

**Denton County
Juli Luke
County Clerk**

Instrument Number: 5595

ERecordings-RP

NOTICE

Recorded On: January 15, 2020 08:12 AM

Number of Pages: 37

" Examined and Charged as Follows: "

Total Recording: \$170.00

******* THIS PAGE IS PART OF THE INSTRUMENT *******

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.

File Information:

Document Number: 5595
Receipt Number: 20200115000021
Recorded Date/Time: January 15, 2020 08:12 AM
User: Terri B
Station: Station 20

Record and Return To:

Corporation Service Company



STATE OF TEXAS
COUNTY OF DENTON

I hereby certify that this Instrument was FILED In the File Number sequence on the date/time printed hereon, and was duly RECORDED in the Official Records of Denton County, Texas.

Juli Luke
County Clerk
Denton County, TX

**NOTICE OF FILING OF DEDICATORY INSTRUMENTS
FOR
OAK HILL RANCH**

THE STATE OF TEXAS §
 § KNOW ALL MEN BY THESE PRESENTS:
COUNTY OF DENTON §

THIS NOTICE OF FILING OF DEDICATORY INSTRUMENTS FOR **OAK HILL RANCH** (this "**Notice**") is made this 13th day of January, 2020, by OHR Homeowners' Association, Inc., a Texas non-profit corporation (the "**Association**").

WITNESSETH:

WHEREAS, Bloomfield Homes, LP, a Texas Limited Partnership (the "**Declarant**"), prepared and recorded an instrument entitled "Declaration of Covenants, Conditions and Restrictions for Oak Hill Ranch, filed of record on January 9, 2020 as Document #3520 of the Real Property Records of Denton County, Texas (the "**Declaration**")"; and

WHEREAS, the Association is the property owners' association created by the Declarant to manage or regulate the planned development covered by the Declaration, which development is more particularly described on Exhibit "1" attached hereto and incorporated herein by reference; and

WHEREAS, Section 202.006 of the Texas Property Code provides that a property owners' association must file each dedicatory instrument governing the Association that has not been previously recorded in the Real Property Records of the county in which the planned development is located; and

WHEREAS, the Association desires to record the attached dedicatory instruments in the real property records of Denton County, Texas, pursuant to and in accordance with Section 202.006 of the Texas Property Code.

NOW THEREFORE, true and correct copies of the following dedicatory instruments are hereby filed of record in the Real Property Records of Denton County, Texas, in accordance with the requirements of Section 202.006 of the Texas Property Code:

EXHIBIT A – Certificate of Formation

EXHIBIT B – Bylaws

EXHIBIT C – Records Production and Copying Policy


EXHIBIT D – Document Retention Policy

EXHIBIT E – Payment Plan Guidelines and Application of Payments Schedule

IN WITNESS WHEREOF, the Declarant has caused this Notice to be executed as of the date first written above.

ASSOCIATION:

OHR Homeowners' Association, Inc., a Texas non-profit corporation

By: 
Name: Stephen J. Corradi
Title: Secretary
Date: Jan 15, 2020

STATE OF TEXAS

§
§
§

COUNTY OF TARRANT

The foregoing instrument was acknowledged before me on this the 15th day of January, 2020, by Stephen Corradi of OHR Homeowners' Association, Inc., a Texas non-profit corporation, on behalf of said corporation.


Notary Public, State of Texas

AFTER RECORDING RETURN TO:

Bloomfield Homes, LP.
1050 East Highway 114, Ste. 210
Southlake, Texas 76092
Attn: Steve Corradi

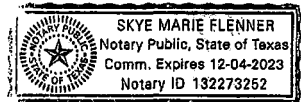


EXHIBIT 1

LEGAL DESCRIPTION

[See attached]

EXHIBIT A
CERTIFICATE OF FORMATION

[See attached]

CERTIFICATE OF FORMATION

OF

OHR HOMEOWNERS' ASSOCIATION, INC.

FILED
in the Office of the
Secretary of State of Texas

MAY 13 2015

Corporations Section

I, the undersigned, being of the age of eighteen years or more, acting as incorporator under the Texas Business Organizations Code, as it may be amended (the "TBOC"), does hereby adopt this Certificate of Formation (herein so called) for the Association (as hereinafter defined):

Article 1. Name. The name of the corporation for which this Certificate of Formation is being filed is **OHR Homeowners' Association, Inc.** (hereinafter called the "Association").

Article 2. Type of Corporation. The Association is a nonprofit corporation organized pursuant to the TBOC and has no capital stock.

Article 3. Duration. The Association shall have perpetual duration.

Article 4. Definitions. Capitalized terms contained in this Certificate of Formation that are not defined herein shall have the meaning given to such terms in the Declaration of Covenants, Conditions and Restrictions for Oak Hill Ranch to be recorded in the public records of Denton County, Texas, as it may be amended from time to time (the "Declaration"), which definitions are incorporated herein by this reference.

Article 5. Registered Office and Agent. The initial registered office of the Association is 10,000 North Central Expressway, Suite 900, Dallas, Texas 75231, and the initial registered agent at such address is Glen A. Bellinger. The undersigned, as incorporator, affirms that the person designated herein as registered agent has consented to the appointment. The undersigned signs this document subject to the penalties imposed by law for the submission of a materially false or fraudulent instrument and certifies under penalty of perjury that the undersigned is authorized to execute this instrument.

Article 6. Incorporator. The name and address of the incorporator is Glen A. Bellinger at 10,000 North Central Expressway, Suite 900, Dallas, Texas 75231

Article 7. Purpose of Corporation. The Association does not contemplate pecuniary gain or benefit, direct or indirect, to its Members, and is organized for nonprofit purposes. The purposes for which the Association is formed are: (a) to be and constitute the Association to which reference is made in the Declaration, to perform all obligations and duties of the Association, and to exercise all rights and powers of the Association, as specified therein, in the Bylaws, and as provided by law; and (b) to provide an entity for the furtherance of the interests of the owners of property subject to the Declaration.

Article 8. Powers of the Corporation. In furtherance of its purposes, the Association shall have the following powers, which, unless indicated otherwise by the Declaration or the Bylaws, may be exercised by the Board of Directors (as hereinafter defined): (a) all of the powers conferred upon nonprofit corporations by the laws of the State of Texas in effect from

time to time; (b) all rights and powers conferred on property owners' associations by the laws of the State of Texas; and (c) all powers necessary, appropriate or advisable to perform any purpose or duty of the Association as set out in this Certificate of Formation, the Bylaws, the Declaration or the laws of the State of Texas.

Article 9. Membership. The Association shall be a membership corporation without certificates or shares of stock. All Owners, by virtue of their ownership of a Lot subject to the Declaration, are Members of the Association and such membership is appurtenant to, and inseparable from, ownership of the Lot. Every Member shall have the right at all reasonable times to inspect and copy the books of the Association as permitted by applicable law. The foregoing provisions of this Article are not intended to include persons or entities holding an interest in a Lot merely as security for the performance of an obligation.

Article 10. Voting. All Members shall have the voting rights as provided in the Declaration and the Bylaws. Cumulative voting is not allowed.

Article 11. Board of Directors. The business and affairs of the Association shall be conducted, managed and controlled by a Board of Directors (herein so called). The Board of Directors shall possess all powers granted to Boards of Directors for nonprofit corporations pursuant to the TBOC. The Board of Directors may delegate such operating authority to such companies, individuals or committees as it, in its discretion, may determine. The method of election (except for the initial Board of Directors named below), removal and filling of vacancies, and the term of office shall be as set forth in the Bylaws. The Board of Directors shall consist of 3, 5 or 7 members and all decisions of the Board of Directors shall be made by majority vote as provided in the Bylaws. The initial Board of Directors shall consist of the following 3 members:

<u>Name</u>	<u>Address</u>
Timothy M. Stewart	1050 East Highway 114, Southlake, Texas 76092
Donald J. Dykstra	1050 East Highway 114, Southlake, Texas 76092
Michael S. Gavin	1050 East Highway 114, Southlake, Texas 76092

Article 12. Limitation on Directors' and Officers' Liability and Indemnification. (a) An officer, director or committee member of the Association shall not be liable to the Association or its Members for any act or omission that occurs in its capacity as such officer, director or committee member, except to the extent it is found liable for: (i) a breach of the officer's, director's or committee member's duty of loyalty to the Association or its Members; (ii) an act or omission not in good faith that constitutes a breach of duty of the officer, director or committee member to the Association; (iii) an act or omission that involves intentional misconduct or a knowing violation of the law; (iv) a transaction from which the officer, director or committee member receives an improper benefit, whether or not the benefit resulted from an action taken within the scope of its office or position; or (v) an act or omission for which the liability of an officer, director or committee member is expressly provided by an applicable statute. The liability of officers, directors and committee members of the Association may also

be limited by the Charitable Immunity and Liability Act of 1987, Chapter 84, Texas Civil Practice and Remedies Code, as amended. The foregoing limitation on the liability of an officer, director or committee member does not eliminate or modify that officer's, director's or committee member's liability as a Member of the Association.

(b) Subject to the limitations and requirements of the TBOC, the Association shall indemnify, defend and hold harmless every officer, director and committee member from and against all damages, claims and expenses, including, without limitation, attorneys' fees, reasonably incurred in connection with any threatened, initiated or filed action, suit or other proceeding (including settlement of any suit or proceeding, if approved by the then Board of Directors) to which such officer, director or committee member may be a party by reason of being or having been an officer, director or committee member, except that such obligation to indemnify shall be limited to those actions for which a director's, officer's or committee member's liability is limited in this Article above. The obligations of the Association in this paragraph (b) will continue as to an officer, director or committee member who has ceased to hold such position and will inure to such officer's, director's or committee member's heirs, executors and administrators. Subject to the limitations and requirements of the TBOC, the Association may also voluntarily indemnify a person or party who is or was an employee, trustee, agent or attorney of the Association, against any liability asserted against such person or party in that capacity and arising out of that capacity. Furthermore, in the event the obligations of the Association set forth above are more restrictive than the provisions of indemnification allowed by the TBOC, then such persons and parties named above shall be indemnified, defended and held harmless to the full extent permitted by the TBOC.

Article 13. Dissolution. The Association may be dissolved by vote or the written approval of not less than 67% of all outstanding votes held by the Members as may be more specifically provided in the Bylaws or the Declaration and in accordance with the laws of the State of Texas. Upon dissolution of the Association, other than incident to a merger or consolidation, the assets of the Association will be distributed and conveyed to either (a) an appropriate public agency to be used for purposes similar to those for which the Association was created, or (b) a nonprofit corporation, association, trust or other organization to be devoted to such similar purposes. Any dissolution is subject to the terms of Article 16 hereof, if applicable.

Article 14. Amendment. Amendment of this Certificate of Formation shall require approval of at least 67% of all outstanding votes (other than suspended votes) held by the Members.

Article 15. Action Without Meeting. Except as prohibited by applicable law, any action required by law to be taken or that may be taken, at any annual or special meeting of the Members of the Association, may be taken without a meeting, without prior notice and without a vote, if a consent or consents in writing, setting forth the action so taken, shall be signed by the number of Members having the total number of votes of the Association necessary to enact the action taken, as determined under the Declaration or this Certificate of Formation.

Article 16. Conflict with Other Documents. In the event of a conflict between this Certificate of Formation and the Declaration, the Declaration shall control. In the event of a

conflict between this Certificate of Formation and the Bylaws, this Certificate of Formation shall control.

Article 17. Effectiveness of Filing. This document becomes effective as a certificate of filing for a nonprofit corporation when this document is filed by the Secretary of State.

IN WITNESS WHEREOF, the undersigned incorporator has executed this Certificate of Formation this 15th day of May, 2015. The undersigned, as incorporator, affirms that the person designated herein as registered agent has consented to the appointment. The undersigned signs this document subject to the penalties imposed by law for the submission of a materially false or fraudulent instrument and certifies under penalty of perjury that the undersigned is authorized to execute this instrument.



Glen A. Bellinger, Incorporator

EXHIBIT B

BYLAWS

[See attached]

BYLAWS
OF
OHR HOMEOWNERS' ASSOCIATION, INC.

ARTICLE I
NAME, PRINCIPAL OFFICE AND DEFINITIONS

1.1 **Name.** The name of the corporation is OHR Homeowners' Association, Inc. (the "Association").

1.2 **Principal Office.** The principal office of the Association shall be located in Denton County, Texas, or in such other county in Texas as the Board of Directors determines. The Association may have such other offices, either within or outside the State of Texas, as the Board of Directors may determine.

1.3 **Definitions.** Capitalized terms contained in these Bylaws (herein so called) that are not defined herein shall have the meaning given to such terms in the Declaration of Covenants, Conditions and Restrictions for OHR Homeowners' Association, Inc., dated as of January 9, 2020, and recorded as Document #3520 in the public land records of Denton County, Texas, as it may be amended from time to time (the "Declaration"), which definitions are incorporated herein by this reference.

ARTICLE II
ASSOCIATION; MEMBERSHIP AND MEETINGS

2.1 **Membership.** The Owners shall be the Members of the Association.

2.2 **Place of Meetings.** Meetings of the Association shall be held at the principal office of the Association or at such other suitable place convenient to the Members as may be designated by the Board of Directors.

2.3 **Annual Meetings.** The first meeting of the Association, whether regular or special meeting, shall be held within one year from the date of incorporation of the Association. Subsequent regular annual meetings shall be held in the same month as the date of incorporation at any time determined by the Board of Directors. If the date for the annual meeting of the Members is a legal holiday, the meeting will be held at the same hour on the first day following such day which is not a legal holiday.

2.4 **Special Meetings.** The President may call special meetings. In addition, it shall be the duty of the President to call a special meeting if so directed by resolution of the Board of Directors or upon a petition signed by Members representing at least 10% of the total votes of all Members. No business except as stated in the notice shall be transacted at a special meeting of the Members.

2.5 **Notice of Meetings.** Written, printed or electronic notice stating the place, day and hour of any meeting of the Members shall be delivered, either personally, by mail or posted

electronically, to an Owner of each Lot entitled to vote at such meeting, not less than 10 nor more than 60 days before the date of such meeting, by or at the direction of the President or the Secretary or the officers or persons calling the meeting. In the case of a special meeting or when otherwise required by statute or these Bylaws, the purpose or purposes for which the meeting is called shall be stated in the notice. No business shall be transacted at a special meeting except as stated in the notice.

2.6 Voting. The voting rights of the Members shall be as set forth in the Declaration and in these Bylaws, and such voting rights provisions are specifically incorporated herein by this reference.

2.7 Manner of Voting. At all meetings of Members, each Member may vote: (i) in person (or if a corporation, partnership or trust, through any officer, director, partner or trustee duly authorized to act on behalf of the Member); (ii) by proxy; (iii) by absentee ballot; or (iv) by electronic ballot (to the extent electronic voting is offered for a given matter submitted to a vote of the Members), subject to the requirements and limitations of Texas law regarding each such method of voting, including those set forth in Section 209.00592 of the Texas Property Code or any successor statute. All proxies shall be in writing specifying the Lot(s) for which it is given, signed by the Member or its duly authorized attorney-in-fact, dated and filed with the Secretary of the Association prior to any meeting for which it is to be effective. Unless otherwise specifically provided in the proxy, a proxy shall be presumed to cover all votes which the Member giving such proxy is entitled to cast, and in the event of any conflict between two or more proxies purporting to cover the same voting rights, the later dated proxy shall prevail, or if dated as of the same date, both shall be deemed invalid. Every proxy shall be revocable and shall automatically cease upon conveyance of any Lot for which it is given, or upon receipt of notice by the Secretary of the death or judicially declared incompetence of a Member who is a natural person, or of written revocation, or 11 months from the date of the proxy, unless a shorter or longer period is specified in the proxy.

2.8 Quorum - Adjournment. Except as provided in these Bylaws or in the Declaration, the presence, in person or by proxy, absentee ballot or electronic voting of Members representing 20% or greater of the total votes in the Association shall constitute a quorum at all meetings of the Association. If, however, such quorum shall not be present or represented at any meeting, the Members present at the meeting that are entitled to vote shall have the power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum as stated above is present or represented.

2.9 Action Without a Meeting. To the fullest extent permitted under applicable law, any action required or permitted by law to be taken at a meeting of the Members may be taken without a meeting, without notice and without a vote, if written consent specifically authorizing the proposed action is signed by Members holding at least the minimum number of votes necessary to authorize such action at a meeting if all Members entitled to vote thereon were present. Such consents shall be signed within 90 days of the earliest date that a notice regarding such consent is delivered by the Association, which date shall be designated in the notices. Such consents shall be filed with the minutes of the Association, and shall have the same force and effect as a vote of the Members at a meeting. For votes taken by written consent as provided above, the date specified in the notice as the ownership date, which date shall not be more than 20 days prior to the date the notices are sent, shall be the date used for determining the ownership of the Lot for the written consent voting purposes. Within 10 days after receiving authorization for any action by written

consent, the Secretary shall give written notice to all Members entitled to vote who did not give their written consent, fairly summarizing the material features of the authorized action.

ARTICLE III BOARD OF DIRECTORS

3.1 Governing Body; Composition. The affairs of the Association shall be governed by a Board of Directors, each of whom shall have one equal vote. Except with respect to directors appointed by Declarant, the directors shall be Members. In the case of a Member which is not a natural person, any officer, director, partner, employee or trust officer of such Member shall be eligible to serve as a director unless otherwise specified by written notice to the Association signed by such Member, provided that no Member may have more than one such representative on the Board of Directors at a time, except for the Declarant.

3.2 Number of Directors. The Board of Directors shall consist of 3, 5 or 7 directors, as provided herein and as determined by the Board of Directors. The initial Board of Directors shall consist of 5 directors as identified in the Certificate of Formation.

3.3 Directors - During Development Period. During the Development Period, except as otherwise expressly provided by Section 209.00591(c) of the Texas Property Code or any successor statute, all directors shall be selected and removed by Declarant acting in its sole discretion and shall serve at the pleasure of the Declarant.

3.4 Directors - After Development Period. Following expiration of the Development Period, the directors shall be nominated and elected as follows:

(a) **Nomination Procedures.** Prior to each election, the Board of Directors shall prescribe the opening date and the closing date of a reasonable filing period in which each and every eligible person who has a bona-fide interest in serving as a director may file as a candidate for any position. The Board of Directors shall also establish such other rules and regulations as it deems appropriate to conduct the nomination of directors in a fair, efficient and cost-effective manner. Nominations from the floor shall also be permitted.

(b) **Nominating Committee.** Nominations for election to the Board of Directors may also be made by a nominating committee. The nominating committee, if any, shall consist of a Chairperson, who shall be a member of the Board of Directors, and 3 or more Members or representatives of Members. The Board of Directors shall appoint the members of the nominating committee not less than 30 days prior to each annual meeting to serve a term of one year and until their successors are appointed, and such appointment shall be announced at each annual meeting. The nominating committee may make as many nominations for election to the Board of Directors as it shall in its discretion determine. In making the nominations, the nominating committee shall use reasonable efforts to nominate candidates representing the diversity which exists within the pool of potential candidates. Each candidate shall be given a reasonable, uniform opportunity to communicate his or her qualifications to the Members and to solicit votes.

(c) **Election and Term.** At the first annual meeting after the expiration of the Development Period, all directors shall be elected by the Members to a term of 1 year. The number of directors to be elected at such meeting shall be determined by the then current Board of Directors. Upon the expiration of the term of office of each director elected by the Members, a successor shall be elected to serve a term of 1 year, unless the Board of Directors decides to allow one or more of the directors to be elected to serve for a term of 2 years. Unless removed as provided herein, the directors shall hold office until their respective successors shall be elected.

(d) **Election Procedures.** Each Owner may cast the entire vote assigned to his or her Lot for each position to be filled. There shall be no cumulative voting. That number of candidates equal to the number of positions to be filled receiving the greatest number of votes shall be elected. Directors may be elected to serve any number of consecutive terms.

(e) **Removal.** Any director elected by the Members may be removed, with or without cause, by a 40% or greater vote of all outstanding votes entitled to be cast. Any director whose removal is sought shall be given notice prior to any meeting called for that purpose. Upon removal of a director, a successor shall be elected by the Members to fill the vacancy for the remainder of the term of such director. Any director who has 3 or more consecutive unexcused absences from the Board of Directors meetings, or who is more than 60 days delinquent (or is the representative of a Member who is delinquent more than 60 days) in the payment of any assessment or other charge due the Association, or who after notice and hearing is held to be in violation of the Declaration, may be removed by a majority of the other directors present at a regular or special meeting at which a quorum is present, in which event a successor shall be elected by the Members to fill the vacancy for the remainder of the term of such director. In the event of death, disability or resignation of a director, the Board of Directors may declare a vacancy and appoint a successor to fill the vacancy until the next annual meeting, at which time the Members shall elect a successor for the remainder of the term.

3.5 **Compensation.** Directors shall not receive any compensation from the Association for acting as such unless approved by Members representing a 67% or greater vote at a regular or special meeting of the Association. Any director may be reimbursed for expenses incurred on behalf of the Association upon approval of a majority of the other directors. Nothing herein shall prohibit the Association from compensating a director, or any entity with which a director is affiliated, for services or supplies furnished to the Association in a capacity other than as a director pursuant to a contract or agreement with the Association, provided that such director's interest was made known to the Board of the Directors prior to entering into such contract and such contract was approved by a majority of the Board of Directors, excluding the interested director.

3.6 **Meetings of the Board of Directors.**

(a) **Regular Meetings.** Regular meetings of the Board of Directors may be held at such time and place as a majority of the directors shall determine, but at least 1 such meeting shall be held during each fiscal year. Notice of each regular meeting of the Board of Directors shall be provided to all Members the extent required by, and in accordance with the provisions of, Section 209.0051 of the Texas Property Code or any successor statute.

(b) **Special Meetings.** Special meetings of the Board of Directors shall be held when called by the President or Vice President or by any 2 directors. Notice of each special meeting of the Board of Directors shall be provided to all Members the extent required by, and in accordance with the provisions of, Section 209.0051 of the Texas Property Code or any successor statute.

(c) **Notice of Board Meetings.** When notice of a meeting of the Board of Directors is required hereby or by applicable law, such notice shall be given in accordance with the requirements set forth in Section 209.0051(e) of the Texas Property Code or any successor statute.

(d) **Alternative Methods of Meeting (Including Action by Written Consent) Without Prior Notice to Members; Board Action During Development Period.** Notwithstanding subsection 3.6(c) above, and to the fullest extent permitted under Section 209.0051(h) of the Texas Property Code or any successor statute (but subject to the limitations set forth therein), the Board of Directors may meet by any method of communication, including electronic or telephonic, without prior notice to owners, if each director may hear and be heard by every other director, or the Board of Directors may take action by unanimous written consent, to consider routine and administrative matters or a reasonably unforeseen emergency or urgent necessity that requires immediate action by the Board of Directors. Any action taken without notice to owners must be summarized orally, including an explanation of any actual or known expenditures approved at the meeting, and documented in the minutes of the next regular or special meeting of the Board of Directors. Additionally, to the extent that, during the Development Period, the Board of Directors would be permitted pursuant to the terms of Section 209.0051(i) of the Texas Property Code or any successor statute to take action without a meeting and/or without notice to Members, or by unanimous written consent, the Board of Directors shall be permitted to take such action in such manner as the Board may deem advisable in accordance with the requirements of applicable law.

(e) **Quorum of Board of Directors.** At all meetings of the Board of Directors, a majority of the directors shall constitute a quorum for the transaction of business, and the votes of a majority of the directors present at a meeting at which a quorum is present shall constitute the decision of the Board of Directors, unless otherwise specified in these Bylaws or the Declaration. A meeting at which a quorum is initially present may continue to transact business, notwithstanding the withdrawal of directors, if any action taken is approved by at least a majority of the required quorum for that meeting.

(f) **Open Meetings.** All meetings of the Board of Directors shall be open to all Members, but Members other than directors may not participate in any discussion or deliberation unless permission to speak is requested on his or her behalf by a director. In such case, the President may limit the time any Member may speak. Notwithstanding the above, the President may adjourn any meeting of the Board of Directors and reconvene in closed executive session to consider actions involving personnel, pending or threatened litigation, contract negotiations, enforcement actions, confidential communications with the Association's attorney, matters involving the invasion of privacy of Members, or matters that are to remain confidential at the request of the affected parties and agreement

of the Board of Directors, and as otherwise permitted under applicable law. Following an executive session, any decision made in the executive session must be summarized orally and placed in the minutes, in general terms, without breaching the privacy of individual Members, violating any privilege, or disclosing information that was to remain confidential at the request of the affected parties. The oral summary must include a general explanation of expenditures approved in executive session.

3.7 Powers of Directors. The Board of Directors shall have all of the powers and duties necessary for the administration of the affairs and operation of the Association and for the operation and maintenance of the Property as may be required or permitted by the Declaration, these Bylaws, the Certificate of Formation and Texas law. The Association, acting through the Board of Directors, may do any and all things that are lawful and which are necessary, proper, or desirable in operating for the best interests of its Members, subject only to the limitations upon the exercise of such powers as are expressly set forth in the Declaration, the Certificate of Formation or these Bylaws.

3.8 Duties of Directors. The powers and duties of the Board of Directors shall include, without limitation:

(a) preparing and adopting, in accordance with the Declaration, an annual budget establishing each Owner's share of the Common Expenses, and determining the amount(s) of all assessments;

(b) levying and collecting such assessments from the Owners;

(c) providing for the operation, care, upkeep and maintenance of the Common Maintenance Areas;

(d) designating, hiring, and dismissing the personnel necessary to carry out the rights and responsibilities of the Association and where appropriate, providing for the compensation of such personnel and for the purchase of equipment, supplies and materials to be used by such personnel in the performance of their duties;

(e) depositing all funds received on behalf of the Association in appropriate bank accounts or in other accounts approved by the Board of Directors, and using such funds to operate the Association; provided, any reserve funds may be deposited, in the Board of Directors' good faith best business judgment, in depositories other than banks;

(f) making, amending and enforcing policies, resolutions, rules and regulations governing the administration and operation of the Association, including but not limited to, policies and procedures regarding the application of payments for assessments, late charges, interest, costs of collection (including, but not limited to, attorneys' fees), fines and any and all other charges received from Owners;

(g) opening the bank accounts on behalf of the Association and designating the signatories required;

(h) making or contracting for the making of repairs, additions and improvements to or alterations of the Common Maintenance Areas in accordance with the Declaration and these Bylaws;

(i) enforcing the provisions of the Declaration and any rules or standards developed pursuant to the Declaration, the Certificate of Formation and/or these Bylaws, and bringing any legal proceedings which may be instituted on behalf of or against the Owners concerning the Association; provided, the Association's obligation in this regard shall be conditioned in the manner provided in the Declaration;

(j) obtaining and carrying insurance as provided in the Declaration, paying the cost thereof, and filing and adjusting claims, as appropriate;

(k) paying the cost of all services rendered to the Association;

(l) keeping books with detailed accounts of the receipts and expenditures of the Association;

(m) taking such actions as contemplated by the Board of Directors in the Declaration, these Bylaws and/or the Certificate of Formation;

(n) permitting utility suppliers to use portions of the Common Area reasonably necessary to the ongoing development or operation of the Property; and

(o) indemnifying a director, officer or committee member, or former director, officer or committee member of the Association or any agent, contractor or management company of the Association to the extent such indemnity is required or permitted under Texas law, the Certificate of Formation or the Declaration.

3.9 Borrowing. The Association shall have the power to borrow money for any legal purpose; provided, however, that the Board of Directors shall obtain Member approval in the same manner provided for special assessment as specified in the Declaration if the total amount of such borrowing, together with all other debt incurred within the previous 12 month period, exceeds or would exceed 10% of the budgeted gross expenses of the Association for that fiscal year.

ARTICLE IV OFFICERS

4.1 Officers. The officers of the Association shall be a President, Vice President, Secretary and Treasurer. The President and Secretary shall be elected from among the members of the Board of Directors; other officers may, but need not be members of the Board of Directors. Any two or more offices may be held by the same person, except for the offices of President and Secretary.

4.2 Election of Officers. The initial officers of the Association are identified on the signature page of these Bylaws. Hereafter, the election of officers shall take place at the first meeting of the Board of Directors following each annual meeting of the Members.

4.3 Term. The officers of the Association shall be elected annually by the Board of Directors and each shall hold office for 1 year, unless he or she shall sooner resign, or shall be removed, or otherwise be disqualified to serve.

4.4 Special Appointments. The Board of Directors may elect such other officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority and perform such duties as the Board of Directors may, from time to time, determine.

4.5 Resignation and Removal. Any officer may be removed from office, with or without cause, by the Board of Directors. Any officer may resign at any time by giving written notice to the Board of Directors, the President or the Secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

4.6 Vacancies. A vacancy in any office may be filled by appointment by the Board of Directors. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he or she replaces.

4.7 Powers and Duties. The officers of the Association shall each have such powers and duties as generally pertain to their respective offices, as well as such powers and duties as may specifically be conferred or imposed by the Board of Directors, including, without limitation, the following:

(a) **President.** The President shall be the chief executive officer of the Association. The President shall preside at all meetings of the Board of Directors and the Members and shall see that orders and resolutions of the Board of Directors are carried out.

(b) **Vice President.** The Vice President shall act in place and stead of the President in the event of his or her absence, inability or refusal to act, and shall exercise and discharge such other duties as may be required of him or her by the Board of Directors.

(c) **Secretary.** The Secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board of Directors and of the Members; serve notice of meetings of the Board of Directors and of the Members; keep appropriate current records showing the Members of the Association together with their addresses; and shall perform such other duties as required by the Board of Directors.

(d) **Treasurer.** The Treasurer shall receive and deposit, in appropriate bank accounts or in other accounts approved by the Board of Directors, all monies of the Association and shall disburse such funds as directed by resolution of the Board of Directors; sign all checks of the Association; keep proper books of account; cause an annual audit of the Association books to be made by a public accountant at the completion of each fiscal year; and shall prepare an annual budget and a statement of income and expenditures to be presented to the membership at its regular annual meeting and deliver a copy of each to the Members.

4.8 Authorized Agents. Except when the Declaration, these Bylaws or the Certificate of Formation require execution of certain instruments by certain individuals, the Board of Directors may authorize any person to execute instruments on behalf of the Association. In the absence of such Board of Directors' resolution, the President, Secretary and Treasurer are the only persons authorized to execute instruments on behalf of the Association. However, only the President and/or Secretary shall have the authority to sign a mortgage or deed of trust relating to the Common Area.

ARTICLE V ASSOCIATION MATTERS

5.1 Committees. The Board of Directors may appoint such committees as it deems appropriate to perform such tasks and to serve for such periods as the Board of Directors may designate by resolution. Each committee shall operate in accordance with the terms of such resolution.

5.2 Management. The Board of Directors may employ for the Association a professional management agent or agents at such compensation as the Board of Directors may establish, to perform such duties and services as the Board of Directors shall authorize. The Board of Directors may delegate such powers as are necessary to perform the manager's assigned duties, but shall not delegate policymaking authority. The Board of Directors may delegate to one of its members the authority to act on behalf of the Board of Directors on all matters relating to the duties of the managing agent or manager, if any, which might arise between meetings of the Board of Directors.

5.3 Right to Contract. The Association shall have the right to contract with any person or entity for the performance of various duties and functions. This right shall include, without limitation, the right to enter into management, operational or other agreements with other persons or entities; provided, any such agreement shall require approval of the Board of Directors.

5.4 Accounting Standards. The following management standards of performance shall be followed unless the Board of Directors by resolution specifically determines otherwise: (a) accrual accounting, as defined by generally accepted accounting principles, shall be employed; (b) accounting and controls should conform to generally accepted accounting principles; (c) cash accounts of the Association shall not be commingled with any other accounts; (d) no remuneration shall be accepted by the managing agent from vendors, independent contractors or others providing goods or services to the Association, whether in the form of commissions, finder's fees, service fees, prizes, gifts or otherwise; anything of value received shall benefit the Association; and (e) any financial or other interest which the managing agent may have in any firm providing goods or services to the Association shall be disclosed promptly to the Board of Directors.

5.5 Accounting Reports. Unless the Board of Directors by resolution specifically determines otherwise, the Board of Directors shall obtain the following reports:

(a) **Quarterly Reports.** Commencing at the end of the quarter in which the first Lot with a Dwelling thereon is conveyed, financial reports shall be prepared for the Association at least quarterly containing (i) an income statement reflecting all income and expense activity for the preceding period on an accrual basis; (ii) a variance report

reflecting the status of all accounts in an actual versus approved budget format; (iii) a balance sheet as of the last day of the preceding period; and (iv) a delinquency report listing all Owners who are delinquent in paying any assessment at the time of the report and describing the status of any action to collect such assessments which remain delinquent.

(b) **Annual Reports.** An annual report consisting of at least the following, which shall be made available to all Members within 6 months after the close of the fiscal year: (i) a balance sheet; (ii) an operating (income) statement; and (iii) a statement of changes in financial position for the fiscal year. Such annual report may be prepared on an audited, reviewed or compiled basis, as the Board of Directors determines, by an independent public accountant.

5.6 Enforcement of Declaration. The Association shall have the power, as provided in the Declaration and in accordance with all applicable laws, regulations, rules and statutes, to impose sanctions for any violation of any duty imposed under the Declaration (and any rules promulgated pursuant thereto), these Bylaws and the Certificate of Formation and any amendment thereto.

(a) **Notice, Opportunity to Cure and Hearing.** Prior to imposition of any sanction, lawsuit or enforcement of the terms of the Declaration, the Board of Directors or its designee shall: (i) deliver written notice to the Owner of the Lot related to or connected with the alleged violation, if such delivery of notice is desired by the Board of Directors or is required by law, statute, regulation or rule, (ii) inform the Owner of its opportunity to cure the alleged violation if such cure period is desired by the Board of Directors or is otherwise required by law, statute, regulation or rule, and (iii) inform the Owner of its right to a hearing if such hearing is desired by the Board of Directors or is required by law, statute, regulation or rule.

(b) **Optional Courtesy Letter.** The Association may, at its option and in its sole and absolute discretion, voluntarily provide the Owner of the Lot related to or connected with the alleged violation with a courtesy letter informing the Owner of the violation. The foregoing courtesy letter is not required to be given by the Association and such notice shall not constitute the written notice described Section 5.6(a) above. The Board of Directors or its designee shall have the sole and exclusive right to determine under which facts and circumstances the Association may elect to send a courtesy letter.

(c) **No Waiver.** In the event the Board of Directors decides, in its discretion, not to take enforcement action, such a decision shall not be construed a waiver of the right of the Association to enforce such provision at a later time under other circumstances or estop the Association from enforcing any other covenant, restriction, or rule.

ARTICLE VI ASSESSMENTS

As more fully provided in the Declaration, each Member is obligated to pay to the Association annual and special assessment (and specific assessments if applicable) which are secured by a continuing lien upon the Lot against which the assessment is made. If an assessment

is not paid as provided in the Declaration, then the Association shall be entitled to the remedies provided in the Declaration, these Bylaws and the Certificate of Formation.

ARTICLE VII AMENDMENTS

7.1 Amendment by Declarant or Board of Directors. During the Development Period and subject to any applicable provisions in the Declaration, the Declarant may amend these Bylaws without approval of the Board of Directors or any Members. In addition, after the expiration of the Development Period, Declarant or the Board of Directors may amend these Bylaws if such amendment (a) is necessary to bring any provision into compliance with any applicable governmental statutes, rule, regulation or judicial determination; (b) is necessary to comply with the requirements of the Federal Home Loan Mortgage Corporation, the Federal National Mortgage Association, the U. S. Department of Veterans Affairs, the U. S. Department of Housing and Urban Development or any other applicable governmental agency or secondary mortgage market entity; (c) is necessary to clarify or to correct technical, typographical or scrivener's errors; or (d) any other purpose; provided, however, that any such amendment must not have a material adverse effect upon any right of any Owner.

7.2 Amendment by Members. Except as provided above, these Bylaws may be amended only by the affirmative vote or written consent, or any combination thereof, of at least 51% of all outstanding votes of the Members entitled to be cast. Notwithstanding the foregoing, the percentage of votes of the Members necessary to amend a specific clause of these Bylaws shall not be less than the prescribed percentage of affirmative votes required for action to be taken under that clause.

7.3 Validity and Effective Date of Amendments. Amendments to these Bylaws shall become effective upon the date of the amendment, unless a different date is specified in the amendment. Any procedural challenge to an amendment must be made within 3 months of its recordation or such amendment shall be presumed to have been validly adopted. In no event shall a change of conditions or circumstances operate to amend any provisions of these Bylaws.

ARTICLE VIII MISCELLANEOUS

8.1 Fiscal Year. The fiscal year of the Association shall be determined by the Board of Directors. If the Board of Directors fails to adopt a certain fiscal year, then until the Board of Directors adopts a specific fiscal year the fiscal year shall be January 1st to December 31st of every year, except that the first fiscal year shall begin on the date of incorporation of the Association.

8.2 Conflicts. In the event of any conflict between the Certificate of Formation and these Bylaws, the Certificate of Formation shall control; and in the event of any conflict between the Declaration and these Bylaws, the Declaration shall control.

8.3 Books and Records.

(a) **Inspection by Members.** The Board of Directors shall make the books and records of the Association open to and reasonably available for inspection and copying by

any Member, or the duly appointed representative of any Member, in accordance with the requirements of Section 209.005 of the Texas Property Code or any successor statute.


(b) **Rules of Inspection.** Except to the extent expressly prohibited by applicable law, the Board of Directors may establish reasonable rules with respect to: (i) notice to be given to the custodian of the records; (ii) hours and days of the week when such an inspection may be made; and (iii) payment of the cost of reproducing copies of documents requested.

(c) **Inspection by Directors.** Every director shall have the absolute right at any reasonable time to inspect all books, records and documents of the Association and the physical property owned or controlled by the Association. The right of inspection by a director includes the right to make a copy of relevant documents at the expense of the Association.

8.4 **Notices.** Except as otherwise provided in the Declaration or these Bylaws, all notices, demands, bills, statements and other communications under the Declaration or these Bylaws shall be in writing and shall be given personally or by mail. Notices that are mailed shall be deemed to have been duly given 3 days after deposit, unless such mail service can prove receipt at an earlier date. Owners shall maintain one mailing address for a Lot, which address shall be used by the Association for mailing of notices, statements and demands. If an Owner fails to maintain a current mailing address for a Lot with the Association, then the address of that Owner's Lot is deemed to be such Owner's mailing address. If a Lot is owned by more than one person or entity, then notice to one co-owner is deemed notice to all co-owners. Attendance by a Member or director at any meeting shall constitute waiver of notice by the Member or director of the time, place and purpose of the meeting. Written waiver of notice of a meeting, either before or after a meeting, of the Members or directors shall be deemed the equivalent of proper notice.

IN WITNESS WHEREOF, we being all of the initial officers of the Association have executed these Bylaws on the dates set forth below.

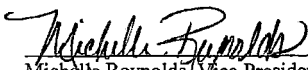
Date: 1-10-2020


Timothy Stewart, President

Date: 1-10-2020


Stephen J. Corradi, Secretary / Treasury

Date: 1-10-2020


Michelle Reynolds, Vice President

CERTIFICATION

I, the undersigned, do hereby certify:

That I am the duly elected and acting Secretary of **OHR Homeowners' Association, Inc.**, a Texas non-profit corporation; and

That the foregoing Bylaws constitute the original Bylaws of said Association, as duly adopted by the Board thereof to be effective as of the 10th day of January, 2020.

IN WITNESS WHEREOF, I hereunto subscribe my name and affix the seal of said Association to be effective as of the 10th day of January, 2020.

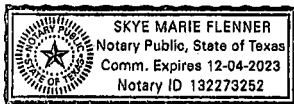

_____, Secretary
Stephen J. Corradi


STATE OF TEXAS §
 §
COUNTY OF TARRANT §

BEFORE ME, the undersigned authority, a Notary Public, on this day personally appeared Stephen Corradi, Secretary of OHR Homeowners' Association, Inc., a Texas non-profit corporation, 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 consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE, this 10th day of January, 2020.

[SEAL]





Notary Public in and for
the State of Texas

EXHIBIT C

RECORDS PRODUCTION AND COPYING POLICY

[See attached]

RECORDS PRODUCTION AND COPYING POLICY

1. **Member Responsibility for Records Production and Copying Charges.** Upon receipt of a proper request for information, by a proper party pursuant to Section 209.005(c) of the Texas Property Code (the "Code"), the Association shall make the records described by Section 209.005 of the Code available pursuant to the terms thereof, within the time allotted therein, and shall otherwise comply with such provisions of Section 209.005 of the Code, including the withholding of certain information described therein. A member of the Association who requests any items from the Association in accordance with the terms of Section 209.005 of the Code shall be responsible for the costs, expenses and charges of the Association incurred in responding to such request in accordance with the terms of this Records Production and Copying Policy. The Association may, but shall not be required to, require advance payment of the estimated costs of compilation, production, and reproduction of the requested information. Reconciliation of any advance payment of estimated costs to actual costs shall be made in accordance with the procedures set forth in Section 209.005 of the Code.

2. **Personal Information.** In accordance with the provisions of Section 209.005(k) of the Code, and except as otherwise authorized or required pursuant to Section 209.005(l) of the Code, the Association shall not release or allow inspection of any books or records that identify the dedicatory instrument violation history of an individual owner, an owner's personal financial information, including records of payment or nonpayment of amounts due to the Association, an owner's contact information, other than the owner's address, or information related to an employee of the Association, including personnel files.

3. Copy Charges.

(a) Standard paper copy. The charge for standard paper copies reproduced by means of an office machine copier or a computer printer is \$.10 per page or part of a page. Each side that has recorded information is considered a page.

(b) Nonstandard copy. The charges in this subsection are to cover the materials onto which information is copied and do not reflect any additional charges, including labor, that may be associated with a particular request. The charges for nonstandard copies are:

- | | |
|-----------------------------|--------------|
| (1) diskette: | \$1.00; |
| (2) magnetic tape: | actual cost; |
| (3) data cartridge: | actual cost; |
| (4) tape cartridge: | actual cost; |
| (5) CD: | \$1.00; |
| (6) DVD: | \$3.00; |
| (7) JAZ drive: | actual cost; |
| (8) other electronic media: | actual cost; |

- (9) VHS video cassette: \$2.50;
- (10) audio cassette: \$1.00;
- (11) oversize paper copy: \$.50;
- (12) specialty paper: actual cost.

4. Labor Charges. The charge for labor costs incurred in processing a request for public information is \$15.00 per hour. The labor charge includes the actual time to locate, compile, manipulate data, and reproduce the requested information.

5. Overhead Charge. Whenever any labor charge is applicable to a request, the Association may include in the charges direct and indirect costs, in addition to the specific labor charge. This overhead charge would cover such costs as depreciation of capital assets, rent, maintenance and repair, utilities, and administrative overhead. The overhead charge shall be computed at 20% of the charge made to cover any labor costs associated with a particular request. Example: if one hour of labor is used for a particular request, the formula would be as follows: labor charge for locating, compiling, and reproducing, $\$15.00 \times 20 = \3.00 . An overhead charge shall not be made for requests for copies of 50 or fewer pages of standard paper records.

6. Remote Document Retrieval Charge. If the Association has a contract with a commercial records storage company, whereby the private company charges a fee to locate, retrieve, deliver, and return to storage the needed record(s), no additional labor charge shall be factored in for time spent locating documents at the storage location by the private company's personnel. If after delivery to the Association, the boxes must still be searched for records that are responsive to the request, a labor charge may be charged as provided above.

7. Miscellaneous Supplies. The actual cost of miscellaneous supplies, such as labels, boxes, and other supplies used to produce the requested information, may be added to the total charge for public information.

8. Postal and Shipping Charges. The Association may add any related postal or shipping expenses which are necessary to transmit the reproduced information to the requesting party.

EXHIBIT D

DOCUMENT RETENTION POLICY

[See attached]

DOCUMENT RETENTION POLICY

SECTION 1

Introduction

1.1 Scope

This Document Retention and Destruction Policy (this "**Policy**") applies to the OHR HOMEOWNERS ASSOCIATION, Inc., a Texas non-profit corporation (the "**Association**"), and, with respect to the books and records of the Association, the Association's manager (the "**Manager**"), employees and Board of Directors (the "**Board**").

Documents maintained by the Association's legal counsel are not subject to this Policy.

1.2 Purpose

This Policy is created to establish guidelines for identifying, retaining, storing, protecting and disposing of the Association's books, records and other documents and to ensure that the Association adheres to legal and business requirements in an efficient and cost-effective manner. For purposes of this Policy, the term "**Documents**" means any documentary material which is generated or received by the Association in connection with transacting its business or is related to the Association's legal obligations. Documents include, among others, writings, drawings, graphs, charts, photographs, tape, disc, audio recordings, microforms, and other electronic documents from which information can be obtained or translated such as electronic mail, voice mail, floppy disks, hard discs and CD ROM.

1.3 Policy

- A. It is the Association's policy to maintain complete and accurate originals or copies of all Documents. Documents are to be retained for the period of their immediate use, unless longer retention is required for historical reference, contractual or legal requirements, or for other purposes as set forth in this Policy.
- B. Documents that are no longer required, or have satisfied their recommended period of retention, are to be destroyed in an appropriate manner.
- C. Unless otherwise directed by legal counsel, Documents may be scanned and maintained in an electronic format.
- D. Manager, or in the event there is no Manager, the Secretary of the Association, is responsible for ensuring that Documents are identified, retained, stored, protected and subsequently disposed of, in accordance with this Policy.

1.4 Board Members

The Association does not require Board members to maintain any Documents that were generated by the Association. However, if a Board member receives Documents relating to the Association, which were not generated by the Association, or not received through the Association, Board members must send such Documents to the Manager to be maintained in the Association's records. When a Board member ceases to be a Board member, such Board member shall turn over

to the Manager or Secretary of the Association, all Documents and files relating to the business of the Association, which are not otherwise in the Association's records.

1.5 Annual Purge of Files

Manager shall conduct an annual purge of files. The annual purge of files is to be conducted during the first quarter of each calendar year.

1.6 Destruction Procedure

If Documents to be destroyed are of public record, it is recommended that they be recycled. If recycling is not possible, Documents may be placed in a trash receptacle. If Documents to be destroyed are not of public record and contain information known to be confidential information of the Association or any Member of the Association, they should only be recycled if such recycling process is reasonably expected to maintain the confidentiality of such information; otherwise, such Documents should be destroyed in a manner that ensures the information contained therein remains confidential.

1.7 Miscellaneous

Copies of any Document may be destroyed, provided that an original or copy is maintained in the Association's records or is otherwise not required to be maintained pursuant to this Policy.

1.8 Onset of Litigation

At the onset of litigation, or if it is reasonably foreseeable that litigation may be imminent, all Documents potentially relevant to the dispute must be preserved. At the direction of legal counsel, Manager will advise the Board, and any other person who may be in possession of Documents, of the matter and instruct them that all Documents potentially relevant to such litigation must not be destroyed. At the conclusion of the litigation, as determined by legal counsel, the "hold" period will cease and the retention time periods otherwise provided in this Policy will apply.

SECTION 2

Document Retention Periods

Set forth below is a chart detailing the required retention periods for Documents. Documents are grouped into five functional categories as set forth below. For purposes of this Policy, the term "Permanent" means that the retention period for that Document is for the life of the Association, and the term "Termination" means expiration of the term of the applicable Document. For example: "Termination + 4 years" means four (4) years beyond expiration of the term of such Document.

<u>1.</u>	<u>Accounting Records</u>	<u>Retention Period</u>
	Audit Reports	Permanent
	Chart of Accounts	Permanent
	Fixed Asset Purchases	Permanent
	General Ledger	Permanent
	Accounts Payable	7 yrs
	Account Receivable	7 yrs
	Expense Records	7 yrs

	Financial Statements (Annual)	7 yrs
	Inventory Records	7 yrs
	Loan Payment Schedules	7 yrs
	Tax Returns	7 yrs
2.	<u>Bank Records</u>	<u>Retention Period</u>
	Bank Reconciliations	7 Yrs
	Bank Statements	7 Yrs
	Cancelled Checks	7 Yrs
	Electronic Payment Records	7 Yrs
3.	<u>Governing Documents and Corporate Records</u>	<u>Retention Period</u>
	Articles or Certification of Incorporation, Bylaws, Declaration and other Restrictive Covenants, including any amendments	Permanent
	Rules and Regulations	Permanent
	Policies and Guidelines	Permanent
	Record of Actions of Board or Members taken by Written Ballot or Written Consent in Lieu of a Meeting	Permanent
	Record Meeting Notice Waivers	Permanent
	Business Licenses	Permanent
	Contracts – Major	Permanent
	Contracts – Minor	Termination + 4 Yrs
	Correspondence from Legal Counsel	Permanent
	Leases/Mortgages	Permanent
	Board Minutes and Resolutions	7 Yrs
	Committee Minutes	7 Yrs
	Member Meeting Minutes	7 Yrs
	Insurance Policies	Termination + 4 Yrs
	Account Records of Current Association Members	5 Yrs
4.	<u>Employee Records</u>	<u>Retention Period</u>
	Benefit Plans	Permanent
	Pension/Profit Sharing Plans	Permanent
	Employee Files (ex-employees)	7 Yrs
	Employment Taxes	7 Yrs
	Payroll Records	7 Yrs
	Employment Applications, Resumes, Ads, or Notices for Job Opportunities	3 Yrs
5.	<u>Real Property Records</u>	<u>Retention Period</u>
	Construction Records	Permanent
	Warranties	Permanent
	Leasehold Improvements	Permanent

	Real Estate Purchases	Permanent
	Lease Payment Records	7 Yrs

EXHIBIT E

PAYMENT PLAN GUIDELINES AND APPLICATION OF PAYMENTS
SCHEDULE

[See attached]

PAYMENT PLAN GUIDELINES AND APPLICATION OF PAYMENTS SCHEDULE

Payment Plan Guidelines

1. A member of the Association who is delinquent in the payment of any regular or special assessments or any other amounts owed to the Association (collectively, "**Delinquent Payments**") shall be entitled to enter into a payment plan with the Association providing for an alternative payment schedule by which the member may make partial payments to the Association for Delinquent Payments (each, a "**Payment Plan**"). Each such Payment Plan shall be in accordance with terms of these Payment Plan Guidelines and the requirements of Section 209.0062 of the Texas Property Code (the "**Code**"). Notwithstanding the foregoing or any provision herein to the contrary, the Board of Directors of the Association, in its discretion, may elect not to allow a Payment Plan for any member of the Association who has failed to honor the terms of a previous payment plan with the Association during the two (2) years following the member's default under the previous Payment Plan.

2. There shall be three (3) Payment Plans available as follows:

(a) Members owing Delinquent Payments to the Association totaling \$600 or less shall be entitled to pay all Delinquent Payments and any "Payment Plan Administrative Charges" (as defined below) owed in equal monthly installments over a period of six (6) months.

(b) Members owing Delinquent Payments to the Association totaling \$601-\$1,200 shall be entitled to pay all Delinquent Payments and any "Payment Plan Administrative Charges" owed in equal monthly installments over a period of twelve (12) months.

(c) Members owing Delinquent Payments to the Association totaling \$1,201 or more shall be entitled to pay all Delinquent Payments and any "Payment Plan Administrative Charges" owed in equal monthly installments over a period of eighteen (18) months.

3. Under any Payment Plan, in addition to the Delinquent Payments due and payable thereunder, the Association shall also be entitled to recover all interest due and payable on the member's Delinquent Payments (which interest shall continue to accrue on all Delinquent Payments in accordance with applicable provisions of the Association's governing documents), as well as the Association's reasonable costs associated with administering the Payment Plan (collectively, the "**Payment Plan Administrative Charges**").

4. Each Payment Plan shall be evidenced in writing by an agreement executed by both the member and an authorized representative of the Association. Such writing shall specify the total amount of Delinquent Payments owed, the total amount of Payment Plan Administrative Charges, and the period of repayment under the Payment Plan.

5. Each payment due under any Payment Plan shall be due on or before the first (1st) day of each month during the pendency of the Payment Plan.

6. Any payment made pursuant to a Payment Plan which is returned for insufficient funds, and any payment which is received after the due day thereof, shall constitute a material breach of the Payment Plan, in which event the Payment Plan shall terminate, and all unpaid amounts subject to the Payment Plan shall immediately become due and payable in full.

Application of Payments Schedule

In accordance with the terms of Section 209.0063 of the Code, except for payments made to the Association by members who are in default under a Payment Plan with the Association, a payment received by the Association from a member shall be applied to the member's debt in the following order of priority: (1) any delinquent assessment; (2) any current assessment; (3) any attorney's fees or third party collection costs incurred by the Association associated solely with assessments or any other charge that could provide the basis for foreclosure; (4) any attorney's fees incurred by the Association that are not subject to subparagraph (3); (5) any fines assessed by the Association; and (6) any other amount owed to the Association.

Any payments received by the Association from a member of the Association who is in default under a Payment Plan with the Association shall be applied to the member's debt in the following alternative order of priority: (1) any attorney's fees or third party collection costs incurred by the Association in connection with collection of the member's debt; (2) any other fees and expenses reimbursable to the Association in connection with collection of the member's debt; (3) late charges and interest due by the member; (4) any delinquent assessment; (5) any current assessment; (6) any other amount owned to the Association (excluding fines); and (7) any fines assessed by the Association.