

RECORDS RETENTION POLICY
for
OLDE OAKS COMMUNITY IMPROVEMENT ASSOCIATION, INC.

THE STATE OF TEXAS §
 §
COUNTY OF HARRIS §

I, Vincent Perna, Secretary of Olde Oaks Community Improvement Association, Inc. (the "Association"), do hereby certify that at a meeting of the Board of Directors of the Association (the "Board") duly called and held on the 9th day of November, 2011, with at least a quorum of the board members being present and remaining throughout, and being duly authorized to transact business, the following Records Retention Policy was duly approved by a majority vote of the members of the Board:

RECITALS:

1. Chapter 209 of the Texas Property Code was amended to add Section 209.005(m) requiring property owners' associations to adopt a records retention policy and to set forth minimum retention periods for particular types of documents.
2. The new law becomes effective on January 1, 2012.
3. The Board of Directors of the Association desires to adopt a records retention policy consistent with the new law.

POLICY:

It is the policy of the Association to retain the records of the Association listed below for the periods of time set forth below. The Association is not required to retain any other records. As used herein, "records" means documents originated or obtained by the Association in connection with its operations, whether a paper document or a document in electronic form.

This policy governs the archiving and destruction management of all documents originated by the Olde Oaks Community Improvement Association, Inc. ("Association") and documents not originated by the Association but which should be protected because they are important to the operation of the Association.

All Association documents, either paper or in an electronic form, will have assigned retention times and will be destroyed at the end of the retention period or as soon after as practically possible. Documents may be archived offsite in a secure facility, but must be accessible as provided in the "Open Records Policy for Olde Oaks Community Improvement Association, Inc." Draft documents and copies of original documents will be destroyed at the end of their useful life, which shall be no longer than the retention schedule for the original document. Any revision of a document must be noted and the retention period will restart at the revision date. The retention schedule is attached hereto as Exhibit "A" and incorporated herein for all purposes.

Destruction of paper documents will be by shredding, bagging, and standard trash pickup. Destruction of electronic documents shall be by deletion from hard disks and reformatting of removable disks.

To the extent that the Association does not currently have copies of Association records for the time periods described in this policy, this policy shall only be applicable to Association records created after the date this policy is adopted.

The Secretary of the Association is the primary officer responsible for oversight of this policy.

This policy is intended to comply with the legal requirements of the state of Texas and the United States Government.

I hereby certify that I am the duly elected, qualified and acting Secretary of the Association and that the foregoing Records Retention Policy was approved by a majority vote of the Board of Directors as set forth above and now appears in the books and records of the Association, to be effective upon recording in the Official Public Records of Real Property of Harris County, Texas.

TO CERTIFY which witness my hand this the 5 day of December, 2011.

OLDE OAKS COMMUNITY IMPROVEMENT
ASSOCIATION, INC.

By: Vincent Perna
Vincent Perna, Secretary

THE STATE OF TEXAS §
 §
COUNTY OF HARRIS §

BEFORE ME, the undersigned notary public, on this 5th day of DECEMBER 2011 personally appeared Vincent Perna, Secretary of Olde Oaks Community Improvement Association, Inc., known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purpose and in the capacity therein expressed.

Wanda M. Williams
Notary Public in and for the State of Texas

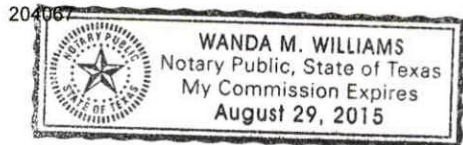


Exhibit "A"

Records Retention Schedule

I. Corporate "Legal" Documents and Records

The following records are to be retained permanently:

Articles of Incorporation (now known as Certificate of Formation)
By-Laws
Restrictive Covenants
Amendments to the Articles of Incorporation (now known as Certificate of Formation)
Amendments to the By-Laws
Amendments to the Restrictive Covenants
Deeds for Association Property
Annexation Records
Plats
Management Certificates
Approved Minutes of Board Meetings
Approved Minutes and Records of ACC Meetings
Approved Minutes of Committee Meetings
Approved Minutes of Annual and Special Meetings of Members
Year End Audits/Tax Returns

II. Corporate Financial Records

The following Financial Records and Reports shall be kept for seven (7) years:

Check Register
Trial Balance
Prepaid/Accounts Receivable
Income Statements
Detailed General Ledger
Accounts Payable
Bank Statements/Bank Reconciliations/Cancelled Checks
Approved Annual Budget
Annual Assessment Roll and sample of a typical assessment statement

Other Corporate Records (in alphabetical order):

Bank Account Information: Information related to bank accounts, CDs, or other investments information for each account shall be retained as long as the accounts are open and for seven (7) years after the account is closed. Signature cards shall be kept for seven (7) years following the date that the card is updated or replaced.

Bids/Proposals: Information related to solicitations for bids or proposals shall be retained for three (3) years after the origination date or for as long as the information is deemed useful.

Board Files/Packages from board meetings: Minutes of meetings shall be permanently retained; other documents included in the Board package shall be retained for three (3) years.

Budget Support files: Financial reports associated with the development of the annual budget shall be kept for three (3) years after the year for which they were prepared.

Committee Files (agendas, meeting notes, etc.): Minutes of committee meetings shall be permanently retained. Other documents need only be retained for three (3) years or as long as deemed useful to the committee with respect to an on-going project.

Contracts: Four (4) years after the date the contract is terminated. If a warranty is expressly provided in the contract, the contract shall be retained for a period of five (5) years after the date the warranty expires.

Correspondence: General correspondence, not in relation to particular property or property owner shall be retained for five (5) years after the origination date or for as long as the information is deemed useful, whichever is longer.

Insurance Claims (Settled): Settled insurance claims shall be retained for five (5) years after the date the claim is settled.

Insurance Policies (Expired): Expired insurance policies shall be retained for five (5) years after the date the policy terminates.

Legal Opinions: Opinions rendered by the Association's attorney shall be retained permanently.

Legal Status Reports: Routine monthly or quarterly status reports from the Association's attorney shall be retained for three (3) years.

Litigation Files (Settled): Settled litigation files shall be retained for five (5) years after the date the matter is finally concluded; however, if the suit is in regard to a deed restriction suit in which a permanent injunction was obtained, the judgment shall be retained as long as it is in effect (which will usually be as long as the owner who was sued owns or occupies the property).

Member Meeting (Annual and Special): Minutes of annual and special meetings of the members and minutes of meetings of the Board of Directors shall be permanently retained. Documents relating to a meeting (the notice of meeting, ballots, proxies, etc.) shall be retained for seven (7) years. Handouts provided for informational purposes need only be retained as long as the information is deemed useful.

Newsletter/Directories/Inserts/Website Information or other electronic publications of the Association: One (1) copy of each newsletter, directory, etc., shall be permanently retained. Other copies of a newsletter, etc. need not be retained for any length of time.

Personnel Records (if any): Personnel files, if any, (including wage rates, job description, etc.) shall be permanently retained and payroll records on a particular employee shall be retained for five (5) years after the date of termination.

Procedures/Policies/Resolutions of the Board: Procedures, policies, and resolutions of the Board shall be retained for as long as they are in effect. If a procedure, policy, or resolution of

the Board is changed, a copy of the original procedure shall be retained for five (5) years beyond the date that the procedure was adopted or the date the procedure was changed, whichever is longer.

Reserve Studies: A copy of the Association's Reserve Study shall be retained for the period of time covered by the study plus three (3) years.

Special Projects: Records relating to a special project shall be retained for the duration of the special project, plus three (3) years (except to the extent that documents relating to a special project may be addressed under a different category such as contracts).

Work Orders/Facility Inspection Reports/ Building Repair Information: Records relating to work orders, etc. shall be retained for a period of three (3) years beyond the date of completion of the work, inspection, etc.

III. Records Relating to Individual Members or Member Properties

Accounts receivable activity for member accounts: Records relating to accounts receivable activity for member accounts shall be retained for five (5) years after the account is paid.

Applications for Improvements and New Construction Files (Plans): Applications and plans related to improvements to members' properties shall be retained for five (5) years from the date of completion of the proposed improvement. Record that a particular improvement has been approved by the Association should be retained permanently.

Correspondence: Correspondence to, from, or relating to a member account involving a deed restriction violation or accounts receivable activity shall be retained for five (5) years. Correspondence to, from, or relating to a member account not involving a deed restriction violation or accounts receivable activity shall be retained for three (3) years past the origination date or as long as it is deemed useful to the Association. For example, title, ownership, or closing information (three (3) years after an ownership change), or a letter from homeowner requesting information on the MUD ditch that abuts the property (three (3) years from date of letter.)

Deed Restriction Activity for Member Properties: Records relating to deed restriction violation activity for members shall be retained for five (5) years after the violation is corrected. If the violation resulted in a suit, any judgment obtained should be retained as long as it is in effect.

IV. Other Miscellaneous Records

Any Other Records Not Specified Elsewhere: Other documents need only be retained for three (3) years after the origination date of the document or as long as it is deemed useful to the Association.

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OPEN RECORDS POLICY
for
OLDE OAKS COMMUNITY IMPROVEMENT ASSOCIATION, INC.

THE STATE OF TEXAS §
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COUNTY OF HARRIS §

I, Vincent Perna, Secretary of Olde Oaks Community Improvement Association, Inc. (the "Association"), do hereby certify that at a meeting of the Board of Directors of the Association (the "Board") duly called and held on the 9th day of November, 2011, with at least a quorum of the board members being present and remaining throughout, and being duly authorized to transact business, the following Open Records Policy was duly approved by a majority vote of the members of the Board:

RECITALS:

1. Chapter 209 of the Texas Property Code was amended to amend Section 209.005 to set forth open records procedures and to require property owners' associations to adopt and record open records policies consistent with the procedures set forth in the statute.
2. The new law relating to open records becomes effective on January 1, 2012.
3. The Board of Directors of the Association desires to adopt an open records policy consistent with the provisions of Section 209.005 of the Texas Property Code.

POLICY:

It is the policy of the Association to make the books and records of the Association, including financial records, open to and reasonably available for examination by an Owner, or a person designated in a writing signed by the Owner as the Owner's agent, attorney, or certified public accountant (the "Owner's Representative") in accordance with the following provisions:

1. **Request.** An Owner or the Owner's Representative must submit a written request for access or information. The written request must:
 - a. be sent by certified mail to the mailing address of the Association or to the authorized representative of the Association as reflected on the most current Management Certificate of the Association filed of record in accordance with Section 209.004 of the Texas Property Code;
 - b. describe with sufficient detail the books and records of the Association that are requested; and
 - c. state whether the Owner or the Owner's Representative elects to inspect the requested books and records before obtaining copies or have the Association forward copies of the requested books and records.
2. **Election to Inspect.** If an inspection is requested, the Association shall send written notice to the Owner or the Owner's Representative of dates during normal business hours that the Owner or the Owner's Representative may inspect the requested books and records. Such written notice shall be sent on or before the tenth (10th) business day after the date the Association receives the request, unless the Association sends a notice to the Owner or Owner's Representative in accordance with Section 4 below.

3. **Election to Obtain Copies.** If copies of the identified books and records are requested, the Association shall produce copies of the requested books and records on or before the tenth (10th) business day after the date the Association receives the request, unless the Association sends a notice to the Owner or Owner's Representative in accordance with Section 4.

4. **Inability to Produce Records Within 10 Days.** If the Association is unable to produce requested books and records on or before the tenth (10th) business day after the date the Association receives the request, the Association shall provide written notice to the Owner or the Owner's Representative that:

- a. informs the Owner or the Owner's Representative that the Association is unable to produce the requested books and records on or before the tenth (10th) business day after the date the Association received the request; and
- b. states a date by which the requested books and records will be sent or made available for inspection, which date shall not be later than the fifteenth (15th) business day after the date such notice is given.

5. **Extent of Books and Records.** The Association shall produce books and records requested by an Owner or an Owner's Representative to the extent those books and records are in the possession, custody or control of the Association.

6. **Time of Inspection; Copies.** If an inspection of books and records is requested or required, the inspection shall take place at a mutually agreed upon time during normal business hours. At the inspection, the Owner or the Owner's Representative shall identify the books and records to be copied and forwarded. The Association shall thereafter make copies of such books and records at the cost of the Owner and forward them to the Owner or the Owner's Representative.

7. **Format.** The Association may produce books and records requested by an Owner or an Owner's Representative in hard copy, electronic or other format reasonably available to the Association.

8. **Costs.** The Association may charge an Owner for the compilation, production or reproduction of books and records requested by the Owner or the Owner's Representative, which costs may include all reasonable costs of materials, labor, and overhead. Costs will be billed at the rates established by Title 1 of the Texas Administrative Code, Section 70.3 ("Section 70.3"), as same may be amended from time-to-time. As of the date of this Policy, the rates set forth below are established by Section 70.3. Should the rates set forth in Section 70.3 ever be different than in this policy (either through amendment or error by this policy) the then current rates set forth in Section 70.3 shall control.

Labor for locating, compiling and reproducing records*	\$15.00 per hour
Copies (8½ x 11 and 8½ x 14)	\$0.10 per page
Oversize paper copies (11 x 17, greenbar and bluebar)	\$0.50 per page

* No labor will be charged if there are 50 or fewer pages unless the documents are in 2 or more separate buildings not physically connected to each other or in a remote storage facility.

Specialty papers (blue print and maps)	actual cost
Diskette	\$1.00
Magnetic tape or data or tape cartridge	actual cost
CD	\$1.00
DVD	\$3.00
VHS video cassette	\$2.50
Audio cassette	\$1.00
Other	At the rate provided for in Section 70.3

9. **Advance Payment of Estimated Costs.** The Association shall estimate the costs of compiling, producing and reproducing books and records requested by an Owner or an Owner's Representative on the basis of the rates set forth in Section 8 above. The Association may require advance payment of the estimated costs of compiling, producing and reproducing the requested books and records.

10. **Actual Costs.**

- 10.1. If the actual costs of compiling, producing and reproducing requested books and records are less than or greater than the estimated costs, the Association shall submit a final invoice to the Owner on or before the thirtieth (30th) business day after the date the requested books and records are delivered.
- 10.2. If the final invoice includes additional amounts due from the Owner, the Owner shall be required to pay the additional amount to the Association before the thirtieth (30th) business day after the date the invoice is sent to the Owner.
- 10.3. If the final invoice indicates that the actual costs are less than the estimated costs, the Association shall refund the excess amount paid by the Owner not later than the thirtieth (30th) business day after the date the invoice is sent to the Owner.
- 10.4. If the Owner fails to pay to the Association the additional amounts shown in the final invoice in accordance with Subsection 10.1 above, the Association may add the additional amount to the Owner's assessment account as an assessment.

11. **Books and Records Not Required to be Produced.**

- 11.1. Unless an Owner whose records are the subject of a request provides express written approval to the Association or unless a court order is issued directing either the release of books and records or that books and records be made available for inspection, the Association is not required to release or allow inspection of books and records that:
 - a. identify the history of violations of dedicatory instruments of an individual Owner;
 - b. disclose an Owner's personal financial information, including records of payment or nonpayment of amounts due the Association;

- c. disclose an Owner's contact information, other than the Owner's address; or
 - d. disclose information related to an employee of the Association, including personnel files.
- 11.2. The Association is also not required to release or allow inspection of ballots cast in an election or removal of Directors, except as required by a recount procedure in accordance with Section 209.0057 of the Texas Property Code.
- 11.3. In addition, information may be released in an aggregate or summary manner that will not identify an individual property Owner.
12. **Business Day.** As used in this policy, "business day" means a day other than a Saturday, Sunday or state or federal holiday.

I hereby certify that I am the duly elected, qualified and acting Secretary of the Association and that the foregoing Open Records Policy was approved by a majority vote of the Board of Directors as set forth above and now appears in the books and records of the Association, to be effective upon recording in the Official Public Records of Real Property of Harris County, Texas.

TO CERTIFY which witness my hand this the 5 day of December, 2011.

OLDE OAKS COMMUNITY IMPROVEMENT ASSOCIATION, INC.

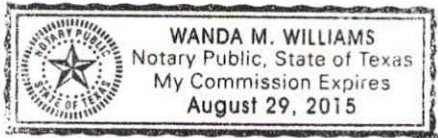
By: Vincent Perna
Vincent Perna, Secretary

THE STATE OF TEXAS §
 §
COUNTY OF HARRIS §

RECORDER'S MEMORANDUM:
At the time of recordation, this instrument was found to be inadequate for the best photographic reproduction because of illegibility, carbon or photo copy, discolored paper, etc. All blockouts, additions and changes were present at the time the instrument was filed and recorded.


BEFORE ME, the undersigned notary public, on this 5th day of DECEMBER 2011 personally appeared Vincent Perna, Secretary of Olde Oaks Community Improvement Association, Inc., known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purpose and in the capacity therein expressed.

Karen M. Williams
Notary Public in and for the State of Texas

204069 

ANY PROVISION HEREIN WHICH RESTRICTS THE SALE, RENTAL, OR USE OF THE DESCRIBED REAL PROPERTY BECAUSE OF COLOR OR RACE IS INVALID AND UNENFORCEABLE UNDER FEDERAL LAW.
THE STATE OF TEXAS
COUNTY OF HARRIS
I hereby certify that this instrument was FILED in File Number Sequence on the date and at the time stamped hereon by me, and was duly RECORDED, in the Official Public Records of Real Property of Harris County, Texas

IAN 13 2012

 Stan Stewart
COUNTY CLERK
HARRIS COUNTY, TEXAS