public health emergency to address the 2019 novel coronavirus known as SARS-CoV-2 and related infectious disease known as COVID-19; and

WHEREAS, the President of the United States has declared a national emergency due to both the health and economic implications of COVID-19; and

WHEREAS, many businesses have greatly reduced their hours and operations as directed by health officials and in an effort to protect the public health and slow the spread of COVID-19; and

WHEREAS, Douglas A. Ducey, Governor of the State of Arizona, issued Executive Order 2020-18, known as the “Stay Home Order” that promotes physical distancing and further memorializes some executive actions already in effect to slow the spread of COVID-19, including a description of what businesses may remain open and operating; and

WHEREAS, Owners that must self-isolate or who are unable to work as a result of COVID-19 or its resulting impact may experience a decrease in income affecting their ability to timely pay Association assessments; and

WHEREAS, the Board desires to provide temporary relief to requesting Owners who are in good standing and it can be reasonably determined that there has been an individual, legitimate, direct and significant hardship to such requesting Owners as a result of the COVID-19 pandemic or its resulting impact (a “COVID-19 Hardship”); and

WHEREAS, pursuant to Section 14.8 of the Declaration of Condominium and Fractional Ownership Plan of The Villas at Seven Canyons, a condominium, recorded February 3, 2005, in the official records of the Yavapai County Recorder at Book 4230, Page 584, as amended, reasonable rules and regulations concerning the use of Condominium Property may be promulgated and amended from time to time by the Board in the manner provided by its Articles of Incorporation and Bylaws.

THEREFORE, BE IT RESOLVED, that the following temporary “COVID-19 Collections Policy” is hereby adopted by the Board:

(1) *Deferred Payment Structure.* Notwithstanding the Association's existing collection policy, upon the request of an Owner in good standing with a COVID-19 Hardship, the Association will agree to the following deferred payment structure for each quarterly assessment that becomes due while this Compassionate COVID-19 Collections Policy is in effect:

(a) Owner shall pay 50% of such quarterly assessment on the normal due date established for such quarterly assessment;

(b) Owner shall pay 25% of such quarterly assessment on the first day of the calendar month immediately following the normal due date established for such quarterly assessment (second month of the quarter); and

(c) Owner shall pay 25% of such quarterly assessment on the first day of the second calendar month immediately following the normal due date established for such quarterly assessment (final month of the quarter).

(2) *Late Fees and Interest.* If the Owner makes these deferred payments timely as required above, then all late fees and interest normally levied and accrued with respect to such quarterly assessment(s) will be waived.

(3) *Management Discretionary Authority.* The Association's management company, HOAMCO, is authorized to reasonably modify the above Deferred Payment Structure so as to be compassionate and reasonably tailored to the Owner's specific and unique circumstances and ability to pay during the COVID-19 pandemic. In the event that the Association's management company is unable to obtain a reasonable payment structure pursuant to the authority granted herein, the management company shall consult with the Association's Treasurer for direction.

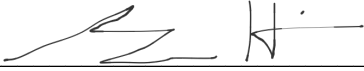
BE IT FURTHER RESOLVED, that no provision in the COVID-19 Collections Policy shall be construed as: (i) replacing or superseding the Association's existing standard collections policy; or (ii) relieving any Owner of the obligation to pay assessments or otherwise comply with any other obligation that an Owner may have under the Association's governing documents; and be it further

RESOLVED, that the COVID-19 Collections Policy is effective and enforceable as of April 1, 2020 (the "Effective Date"); and be it further

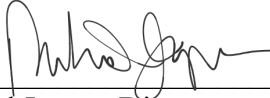
RESOLVED, that on and after such Effective Date, the Association and its authorized agents are empowered to act pursuant to, and enforce, the COVID-19 Collections Policy to the fullest extent permitted under the law.

[SIGNATURES ON FOLLOWING PAGE.]

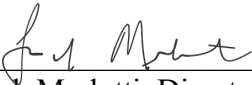
IN WITNESS WHEREOF, the undersigned have executed this consent as of this April 10, 2020.



Greg Hillgren, Director



Richard Jasper, Director



Frank Merlotti, Director

Michael W. Hofmann

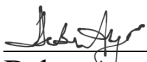
Michael Hofmann, Director

Kimberly Cooper

Kimberly Cooper, Director



Patrick Gough, Director



Debra Ayres, Director

EXHIBIT B

VILLA FRACTIONAL UNIT/INTEREST TRANSFER INFORMATION

The villa unit or fractional interest is part of The Villas at Seven Canyons Condominium, which is administered by The Villas at Seven Canyons Owners Association, Inc. (the "VOA"). The transfer of any villa unit or fractional interest within The Villas at Seven Canyons Condominium is subject to certain rights and restrictions set forth in the Declaration of Condominium and Fractional Ownership Plan of The Villas at Seven Canyons, recorded February 3, 2005, in Book 4230 at page 584, in the official records of the County Recorder of Yavapai County, Arizona, as amended. **The following information is required by the VOA in order to evaluate whether it will exercise its right of first refusal or waive such right:**

SELLER INFORMATION:

BUYER INFORMATION:

Name: _____

Name: _____

Address: _____

Address: _____

Phone: _____

Phone: _____

Email: _____

Email: _____

Villa Unit/Fractional Interest Number: _____

Intended Closing/Transfer Date: _____

Purchase Price/Consideration: \$ _____.

Does the Purchase Price **include** a linked, Fractional Seven Canyons Golf Club Membership? **YES / NO**

The purchase price has been allocated as follows:

- Portion of Purchase Price for Real Property: \$ _____ Check if not allocated
- Portion of Purchase Price for Golf Membership²: \$ _____

Dated this ____ day of _____, 20__.

SELLER SIGNATURE:

BUYER SIGNATURE

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Provide this completed form along with a copy of the purchase/transfer agreement and escrow details as soon as possible, and in no event less than 45 days prior to closing to:

The Villas at Seven Canyons Owners Association, Inc.
Attention: General Manager
Email: GeneralManager@sevencanyonsvillas.com
Copy to: President@sevencanyonsvillas.com
Facsimile: (928) 203-3484

² **For informational purposes:** The current price as of this date for a Fractional Golf Club Membership purchased directly from the Golf Club is \$ _____.

<p>VOA Office Use Only: Original Fractional Golf Membership Acquisition Date: _____ Original Fractional Golf Membership Acquisition Price: _____</p>

EXHIBIT C

THE VILLAS AT SEVEN CANYONS OWNERS ASSOCIATION, INC.

Joint Owner Representative Designation and Voting Certificate

To provide effective and efficient administration, accounting and communication, and to protect the rights and interests afforded to all Owners pursuant to the *Declaration of Condominium and Fractional Ownership Plan of The Villas at Seven Canyons, a condominium* (the "CC&Rs"), The Villas at Seven Canyons Owners Association, Inc. (the "VOA") requires that all Fractional Interests owned by more than one person or entity designate which person or entity owner will be the point of contact and sole authorized representative to act on behalf of all joint owners of such Fractional Interests in all matters, including making reservations and casting votes allocated to such Fractional Interests.

Effective Date: _____

Fractional Interest Number: _____

List ALL Joint Owner Names
& Ownership Percentages: _____

Designated Owner Representative: _____

Mailing Address: _____

Email Address: _____

Phone Number: _____

By executing this *Joint Owner Representative Designation and Voting Certificate*, the undersigned joint owners of the above Fractional Interest attest that it is true and correct and acknowledge and reconfirm their understanding and agreement of the following:

- 1. Such Designated Owner Representative shall be the sole point of contact related to VOA business.

2. Notice sent to the Designated Owner Representative at the address provided above shall constitute formal notice to all joint owners of this Fractional Interest for all VOA purposes related to the Fractional Interest.
3. The Designated Owner Representative has full authority to act on behalf of all joint owners with respect to the above Fractional Interest and the VOA may rely on any act or representation made by such Designated Owner Representative.
4. Reservations for occupancy of villas must be made by the Designated Owner Representative only.
5. There is one membership account for the above Fractional Interest regardless of the number of joint owners.
6. Pursuant to Section 9.1(f) of the CC&Rs, all joint owners of the above Fractional Interest are jointly and severally liable for all charges, fines, fees, assessments, interest, costs and reasonable attorneys' fees levied against the Fractional Interest and its owners.
7. Pursuant to Section 10.1 of the CC&Rs, the Fractional Interest has one vote in the VOA, which cannot be divided or cast in fractions, and can only be cast by the above Designated Owner Representative.
8. Membership in the Club at Seven Canyons is separate and distinct from the VOA and the above designation relates only to membership in the VOA. Transfer of VOA membership related to this, or any, part of a Fractional Interest does not confer or infer any membership or access rights in the Club at Seven Canyons.
9. Membership in the VOA and use of the villas are subject to the VOA's governing documents, including the CC&Rs, Bylaws, and Rules and Regulations, as those may be amended from time to time.

When completed and signed by all joint owners, please return this form to the VOA's General Manager by email, generalmanager@sevencanyonsvillas.com, or by mail in care of HOAMCO, 35 Bell Rock Plaza, Ste. A, Sedona, AZ 86351.

[Signatures on following page(s).]

The undersigned, being all of the owners of the Fractional Interest specified above as of the Effective Date specified above, do hereby affirm their authorities and have executed (together or in counterpart) this *Joint Owner Representative Designation and Voting Certificate* as of the Effective Date.

(Owner Name)

(Owner Name)

By: _____
(Signature)

By: _____
(Signature)

Signer Name: _____

Signer Name: _____

Signer Title (if any): _____

Signer Title (if any): _____

Percentage Ownership: _____

Percentage Ownership: _____

(Owner Name)

(Owner Name)

By: _____
(Signature)

By: _____
(Signature)

Signer Name: _____

Signer Name: _____

Signer Title (if any): _____

Signer Title (if any): _____

Percentage Ownership: _____

Percentage Ownership: _____

(Owner Name)

(Owner Name)

By: _____
(Signature)

By: _____
(Signature)

Signer Name: _____

Signer Name: _____

Signer Title (if any): _____

Signer Title (if any): _____

Percentage Ownership: _____

Percentage Ownership: _____

(Owner Name)

(Owner Name)

By: _____
(Signature)

By: _____
(Signature)

Signer Name: _____

Signer Name: _____

Signer Title (if any): _____

Signer Title (if any): _____

Percentage Ownership: _____

Percentage Ownership: _____

EXHIBIT D

Violation Classification Schedule

Not all violations are equal. While compliance with all of the Rules is important in maintaining the world-class, exclusive, luxury experience of The Villas at Seven Canyons, some violations pose particularly serious risks to the health, safety, and welfare of other Owners, Residents, VOA staff/employees, and the VOA itself. In recognition of this, the VOA has designated certain violations within classes that each have a specified range of fines and other sanctions (NOTE: this list is not all-encompassing or fully exhaustive):

Class I – Suspension of Privileges and/or Fines up to \$1,000 per occurrence:

- Any leasing/renting of a Villa
- Repeat offenses: 2x of Class II or III violations within 12 months
3x of Class II or III violations within 24 months
- Intentional damage or theft of property
- Violation of Article VI (Joint Owners and Designated Owner Representative)
- Violation of “Special/Emergency” policies and/or rules and regulations (e.g., COVID-related precautions and mandates)
- Failure to pay any amount properly charged by the VOA
- Abusing VOA staff/employees

Class II – Fines range from \$100 to \$300 per occurrence:

- Smoking in unauthorized areas (e.g., within Villa)
- Fireworks
- Noise/disruption of “quiet enjoyment”
- Pets/unauthorized animals
- Pool rules
- Inappropriate behavior or language on Property
- Privacy-related

Class III – Fines range from \$50 to \$150 per occurrence:

- Firearms (other than discharge or threatening with)
- Vehicle-related (e.g., parking/speeding)
- Unauthorized Drone Operation
- Other Minor Infractions (not specified above)

EXHIBIT E
CONFIDENTIAL DISABILITY CERTIFICATION FORM

MEDICAL PROFESSIONAL'S
CONFIDENTIAL DISABILITY CERTIFICATION LETTER

To: The Villas at Seven Canyons Owners Association, Inc.

1. I hereby declare, under penalty of perjury, that the following statements are true and correct to the best of my knowledge:

_____ ("Patient") is my patient is whose address is

2. My name, business address, and business telephone number are as follows:

3. I am a duly licensed physician or other medical professional in the State of Arizona and my medical license number is (if applicable):

4. I am also certified in the following medical specialty(ies), if any:

5. The Federal Fair Housing Act defines a handicapped person as one who has a physical or mental impairment which *substantially* limits one or more of such person's major life activities. I hereby certify that Patient is a handicapped person pursuant to the above definition from the Fair Housing Act due to the following conditions or for the following reasons:

A. Physical or mental impairments of patient:

B. Major Life Activities substantially affected (activities of central importance to daily life, such as seeing, hearing, walking, breathing, performing manual tasks, caring for one's self, learning and speaking):

C. Description of Substantial Limitations (means "significant" or "to a large degree"):

Other Comments: _____

6. If the Patient is disabled as described in No. 5 above, please describe the accommodation from the Association in its policies and procedures needed with respect to the disability or disabilities and, most importantly, explain how the accommodation will specifically alleviate the effects of the disability or disabilities, i.e. how will it lessen the substantial limitations on the major life activities identified above and why this particular accommodation is necessary:

7. I understand that this information is solely for the internal use of the above-named association, that it will be kept confidential and will be provided only to authorized representatives of the above-named Association who periodically may need to verify and revalidate that this information is still correct.

I understand that, if a dispute arises concerning these issues, I may be called upon to testify concerning my professional opinions set forth in this declaration.

Signature

Name

Date

EXHIBIT F
PET REGISTRATION FORM

V I L L A S A T

Seven Canyons

S E D O N A

PET REGISTRATION

Owner's Name _____

Departure Date _____ Villa No. _____

Number of Dogs: _____ Rabies / Distemper Vaccination on File? _____

Pet's Name: _____ Breed: _____ Pounds: _____ License #: _____

Pet's Name: _____ Breed: _____ Pounds: _____ License #: _____

We are delighted to have you and your dog at the Villas!

To ensure a comfortable stay for yourself and fellow owners, we would appreciate your observance of the following guidelines:

- a) "Pet in Villa" sign must be on front door throughout duration of the stay.
- b) Your dog must be kept under the Owner's control at all times and, if necessary, on a leash when it is on the property unless it is in your Villa.
- c) For safety reasons, please do not leave your dog unattended in the Villa. Should you require kennel services, you may contact our Villa Owner staff to assist you in making those arrangements.
- d) Please be mindful and respectful of the many activities and use areas throughout Seven Canyons. Accordingly, dogs are not allowed to interfere with golfers' play at any time on the golf course or to be inside any part of the Clubhouse, including the Dining Room and Health & Wellness Center, spa or pool areas of Seven Canyons.
- e) Any disturbances such as barking must be curtailed to secure others are not inconvenienced.
- f) Please contact the Housekeeping Department to arrange for a convenient time for servicing your Villa.
- g) You are responsible for cleaning up after your dog on the Seven Canyons property.

We understand that accidents are sometimes unavoidable and if one should occur, please call our Housekeeping Department at 3411 immediately so we may try to prevent any permanent damage. However, in the event that there is damage, you will be responsible for repairs that may be required.

Owner Signature _____ Date _____