

Paster

The Harbors Homeowners ASSOCIATION
DOCUMENT RETENTION POLICY

THE STATE OF TEXAS *

KNOW ALL MEN BY THESE PRESENTS:

COUNTY OF NUECES *

WHEREAS, the Harbors Homeowners Association (“Association”) is charged with administering and enforcing those certain covenants, conditions and restrictions contained in the recorded Declarations for the various sections of the community (referred to collectively as “Declarations”); and

WHEREAS, Chapter 209 of the Texas Property Code was amended effective January 1, 2012, to add Section 209.005(m) (“Section 209.005”) thereto regarding retention of Association documents and records (“Documents”); and

WHEREAS, the Board of Directors of the Association (“Board”) desires to establish a policy for document retention consistent with Section 209.005 and to provide clear and definitive guidance to owners.

NOW, THEREFORE, the Board has duly adopted the following *Document Retention Policy*.

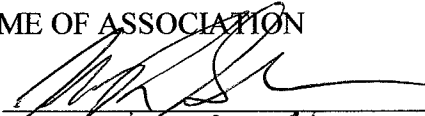
1. Association Documents may be maintained in paper format or in an electronic format that can be readily transferred to paper.
2. Association Documents shall be retained for the durations listed below:
 - a. Certificate of Formation or Articles of Incorporation, Bylaws, Restrictive Covenants, other dedicatory instruments and any amendments to same shall be retained permanently;
 - b. financial books and records, including annual budgets, reserve studies, monthly financial statements and bank statements, shall be retained for seven (7) years (for example, the July 2011 financial statements shall be retained until July 31, 2018);
 - c. account records of current owners shall be retained for five (5) years (for example, invoice, payment and adjustment records on an owner’s account with a transaction date of August 15, 2011 will be retained until August 15, 2016, subject to Section (d) below);
 - d. account records of former owners shall be retained as a courtesy to that former owner for one (1) year after they no longer have an ownership interest in the property;

- e. contracts with a term of one (1) year or more shall be retained for four (4) years after the expiration of the contract term (for example, a contract expiring on June 30, 2011 and not extended by amendment must be retained until June 30, 2015);
 - f. minutes of meetings of the owners and the Board shall be retained for seven (7) years after the date of the meeting (for example, minutes from a July 20, 2011 Board meeting must be retained until July 20, 2018);
 - g. tax returns and CPA audit records shall be retained for seven (7) years after the date of the return or audit year (for example, a tax return for the calendar year 2011 shall be retained until December 31, 2018); and
 - h. decisions of the Associations' Architectural Control Committee or Board regarding applications, variances, waivers or related matters associated with individual properties shall be retained for seven (7) years from the decision date (for example, an application for a swimming pool approved on October 31, 2011 must be retained until October 31, 2018).
3. Any Documents not described above may be retained for the duration deemed to be useful to the purpose of the Association, in the discretion of the Board, its attorney or its managing agent.
 4. Upon expiration of the retention period listed above, the Documents shall no longer be considered Association records and may be destroyed, discarded, deleted, purged or otherwise eliminated.

This Policy is effective upon recordation in the Official Public Records of Nueces County, Texas, and supersedes any policy regarding document retention which may have previously been in effect. Except as affected by Section 209.005 and/or by this Policy, all other provisions contained in the Declarations or any other dedicatory instruments of the Association shall remain in full force and effect.

Approved and adopted by the Board on this 18 day of March, 2012.

NAME OF ASSOCIATION

By: 
 Name: John R. Sloan
 Title: Secretary

THE STATE OF TEXAS *
COUNTY OF ~~NUBLES~~ *

Sanpatricio

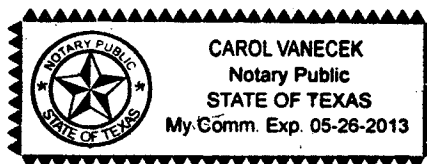
This instrument was acknowledged before me on the 20 day of March,
2012, by John Sloan, secretary of Harbors
Home owners Association, a Texas non-profit corporation, on behalf of the corporation.

Carol Vanecek

Notary Public, State of Texas

PREPARED IN THE LAW OFFICE OF:


Mark B. Gilbreath
Nicolas Morris Gilbreath & Smith
5926 S. Staples, Ste A-2
Corpus Christi, TX 78413



Doc# 2012010330
Pages 4
03/21/2012 11:48AM
e-Filed & e-Recorded in the
Official Public Records of
NUECES COUNTY
DIANA T. BARRERA
COUNTY CLERK
Fees \$23.00

Any provision herein which restricts the Sale, Rental
or use of the described REAL PROPERTY because of
Race, Color, Religion, Sex, Handicap, Familial Status
or National Origin is invalid and unenforceable
under FEDERAL LAW, 3/12/89

STATE OF TEXAS
COUNTY OF NUECES
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 NUECES COUNTY TEXAS

 *Diana T. Barrera*
COUNTY CLERK
NUECES COUNTY TEXAS