

Garages of Texas @ Lakeview, a Condominium

Rules, Regulations, Policies and Procedures

These Rules, Regulations, Policies and Procedures for Garages of Texas @ Lakeview, a Condominium ("Rules"), are attached to the Bylaws of the Association, and are adopted by the Board of the Association effective as of the date the Bylaws are adopted. Each Rule, Regulation, Policy and Procedure herein may be modified, amended, terminated or revoked by the Board from time to time, in the reasonable discretion of the Board, provided (if applicable) such action is consistent with the Bylaws and with these Rules. Each capitalized term used, but not defined, in these Rules shall have the meaning given such term in the Declaration.

- A. Rules and Regulations. If there is any conflict between the following Rules and Regulations and the rights of an Owner or an Occupant under the Declaration of Garages of Texas @ Lakeview, a Condominium ("Declaration"), the provisions of the Declaration shall control over these Rules and Regulations.
1. All restriction on use and activities set forth in the Declaration are incorporated herein by reference as Rules and Regulations of the Condominium.
 2. No article shall be placed or allowed to remain in the walkways or driveways around any of the Buildings, unless and to the extent allowed under the terms of the Declaration.
 3. The areas, driveways and walkways around the Buildings shall not be obstructed or used for any purpose other than ingress to and egress from the Units and for such uses as are authorized by the Declaration.
 4. Children shall not be allowed to play in the Common Elements, unless supervised by an adult.
 5. No Owner shall produce or permit to be made any noises or noxious odors that will disturb or annoy the occupants of the Units or do or permit anything to be done therein which will interfere with the rights, comfort or convenience of other Owners.
 6. No portions of the General Common Elements or the Limited Common Elements shall be decorated by any Owner in any manner without the prior written consent of the Board.
 7. No exterior shades, awnings, reflective window film, window guards, ventilators, fans or air-conditioning devices shall be installed or used in or about any of the Buildings, General Common Elements, or Limited Common Elements, except such as shall have been approved by the Board. After approval, if an Owner shall fail to keep any such approved device in order, repair and proper appearance, the Board or the Manager may remove such device, charging the cost of removal to the Owner; and the device shall not be replaced until it has been put in proper condition, and only with the further written consent of the Board or the Manager.

8. No sign, notice, advertisement or decoration shall be inscribed or imposed on or projected from any window, door or other part of any of the Buildings, except such as shall have been approved in writing by the Board or the Manager.
9. No radio or television aerial shall be attached to or hung from the exterior of any of the Buildings without the prior written approval of the Board or the Manager.
10. Owners are reminded that alteration and repair of the exterior of the Buildings, Limited Common Elements and General Common Elements is the responsibility of the Board. No Owner shall do any painting or decorating of the exterior of any of the Buildings, or make any alterations or construct any improvements to the exterior of any of the Buildings or any of the General Common Elements or the Limited Common Elements.
11. All damage to the Buildings, the General Common Elements, or the Limited Common Elements caused by construction or repair activities within an Owner's Unit or by the moving or carrying of any article therein shall be paid for by the Owner responsible for such construction or repair activities or the presence of such article.
12. Water shall not be left running for an unreasonable or unnecessary length of time.
13. No Owner shall interfere in any manner with any portion of the plumbing, heating, air-conditioning or lighting apparatus which is part of another Unit, the General Common Elements or the Limited Common Elements and not part of the Owner's Unit.
14. No automobile belonging to an Owner or Occupant, or to a member of an Owner's or Occupant's family, or employee or guests of an Owner or Occupant shall be parked in such manner as to impede or prevent ready access across the driveways. The Owners, their employees, servants, agents, visitors, licensees and the Owner's family shall obey the parking regulations posted in the parking area and any other traffic regulation published in the future for the safety, comfort and convenience of the Owners.
15. Owners shall be held responsible for the action of their children, employees, agents, invitees, servants and their guests.
16. Each Owner shall comply with all security related procedures established by the Board. Any addition, alteration or modification to the security system or life safety devices installed in the Unit must have prior written approval of the Board and shall be coordinated with the Building security system. No security system utilizing tear gas, sirens or any items designed to emit a loud noise or offensive odor or to injure shall be permitted in any Unit.
17. No Owner shall engage any employee of the Board or of the Manager for any private business of the Owner without the prior written consent of the Board.
18. The Board and the Manager may retain a master key to each Unit, which key may be used only for entry to the Unit in a manner provided in the Declaration. No Owner shall alter any lock on any door leading into his or her Unit without the prior written consent of the Board. If such consent is given,

the Owner shall ensure that the new lock will conform to the current master key scheme provided in the Declaration.

19. Any consent or approval given under these Rules and Regulations by the Board shall be revocable at any time.
 20. Complaints regarding the service of the Buildings and grounds or regarding actions of other Owners shall be made in writing to the Board.
 21. The Board may delegate enforcement of any or all of these Rules and Regulations to the Manager.
 22. These Rules and Regulations may be added to, amended, or replaced at any time by the Board.
- B. Policies and Procedures. The Policies and Procedures listed below are adopted by the Board, and a copy of each Policy and Procedure is attached hereto.
1. Procedures for Adoption and Amendment of Policies, Procedures, Rules and Regulations.
 2. Alternative Dispute Resolution (ADR)
 3. Collection Policies and Procedures
 4. Conflicts of Interest Policy
 5. Enforcement Procedure
 6. Meeting Policy
 7. Records Inspection Policy
 8. Reserve Policy

1. Garages of Texas @ Lakeview Condominium Association, Inc.
Procedures for Adoption and Amendment
of
Policies, Procedures, Rules and Regulations

The Association adopts the following policies and procedures for the adoption and amendment of policies, procedures, rules and regulations:

1. The Board in its sole discretion shall determine if there is an issue affecting the Condominium for which a policy, procedure, rule or regulation would be beneficial.
2. The Board will investigate and discuss reasonable approaches to address the issue affecting the Condominium.
3. The Board may rely on opinions, information, or statements of its experts in investigating reasonable approaches to address the issue(s) affecting the Condominium.
4. For purposes of this procedure, the Board will take reasonable steps to avoid adopting a policy, procedure, rule or regulation that is contrary to Federal, State, or local law or the Association's Articles of Incorporation, Bylaws, or Declaration, as well as exercising reasonable care to balance the Association's interests with the interests of the individual Members of the Condominium.
5. Once the Board has investigated the issue and discussed the reasonable approaches to address the issue, the Board may, but is not obligated to, provide notice to the Members of the issue and the proposal(s) to address the issue by policy, procedure, rule or regulation. The Board may seek the comment of the Members prior to voting on which approach will be implemented.
6. The Board, having determined that an issue affects the Condominium for which a policy, procedure, rule or regulation would be beneficial, and discussed reasonable approaches to address the issue, may adopt such policy, procedure, rule or regulation in the discretion of the Board, by Resolution.
7. The policy, procedure, rule or regulation shall become effective immediately after the policy, procedure, rule or regulation is published to the Members via 1) posting the information on an internet web page with notice of the web address sent either by first class mail or e mail to all owners; 2) a literature table or binder at the association's principal place of business; 3) mailing the information to all owners, or 4) personally delivering the information to all owners.

2. Garages of Texas @ Lakeview Condominium Association, Inc.
Alternative Dispute Resolution (ADR)

The Association adopts the following policies and procedures for implementing an alternative dispute resolution process:

In the event of any dispute involving the Association and a Member, the Member is invited and encouraged to meet with the Board of Directors to resolve the dispute informally and without the need for litigation. If the Member requests to meet with the Board, the Board shall make a reasonable effort to comply with the Member's request.

Nothing in this Policy shall be construed to require any specific form of Alternative Dispute Resolution, such as mediation or arbitration, or require the parties to meet. Neither the Association nor the Member waives any right to pursue whatever legal or other remedial actions available to either party.

3. Garages of Texas @ Lakeview Condominium Association, Inc. Collection Policies and Procedures

The Association adopts the following policies and procedures regarding collection of Association dues and assessments:

1. Due Date, Late Fees, and Interest:

Any Member, having not paid an installment of the Common Expense Assessment by the first of the month in which the payment is due shall be considered delinquent. If the payment is not received by the tenth day of the month in which the payment is due, the Member's account will be subject to a late fee in the amount of \$20.00, and interest at the statutory rate.

2. Notice of Delinquent Account:

The Association, through its agent, shall notify the Member of the delinquent payment: once after the tenth day of the month in which the payment was due; and a second time thirty days after the late fee and interest have been charged to the account.

In the event the delinquent balance is not paid in full within thirty days of the second notice, the Board may accelerate the remainder of the annual assessment provided notice of acceleration is provided to the Member prior to the remainder of the assessment being called due.

Notices shall be in writing and delivered to the Member, via U.S. Mail first class postage prepaid, addressed to the Member at the address which the Member has registered with the Association.

The Association, pursuant to its right to recover legal costs of collection, shall have the right to recover its actual costs of maintaining the delinquent balance, written notice to the Member, and other costs associated with the Member's delinquency.

3. Collection Procedure:

In the event the alleged delinquent balance is not resolved within thirty days of the second written notice of delinquency set forth above, the Board of Directors, through the delegated agent, may refer the Member's account to the Association's attorney for collection.

Generally the Association's attorney will prepare and record a Notice of Assessment Lien against the real property subject to the assessment obligation. The Association's attorney may prepare and mail a letter demanding payment of a sum equal to the alleged delinquent assessment, late fees, interest, costs of collection including attorney fees, court costs, and other legal costs incurred up to the date the letter was prepared.

If the delinquent balance is not resolved within thirty days of the attorney's letter demanding payment, the Board of Directors, through its designated agent, may authorize the Association's attorney to file a lawsuit asserting claims against the Members property subject to the assessment

obligation, including an action to foreclose the Assessment Lien encumbering the real property subject to the assessment obligation, or both. The lawsuit shall claim the alleged assessment delinquency, late fees, interest, costs of collection including attorney fees, court costs, and other legal costs incurred through the date of judgment or decree.

Nothing in this policy precludes the Association from seeking the appointment of a receiver or implementing other legal and equitable methods to collect the alleged delinquent assessments, late fees, interest, costs including attorney fees.

The Board of Directors may designate a Committee of the Board, Board Member, or the Managing Agent, to work with the Association's attorney for purposes of authorizing settlement agreements and authorizing collection efforts. The designated agent shall use diligent efforts to timely communicate with the Association's attorney with respect to changes affecting the account including, but not limited to, payments on account, additional debits on the account, bankruptcy filings, foreclosure proceedings, and conveyances.

4. Partial Payments on Account:

Any payments of less than the full amount owed to the Association shall be applied to pay the following (if applicable) in the order listed, from oldest to most recent in each category:

1st to attorney fees and legal costs,

2nd to association's costs and other legal charges,

3rd to fines,

4th to late charges, 5th to interest,

6th to special assessments, and

7th to annual assessments.

The Association through its designated agent shall have the discretion to return any partial payment that directs the funds to be applied in a manner inconsistent with the Association's policy pertaining to partial payments set forth above.

5. Miscellaneous Provisions:

In the event the Member intends to satisfy the entire debt to the Association by means of a restrictive endorsement of a check or money order for an amount less than the entire balance then due on the Member's account, that check must be delivered to the Association's managing agent personally or by certified mail first class postage prepaid return receipt requested. The Association is not obligated to accept any check containing a restrictive endorsement and may return such check to the Member tendering it.

If a check or other instrument is tendered to the Association and the instrument is not honored by the financial institution the Association may impose a \$25.00 fee as a returned check fee, or pursue the statutory remedies which generally allow the Association to collect treble damages and attorney fees in the event the issuer fails to honor the instrument. The returned check fee, if charged, shall be the personal obligation of the issuer of the check as well as a lien against the real property subject to the assessment obligation.

Generally alleging a failure of the Association to maintain the Common Elements/Area or generally alleging a failure of the Association to comply with provisions of the Association's Dedicatory Instruments shall not constitute a defense or set-off of the lawfully imposed assessments.

In the event a Court of competent jurisdiction finds a provision of this collection policy void or otherwise unenforceable, the other provisions shall remain in full effect.

4. Garages of Texas @ Lakeview Condominium Association, Inc. Conflicts of Interest Policy

The Association adopts the following conflicts of interest policy.

In the event any member of the Board of Directors or a party related to a Director takes part in a conflicting interest transaction, as defined below, the Director or related party must declare the conflict.

“Party related to a Director” means a spouse, a descendent, an ancestor, a sibling, an estate or trust in which the Director or a party related to a Director has beneficial interest, or an entity in which a party related to a Director is a director or officer or has a financial interest.

“Conflicting interest transaction” means a contract, transaction, or other financial relationship between the Association and a Director, or between the Association and a party related to a Director, or between the Association and an entity in which a Director of the Association is a director or officer or has a financial interest.

Compensation shall include direct and indirect remuneration as well as gifts or favors even if insubstantial. No loans shall be made by the Association to its Directors or officers. Any Director or officer who assents to or participate in the making of any such loan shall be liable to the Association for the amount of the loan until it is repaid.

Any conflicting interest transaction on the part of any Director or party related to the Director shall be verbally disclosed to the other Directors in open session at the first open meeting of the Board of Directors at which the interested Director is present prior to any discussion or vote on the matter. After disclosure, the Director may participate in the discussion and may vote on the matter. The minutes of the meeting shall reflect the disclosure made, the composition of the quorum, and record who voted for and against.

A conflicting interest transaction entered into in violation of this policy shall be void and unenforceable by a Member or on behalf of the Association unless one or more of the following conditions are met:

1. Disclosures are made to the Board and the Board authorizes, approves or ratifies the conflicting interest transaction; or
2. Disclosures are made to the Members and the Members approve the conflicting interest transaction; or
3. The conflicting interest transaction is fair to the Association.

Further, the Association may seek restitution for damages resulting from the Member, or Members, who failed to comply with this policy including all costs and attorney fees incurred in obtaining said restitution.

5. Garages of Texas @ Lakeview Condominium Association, Inc. Enforcement Procedure

The Association adopts the following policies and procedures for covenant and rule enforcement (which does not include payment and collection of assessments that is contained in a separate Association policy).

1. Informal Resolution of Violation

Any Owner, tenant, or agent of the Association may directly request that an Owner cease or correct any act or omission, which appears to be in violation of the Dedicatory Instruments. It is the preference of the Board that Unit Owners attempt informal resolution prior to seeking formal resolution.

In the event the perceived violation is also a violation of Federal, state, or local laws or regulations, the Board may request the complaining resident to contact the appropriate government entity to report the perceived violation.

In some cases the Association may be more reluctant to institute litigation than is the complaining Owner. The Association would like this opportunity to advise the Owners that any person subject to the Association's Dedicatory Instruments and the Act may institute legal or equitable proceedings to charge violations of the Dedicatory Instruments, and if successful, the complaining party is entitled to seek reimbursement of their reasonable attorney fees and costs.

2. Mediation

The Association encourages residents of the community to mediate with their neighbors on issues that impact the parties involved but not necessarily other residents of the community. The Association intends to use mediation as a tool to address complaints alleging violations of the Association's Dedicatory Instruments; the decision of whether or not to employ mediation will be within the reasonable discretion of the Board of Directors.

3. Formal Resolution of the Violation

A. The Board or its agent may initiate Formal Resolution of violations upon observation of a violation with written notice of violation to the violator(s).

B. Members of the Association may initiate Formal Resolution of violations by filing a written notice of violation with the Association, delivered to the management company. Said Report of Violation must clearly indicate the specific nature of the violation, the date, time and location of the violation, the witnesses of the alleged violation, and the name(s) or Unit number of the violator(s). At this time, the name of the Owner(s) making the complaint will not be divulged to persons other than the Board and its agents.

C. If within the discretion of the Board, the written report does not allege facts necessary to constitute a violation, the complainant will be notified in writing as to why no action was taken. The

complainant may request a reconsideration of the complaint at a subsequent meeting of the Board. The complainant is required to attend this meeting.

D. If the Board, having reviewed the allegations contained in the notice believes a violation of the Association's Dedicatory Instruments has occurred, the accused individual, or the Owner if the accused individual is a tenant, family member, guest, or invitee, will be notified in writing that a complaint has been made. The Notice of Violation Letter will include: (a) the nature of the alleged violation; (b) the action required to remove or correct the violation; (c) notification of any grace period, deemed appropriate by the Board, within which the violation may be removed without penalty.

E. Should further evidence of the alleged violation, beyond the grace period, be observed, a fine will be imposed. The notice of fine will include an opportunity for the accused person to appear at a hearing to explain why the fine should not be imposed. The Notice of Fine/Hearing letter will include the date, place, and time of the hearing and a copy of the hearing procedure.

F. Hearings are generally scheduled to precede a regularly scheduled Board meeting. Failure to appear for the scheduled hearing will be construed as an admission of the violation, at which point the Board may levy a reasonable fine against the Owner(s) for the alleged violation.

G. The hearing procedures shall be as follows:

1. The Board, through its Chair, shall direct the proceedings at the hearing. Persons present may speak only after being recognized by the Chair.

2. The Chair will describe the provision of the declaration or rule or regulation, which is said to have been violated, including the nature of the violation, or read the written complaint to the person charged.

3. If the charge is denied, the complaining witness(es) shall be required, at the hearing, to describe the details and circumstances giving rise to the violation of the Association's Dedicatory Instruments.

4. The person charged shall have the opportunity to respond to the allegations and offer a defense to the actions or omissions giving rise to the alleged violation of the Association's Dedicatory Instruments.

5. The Chair and the Board shall have the opportunity to question any witness or involved parties if it so desires.

6. At the conclusion of the hearing, the Board, in closed session, shall discuss the statements and vote whether or not the person charged violated the provisions of the Association's Dedicatory Instruments. A majority vote shall control. The result of the vote shall be recorded in the minutes of the meeting, and announced to the person charged and the party or parties who filed the Complaint.

7. If the Board levies a fine, the Board shall provide to the Owner written notice of the fine and the date payment of the fine is due. In the event the Owner fails to pay the fine consistent with the notification, appropriate legal action may be initiated by the Board to collect the fine.

8. The Board will use reasonable discretion in levying fines in accordance with the severity of the violation. The following is a schedule of the fine range for ordinary violations of the Association's Dedicatory Instruments:

First Violation:	A warning letter
Second Violation:	\$50.00
Third Violation:	\$150.00
Fourth Violation:	\$300.00
Subsequent violations:	\$1,000.00; sent to attorney

4. Miscellaneous Provisions:

Person charged shall include the Owner of real property subject to the Association's Dedicatory Instruments whether it is a natural person or a legal entity.

Continuing violations shall constitute a separate violation for each 24-hour period the violation exists. If subsequent violations of the specific provision of the Dedicatory Instruments occur within twelve (12) months of the first notice, a fine will be imposed without a grace period.

Fines for violations of the Dedicatory Instruments will be imposed against the Owner and the real property subject to the Declaration.

Any and all money collected from such fines may be deposited in the Association's general operating fund.

In the event the violation is of a continuing nature or if the violation constitutes a threat to the health, safety, or welfare of the residents or the property within the community, the Association acting through the Board of Directors may institute an action in a court of competent jurisdiction seeking injunctive relief to abate the violation without proceeding through procedures set forth in 3(D), 3(E), 3(F), or 3(G) above. Nothing in this paragraph constitutes an election of remedies nor precludes the Board from levying fines as set forth above while at the same time seeking injunctive relief for violations of a continuing nature or violations that affect the health, safety, or welfare of the residents or the property. In the event it is determined the Association was the prevailing party in the suit the Association shall be entitled to seek reimbursement of its costs including reasonable attorney fees, court costs, and other legal costs; conversely, if it is determined the Owner was the prevailing party, the Owner shall be entitled to reimbursement of the same expenses and costs.

In the event a Court of competent jurisdiction finds a provision of this Enforcement Policy void or otherwise unenforceable, the other provisions shall remain in full effect.

Attachment: Report of Violation

Report of Violation

Your Name: _____

D

ate: _____

Your Address: _____

Your Telephone Number: _____

Your E-mail address: _____

Information regarding incident(s): (Please include as much information as possible.) Name of person committing the alleged violation: _____

Unit number of person committing the alleged violation: _____

Date(s) of alleged incident(s): _____

Please describe the incident(s) in as much detail as possible (use additional sheet(s) if necessary):

What statutes, covenants, or other rules were violated (please identify specific sections):

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Please Sign Below:

Date:

Please send this completed form to:

**Garages Texas @ Lakeview Condominium Association, Inc.
5310 Harvest Hill Road
Suite 297
Dallas, Texas 75230**

6. Garages of Texas @ Lakeview Condominium Association, Inc. Meeting Policy

The Association adopts the following policy regarding the conduct of meetings of the Association. This policy is not intended to take the place of or invalidate provisions contained in the Association's Bylaws or the TNCL; rather, the policy is intended to incorporate provisions of the Act into the Association's procedures for meetings of both the Members and the Board.

1. Meeting of the Members

A meeting of the Members of the Association shall be called at least once per year in accordance with the Association's Bylaws.

Meetings of the Members may be called by the President, a majority of the Members of the Board, or by a petition signed by the Unit owners having 20% of the votes of the Association.

Notice of the meeting of the Members shall be delivered by hand or by first class mail, postage prepaid to each Member of the Association. If mailed, the notice shall be addressed to the Member at the address which the Member has registered with the Association, or if no address has been so registered, to the Unit within the community. The notice shall be delivered no less than 10 days, nor more than 50 days prior to the date of the meeting, and shall state the date, time, and location of the meeting as well as the items on the agenda and, in the case of a special meeting, the purpose of the meeting.

In addition to the delivery of the notice to the Members, the Association shall post notice of the meeting of the Members in a conspicuous place within the Condominium. The Association may also post notice to the Members electronically on a web site, via e-mail, facsimile, or telephone to the Members.

All meetings of the Members shall proceed on issues generally set forth in the notice and in accordance with the agenda unless a majority of Members in person or proxy vote to amend the written order of business. In the event a written order of business has not been produced for the meeting, the following order of business shall apply:

1. Call to order, determination of quorum
2. Review of minutes from last meeting
3. Hear reports from officers, committees and managing agent
4. Unfinished business
5. New business
6. Adjourn

All meetings of the Members shall be open to attendance by all Members of the Association or their duly appointed representatives. During any period in which a Member shall be in default in the

payment of any Common Expense Assessment levied by the Association, the voting rights by such member shall be deemed suspended by the Board, without notice or hearing, until such assessment has been paid. Voting rights of a member may also be suspended, after notice or hearing, during any period of violation of any provision of the Declaration, Articles, Bylaws or Rules and Regulations established by the Board.

Notwithstanding the status of the Member's right to vote at a meeting of the Members, each Member shall be afforded a right to speak before the Board takes formal action on an item under discussion as follows: After a motion and second has been made on any matter to be discussed, at a time determined by the Board, but prior to a vote by the Directors, Members, or their designated representatives, present at such time shall be afforded an opportunity to speak on the motion based on the reasonable time restrictions imposed by the Board. Reasonable time restrictions shall include the requirement that a reasonable number of persons are permitted to speak on each side of an issue,

Contested elections of Board members, defined as elections in which there are more candidates than positions to be filled, and shall be conducted by secret ballot. Each Member entitled to vote pursuant to the Bylaws shall receive a ballot. The ballot shall contain no identifying information concerning the ballot holder. In the event a Member holds a proxy for another Member, upon presentation of such proxy to the Secretary of the Association or the Secretary's designee, the Member shall receive a secret ballot to cast the vote of the Member who provided the proxy. The proxy shall be kept and retained by the Association.

Uncontested elections of Board members, defined as elections in which the number of candidates is equal to or less than the positions to be filled, and all other votes taken at a meeting of the Owners shall be taken in such method as determined by the Board of Directors including acclamation, by hand, by voice or by ballot. Notwithstanding the above, other votes on matters affecting the community shall be by secret ballot at the discretion of the Board or upon the request of 20% of the Owners who are present at the meeting or represented by proxy.

Written ballots shall be counted by a neutral third party, excluding the Association's managing agent or legal counsel, or a committee of volunteers who are not Board members, and in the case of a contested election, is not candidates. The committee shall be selected or appointed at an open meeting, in a fair manner, by the Chair of the Board or another person presiding during that portion of the meeting. The results of a vote by secret ballot shall be reported without reference to names, addresses, or other identifying information respective to the parties casting secret ballots.

All proxy appointments shall be in writing, dated and filed with the Secretary or designated agent prior to the Members meeting. A Member may revoke a proxy given under this section only by actual notice of revocation to the person presiding over a meeting of the Association. The Secretary or designated agent has the right to reject a vote, consent, written ballot, waiver, proxy appointment or proxy appointment revocation when it has reasonable, good faith basis to doubt the validity of the proxy or signature. A proxy terminates eleven months after its date, unless it specifies a shorter term or specific purpose.

In the event a quorum is not present for a meeting of the Members, an officer may adjourn the meeting to be reconvened at a later date and time as determined by the Board.

2. Board Meetings

Regular meetings of the Board of Directors shall be held at least once per year at such place and hour as may be fixed by the Board, without notice. The Board may set a schedule of additional regular meetings by resolution, and no further notice is necessary to constitute regular meetings, except as may be required by law.

Meetings of the Board of Directors shall proceed on issues as generally set forth in the agenda. The agenda will be made reasonably available to Members and their duly appointed representatives upon request.

Unless the Board of Directors is in executive session, all meetings of the Board or a committee thereof are open to attendance by all Members of the Association or their duly appointed representative.

Meetings of the Board of Directors shall follow appropriate parliamentary procedure and pursuant to the Association's Dedicatory Instruments. This requirement shall not mandate the strict adherence to the provisions of Robert's Rules of Order, but rather facilitate the orderly administration of the business of the Association.

The following procedure is intended to balance the Association's interest to promote the efficient administration of the Association's affairs and the Member's right to speak before the Board takes formal action on an item under discussion:

- a. Members may participate in the meeting only by being recognized individually by the Chair of the meeting. Generally membership participation is scheduled after the meeting is called to order and before the minutes of any prior meetings are approved. Notwithstanding Members shall be afforded a right to speak before the Board takes formal action on an item under discussion in the same manner as permitted in the meeting of the Members .
- b. All Members attending the meeting who intend to speak in any fashion may be required to sign an appropriate sign-in sheet for that meeting. To the extent that Members wish to speak to specific issues on the agenda, those Members shall designate those issues on the sign-in sheet and indicate what side of each issue that Member will speak to.
- c. Members must wait to speak until recognized by the chair of the meeting
- d. Members must speak in a calm manner and conduct themselves with respect of all those in attendance.
- e. Members must make their comments within the time allotted by the Chair of the meeting.

The Chair of the meeting has the authority to enforce this policy. Failing to comply with this policy may result in the denial of the Member's right to speak at that meeting and may result in fines being imposed and/or the Member being removed from the meeting. These provisions may be in addition to other specific provisions outlined in the Rules and Regulations, the Declaration, Bylaws or Articles of Incorporation of the Association. The Association may at any time pursue legal remedies, including filing a court action and seeking injunctive relief, or seek assistance from other enforcement authorities.

In the event a Court of competent jurisdiction finds a provision of this Meeting Policy void or otherwise unenforceable, the other provisions shall remain in full effect.

7. Garages of Texas @ Lakeview Condominium Association, Inc.
Records Inspection Policy

The Association adopts the following records inspection policies and procedures. The intent of this policy is to generally define the types of records the Association maintains, define the costs of copies, and provide a general procedure for the Members to inspect and copy records; it is not the intent to limit a Member's statutory remedies for record inspection.

1. Types of Records

The Association's Statutory Records shall consist of:

- a. Financial records sufficiently detailed to enable the Association to establish the amount of unpaid assessments, late fees, interest, fines and other legal charges for each Unit subject to the Declaration;
- b. Minutes of meetings of the membership and minutes of meetings of the Board and committees of the Board as well as records of all actions taken by the Members or the Board by written ballot or written consent in lieu of a meeting and any waivers of notice of meetings of the Members, the executive Board or committees of the executive Board; and
- c. Records of the name and address of each Member within the Condominium as well as each Member's voting power as established by the Declaration.

In addition to the Statutory Records, the Association shall maintain a copy of each of the following at its principal office:

- d. Articles of Incorporation;
- e. Bylaws;
- f. Declaration;
- g. Resolutions adopted by the Board relating to the characteristics, qualifications, rights, limitations, and objections of Members of the Condominium;
- h. Minutes of all Member's meetings, and records of all actions taken by the Members without a meeting for the past three years;
- i. All written communication within the past three years to Members as Members;

- j. A list of the names and business or home addresses of its current directors and officers; and
- k. A copy of its most recent annual report and financial statements, audits and review for periods ending during the last three years.

2. Inspection Request

A Member, or a duly appointed representative, is entitled to inspect and copy the Association's records during regular business hours at the Association's principal office provided the Member delivers written notice to the Association at least five business days prior to the date the Member expects to inspect and copy the records. Further, if the Member seeks to inspect or copy the statutory records, the Member must:

- a. describe with reasonable particularity the records the Member wants to review; and
- b. describe with reasonable particularity the purpose the Member has to want to review the statutory records.

3. Approval to Inspect Records

It is within the reasonable discretion of the Board of Directors, or an agent designated by the Board, to determine if the Member's written notice to inspect the Association's records is made in good faith and for a proper purpose. In determining whether records may be inspected, or copied, the Board or its agent shall consider among other things:

- a. Whether the written notice is made, in good faith, to ascertain the condition of the Association;
- b. Whether the inspection is for an illegal, or improper purpose, or for a purpose other than that stated in the written notice;
- c. Whether the Member or the representative has improperly used information secured through a previous inspection of records;
- d. Whether disclosure would violate a constitutional provision, a statutory provision, a Court Order, or public policy;
- e. Whether disclosure may result in an invasion of personal privacy, breach of confidence or privileged information;
- f. Whether disclosure would unreasonably interfere with or improperly disrupt the operation of the Association; and
- g. Whether inspection results in private harm or damage that outweighs the right to access.

In the event the Board, or its agent, determines the Member's request is not consistent with the standards set forth above, or is not specific with respect to the particular records requested or the particular purpose for which the records are requested, the Member shall be given written notice of the defects of his written request as soon as practical.

4. Limitations on the use of the Association's Records

Without the consent of the Board of Directors, Association records, including a membership list or any part thereof may not be obtained or used by any person:

- a. For any purpose unrelated to a Member's interest as a Members;
- b. To solicit money or property unless such money or property will be used solely to solicit the votes of the unit owners in an election to be held by the Association;
- c. For any commercial purpose;
- d. To be sold to or purchased by any person or entity; or
- e. For any improper purpose as determined in the sole discretion of the Board.

5. Miscellaneous Provisions

The Member's request should be made on the Association's Notice of Intent to Inspect and Copy Association Records form, but in any event, the request to inspect and copy the statutory records must be made in good faith for a purpose and the records requested must directly relate to the particular purpose described as well as the Member's interest.

The Association may charge a fee in advance for the estimated amount to copy the records not to exceed the Association's actual cost per page, including services to prepare the records for review, to oversee the Member's inspection, and to prepare the requested copies of the Association's records. In the event a Member's request will result in review and/or copying of voluminous documents, the Association may break the inspection into several sessions to reasonably accommodate the staff at its principal office.

Absent a court order from a Court of competent jurisdiction, the Member shall not be authorized to inspect or copy any confidential communication including but not limited to: a) documents subject to the attorney/client privilege; b) documents subject to privilege imposed by Federal or state law, or by court order; and c) documents that contain information that if disclosed would constitute an invasion of personal privacy (examples include, but are not limited to social security numbers, medical evaluations, employment information, personal bank account or personal financial information).

Careful scrutiny will be employed by the Board for requests to review records pertaining to other Members' accounts with the Association.

In the event a Court of competent jurisdiction finds a provision of this Records Inspection Policy void or otherwise unenforceable, the other provisions shall remain in full effect.

Attached Form: Notice of Intent to Inspect Association Records

NOTICE OF INTENT TO INSPECT ASSOCIATION RECORDS

This Notice of Intent to Inspect Association Records shall be completed pursuant to the Records Inspection Policy adopted by the Board of Directors of the Garages of Texas @ Lakeview Condominium Association, Inc.

Your Name: _____

Date of this Request: _____

Your Address: _____

Your Telephone Number: _____

Your Email Address: _____

Date you or your agent intends to review the records: _____

Person(s) requesting the review of the Association's records:

Person(s) who will be present for the review of the Association's records:

Please note that all costs of inspection and any authorized copies must be paid in advance by the person requesting them.

Specify with particularity the records requested for this review. Please include type of record, date of record, any specifics that will identify the information you seek to review.

Record

Date

Please indicate those records for which you request copies.

Record

Date

Please state with particularity the purpose you wish to review each of the records described above including how that purpose relates to your interest as a member of the Association. Attach an additional sheet if additional space is necessary.

Director's Approval:

Date: _____

8. Garages of Texas @ Lakeview Condominium Association, Inc.
Reserve Policy

The Association adopts the following policies and procedures for the investment of Association reserve funds.

The Association, acting through the Board of Directors, shall exercise business judgment in the investment of funds designated as reserve funds.

1. The Board, as fiduciaries, shall reasonably investigate the options available for investment of some or all the reserve funds; emphasis will be placed on the preservation of principal.
2. The Board shall discuss the results of the investigation and the options for investment which meet the Association's goals for safety and income potential. Accordingly, any investments must have FDIC Deposit Insurance coverage.
3. In the event the Board lacks experience in the investment options being considered to evaluate the safety and income potential, the Board may consider the opinions of its legal counsel, its public accountant, or other person the Board Members reasonably believe are within that person's expert competence, provided that other person will not directly benefit from the investment or that person is insured against errors and omissions.
4. Upon the conclusion of the investigation, the discussion, and the opinions of experts (if necessary) the Board shall vote on how the reserve funds will be invested or reinvested, each Member of the Board should vote in what they believe is the best interest of the Association and a majority vote of the quorum shall control.