

SUN RANCH OWNERS' ASSOCIATION

Resolution of the Board of Directors — General Covenant Violation Enforcement Policy

RESOLUTION NO. 2026-16

Adopted: _____, 2026

WHEREAS, the Association is a nonprofit corporation organized under the laws of the State of Washington, governed by its 1997 Bylaws and by the 1970 Restatement of Declaration of Covenants, Conditions, and Restrictions (the “CCRs”) applicable to the Sun Ranch subdivision, Okanogan County, Washington;

WHEREAS, the Board has adopted a Fee and Fine Schedule (Exhibit A to Resolution No. 2026-18) whose Section 6 lists proposed fine amounts for unapproved exterior/structural changes (CCR §V), setback violations (CCR §II(b)), unauthorized signage (CCR §IV(f)), noxious/unsightly/offensive activity (CCR §IV(d)), and unapproved business or commercial use (CCR §IV(a)), and states that those amounts are a starting proposal pending adoption of an implementing policy by Board resolution;

WHEREAS, the Board's other enforcement fee categories — Shipping Container Enforcement, Maintenance of Lots Enforcement, and Animals at Large Enforcement — are each implemented by a dedicated Board-approved policy describing notice, cure period, and hearing procedure, and the Board wishes to fill the same procedural gap for the violation categories in Fee and Fine Schedule Section 6;

WHEREAS, Bylaws Article VI, Section 1(b) authorizes the Board of Directors to conduct, manage, and control the affairs of the Association and to make such rules and regulations as it deems best, not inconsistent with law, the articles of incorporation, or the Bylaws, and CCR Section XI authorizes the Association to enforce the covenants, conditions, and restrictions through injunction and cost-recovery liens;

WHEREAS, the Board has reviewed and wishes to adopt the General Covenant Violation Enforcement Policy and Procedure, attached hereto as Exhibit A, establishing a consistent notice-cure-hearing-fine process for the violation categories described above;

WHEREAS, the Board wishes to give the membership advance notice of this Policy before it is enforced;

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of Sun Ranch Owners' Association hereby resolves as follows:

1. Adoption. The General Covenant Violation Enforcement Policy and Procedure, attached as Exhibit A, is hereby adopted and shall govern the notice, cure period, right to be heard, and fine amounts for the violation categories described in Fee and Fine Schedule, Section 6.

2. Fine Amounts Confirmed. The fine amounts set out in Exhibit A, Section IV are hereby confirmed as the amounts referenced in Fee and Fine Schedule, Section 6, and supersede the illustrative figures previously described there as a “starting proposal.”

3. Effective Date and Notice. This Resolution and the attached Policy are effective beginning 30 days after the Secretary provides written notice of adoption to the membership, to ensure owners have advance notice before enforcement begins.

4. Amendment of Related Documents. The Fee and Fine Schedule, Section 6 is hereby amended to reference this Resolution and the attached Policy as its implementing authority, in the same manner as Sections 3, 4, and 5 reference their respective policies.

5. Appeals. Appeals of Board determinations made under the attached Policy shall follow the Board Decision Appeals Policy and Procedure (Resolution No. 2026-10).

6. Severability. If any provision of this Resolution or the attached Policy is later determined to be unenforceable or inconsistent with the Bylaws or CCRs, the remaining provisions shall continue in full force and effect.

ADOPTED by the Board of Directors of Sun Ranch Owners' Association on the date first written above.

President, Sun Ranch Owners' Association — Date: _____

Secretary, Sun Ranch Owners' Association (Attest) — Date: _____

EXHIBIT A — General Covenant Violation Enforcement Policy and Procedure is attached and incorporated herein by reference.