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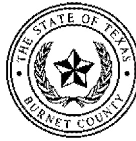

Janet Parker
Janet Parker, County Clerk
Burnet County, TX
Pages: 25 AMD Fee: $ 112.00

STATE OF TEXAS §

COUNTY OF BURNET §

AMENDMENT OF RULES AND REGULATIONS OF WINDERMERE OAKS PROPERTY OWNERS' ASSOCIATION

Document reference. Reference is hereby made to that certain Second Amendment and Restatement of Restrictive Covenants, filed as Document No. 199705835; and the Third Amendment of Restrictive Covenants, filed as Document No. 200200667, both in the Official Public Records of Burnet County, Texas; (cumulatively and together with all amendments and supplemental documents thereto, the "**Declaration**").

Reference is further made to the "By-Laws of Windermere Oaks Property Owners' Association" and various amendments thereto, filed as Document Nos. 200505253, 200007144, and 200910805, all in the Official Public Records of Burnet County, Texas (cumulatively, and together with all amendments thereto, the "**Bylaws**").

Reference is further made to the Windermere Oaks Architectural Control Guidelines Requirements and Other Information, filed as Document No. 201208585 in the Official Public Records of Burnet County, Texas (together with all amendments thereto, the "**Architectural Rules**").

Reference is further made to the Certified Resolutions of the Board of Directors of Windermere Oaks Property Owners' Association, Inc. filed as Documents No. 201303361, 201303362, and 201303363 of the Official Public Records of Burnet County, Texas, and the "Rules and Regulations for Use of Recreational Common Area Property" filed attached to that certain Secretary's Certificate, filed as Document No. 201606637 of the Official Public Records of Burnet County, Texas (together with any amendments or supplements, the "**Prior Rules**").

The Prior Rules are REPEALED by this filing.

As a result of this filing, the rules and regulations consist solely of the Architectural Rules and this filing.

WHEREAS the Declaration provides that owners of lots subject to the Declaration are automatically made members of Windermere Oaks Property Owners Association (the "**Association**");

WHEREAS the Association, acting through its board of directors (the "**Board**"), is authorized to adopt and amend rules and regulations governing the common facilities, lots and Common Areas subject to the Declaration and the operations of the Association pursuant to Paragraph 13 of the Declaration, and has previously adopted the Rules;

WHEREAS, the Board has voted to REPEAL the Prior Rules in their entirety; and

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WHEREAS the Board has voted to adopt the Restated Rules attached as Exhibit "A" to REPLACE the Prior Rules on September 16, 2017;

THEREFORE the Restated Rules attached as Exhibit "A" have been, and by these presents are, ADOPTED and APPROVED, and the Prior Rules are REPLACED and SUPERCEDED by the Restated Rules.

Subject solely to the amendments contained herein, the Architectural Rules remain in full force and effect.

WINDERMERE OAKS PROPERTY OWNERS' ASSOCIATION
Acting by and through its attorney-in-fact, Niemann & Heyer, LLP

Chloe M. Love

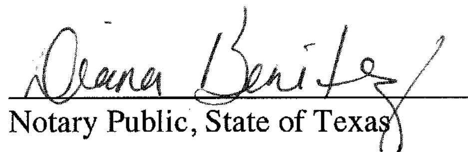
Exhibit "A": Restated Rules

Acknowledgement

STATE OF TEXAS §

COUNTY OF TRAVIS §

This instrument was executed before me on the 18th day of September, 2017, by Chloe M. Love in the capacity stated above.



Notary Public, State of Texas

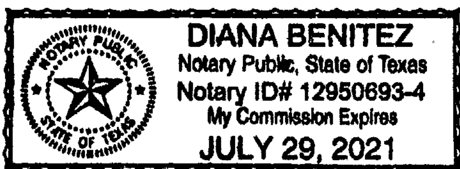


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EXHIBIT "A"

RESTATED RULES OF WINDERMERE OAKS PROPERTY OWNERS' ASSOCIATION

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DEFINITIONS

1. "Owner:" an owner as defined in the governing documents, or a "Member" as defined in the governing documents. If there are no such definitions, an owner means a person or entity holding a fee simple interest in any portion of the property that is subject to the Declaration (other than common area).

2. "Managing agent:" the entity responsible for managing the affairs of the Association, or the "Association manager."

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SECTION I. ASSESSMENT COLLECTION POLICY

Summary of Collection Process
1. Assessments due within 30 days of due date (or invoice date if no due date stated)
2. Interest at 18% charged as of date of delinquency
3. Late fee assessed in an amount determined by the board. Late fees are $25 per month of delinquency unless otherwise determined by the board
4. Courtesy notice sent via email or mail, giving 30 days to pay
5. Certified mail notice sent providing final warning/notice as required by statute
6. Account turned over to attorney for formal collection action

The board may vary from this policy on a case by case basis, including shortening or lengthening time periods for payment or eliminating or providing additional courtesy notices, provided that all statutory notice requirements are met.

Collection policy:

1. Purpose. The Board desires to adopt a standardized Assessment Collection to set forth its determinations on such issues.
2. Scope. This policy applies to all "Members" of the Association, said Members having a contractual obligation to pay assessments and other charges to the Association under the governing documents of the Association.
3. The Policy.
   a. Introduction. The Association's primary source of income is Member-paid Assessments, and without such income the Association cannot provide and maintain the facilities and services that are critical to the quality of life of Association residents and the protection of property values. The Association has experienced, and expects to continue to experience, situations in which Members are delinquent in their obligation to pay Assessments or Members are otherwise in violation of the governing documents. Therefore the Board has adopted, and by these presents does hereby adopt, the Assessment Collection and Enforcement Policy set forth below.

      Per the Declaration the Association may collect, and has a lien for all amounts due, including assessments, fees, interests, costs, and attorney's fees. The Association further has a lien for all costs of self-help remedies (Declaration Paragraphs 9 & 13F).

   b. Due Dates. All Assessments and other amounts due are due within 30 days of the due date, or if none given, within 30 days of the date the related invoice, ledger, or other notice is sent to the Member.

   c. NSF Fees. Checks, ACH payments, or other type of payment returned for insufficient funds, dishonored automatic bank drafts, or other similar item will result in the

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assessment of a fee determined by the Board from time to time, in the minimum amount of $30. Late fees shall also be assessed as appropriate.

4. Delinquency/Collection. Assessments are due no later than January 1st of the year for which it is assessed, and if payment is not received by January 31st, the assessment shall be deemed Delinquent. Other amounts owed to the Association shall be deemed Delinquent if not paid within thirty days of the due date. Delinquencies shall be handled as follows:

    a. Interest, Late Fees, Collection Costs. Delinquencies may be charged interest on the sum owing at the rate of 18% per annum, until paid in full. In addition to interest, a late fee in an amount as determined from time to time by the Board may be assessed. In the absence of board resolution to the contrary, late fees shall be $25 per each month that a delinquent balance remains on the account. Late fees shall accrue monthly on the 15th of the month following any amount becoming Delinquent. (Declaration Paragraph 13G) The owner is responsible for all costs of collection including attorneys fees.

    b. Courtesy Notice of Delinquency. Once an Assessment or other amount due becomes Delinquent, the Association, acting through its Board, managing agent, or some other Board designee, may email or mail a written notice to the related Member reminding him or her of the amount owed and requiring that it be paid immediately – no later than 30 days after the date of the letter.

    c. Final Letter After Courtesy Notice. If payment in full or other mutually-satisfactory payment arrangements are not made promptly in response to any courtesy notice, or if a courtesy notice is not sent, the Association, acting through its managing agent, shall send notice via certified mail, return receipt requested and otherwise complying with the requirements of Texas Property Code §209.0064 (including giving the owner a final 30 days to cure the delinquency prior to the account being turned over to an attorney.)

    d. Formal Collection Action. After the expiration of the 30-day cure period provided by law (§209.0064, Texas Property Code), the account shall be turned over to the Association's attorney to initiate formal collection action. Unless otherwise determined by the Board, all attorney collection action is pre-authorized, including but not limited to sending a 30-day demand letter, filing of a Notice of Lien or similar instrument in the Official Public Records, and initiating and carrying out a foreclosure of the Association's lien against the Lot, all in accordance with state-law notice and procedural requirements.

       The Board of Directors of the Association is charged with the duty of overseeing the administration of the Association, including but not limited to the collection of assessments and other charges from the members. The timely collection of assessments is critical to ensuring that the Association can remain fully-funded and capable of fulfilling its duties to the members, and as such the Board desires that delinquent assessments be collected with a minimum of delay. This standardized

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collection policy is in the best interest of ensuring that collection procedures are applied consistently.

e. Power of Sale. In conjunction with the Association's authority to foreclose its lien, the Association is vested with a power of sale. (Declaration Paragraph 13H) The President of the Association may act as trustee for any such sale and is granted the authority to designate one or more agents and/or substitute trustees to exercise the Association's power of sale in conjunction with foreclosure of the Association's lien.

f. Authority to Vary from Policy. In handling Delinquent amounts due, the Board of Directors retains the authority to vary from this Assessment Collection Policy as may be appropriate given the particular facts and circumstance involved, so long as the related action is in compliance with the Declaration and State law. Variances from policy may include adding additional courtesy letters, or omitting a courtesy letter, provided that at minimum all notice requirements of state law are met.

g. Payment plans. Payment plans shall be offered as described in the Association's payment plan rule.

h. Managing agent authorization. If Association has engaged the services of a management company for the Association, to perform day-to-day administrative tasks on behalf of the Association, the management company is granted authority to carry out this policy including to communicate with legal counsel retained by the Association and to authorize collection work by such legal counsel on behalf of the Association, without further vote or action of the Board. This authority notwithstanding, the management company representative shall communicate with the Board and/or certain designated officers on a routine basis with regard to collection actions, and the Board reserves the right to establish further policies with regard to collection efforts generally and to make decisions about particular collection actions on a case-by-case basis if and when it deems appropriate.

SECTION II. OAK WILT POLICY

1. Purpose. Oak wilt is the most destructive disease affecting live oaks and red oaks in Central Texas. Once an oak wilt center becomes established, the pathogens may be rapidly spread from tree to tree through interconnected root systems. Oak wilt can cause the death of all oak trees on a block or even in a neighborhood over time. This policy is intended to reduce the risk of fungal spread to neighboring trees and protect the neighborhood's oak trees.

2. No Pruning February through June. Research has shown that oak wilt is at the highest risk for transfer in the spring. In order to prevent spreading, Owners must only prune oak trees before February 1 or after July 1 each year. Owners may request permission from the Board to prune during the months of February, March, April, May, and June. Owners may not prune trees during the months of February through

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June without the prior written approval of the Board. The Board, in its discretion, may allow owners to prune oak trees during the spring for the following reasons:

a. To accommodate public safety concerns such as hazardous limbs, traffic visibility or emergency line clearance;
b. To repair damaged limbs such as from storms;
c. To remove limbs rubbing on a building or on other branches;
d. To remove trees or limbs on sites where construction takes precedence; or
e. Dead branch removal where live tissue is not exposed.

3. Painting Wounds. Owners must paint fresh wounds on oaks, including pruning cutes and stumps, with wound dressing or latex paint immediately after pruning at all times of the year.

4. Violations of this Policy. Notwithstanding other provisions of these rules to the contrary, owners who violate this Oak Wilt Policy will be subject to an immediate $250 fine per violation. Each tree pruned in violation of this policy will be considered a separate violation.

SECTION III. FLAGS

1. Conflict with Other Provisions. Per state law, this Section controls over any provision in any other Association governing document to the contrary.

2. General. An Owner may display flags only on his or her Lot and only in compliance with this Section. An Owner may not display flags on the Common Areas, or on any other lands owned or maintained by the Association, for any reason or at any time. An Owner may have one flagpole, or one residence-mounted flag mount, but not both.

3. Approval Required. All flagpoles, flag mounts, and related installations (e.g., flag lighting) must be approved in advance by the Association's ACC. An Owner desiring to display a permitted flag must submit plans to the ACC for each installation, detailing the dimensions, type, location, materials, and style/appearance of the flagpole, flag mount(s), lighting and related installations. The Association's ACC shall have the sole discretion of determining whether such items and installations comply with this Section, subject to any appeal rights that may exist elsewhere in the Association's governing documents or under State law. The Owner may not begin construction or installation until the Owner receives written approval from the ACC.

4. Additional Requirements Related to Flags.
   a. Flags must be displayed on an approved flag mount or flagpole. Flags may not be displayed in any other manner.
   b. No more than one flag at a time may be displayed on a flag mount. No more than two flags at time may be displayed on a flagpole.
   c. Flags on flagpoles must be hoisted, flown, and lowered in a respectful manner.
   d. Flags must never be flown upside down and must never touch the ground.

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e. No mark, sign, insignia, design, addition (such as a mesh extension), or advertising of any kind may be added to a flag.
f. If both the U.S. and Texas flags are displayed on a flagpole, they must be of approximately equal size.
g. If the U.S. and Texas flags are flown on one pole, the U.S. flag must be the highest flag flown and the Texas flag the second highest.
h. Only all-weather flags may be displayed during inclement weather.
i. Flags must be no larger than 3'x5' in size.
j. Flags may not contain commercial material, advertising, or any symbol or language that may be offensive to the ordinary person.
k. A pennant, banner, plaque, sign or other item that contains a rendition of a flag does not qualify as a flag under this Section.

5. Materials and Appearance of Flag Mounts and Flagpoles. A flag mount attached to a dwelling or a freestanding flagpole must be constructed of permanent, long-lasting materials, with a finish appropriate to the materials (per the discretion of the [Board/ACC]) used in the construction of the mount or flagpole and harmonious with the dwelling.

6. Additional Requirements for Flagpoles. The following additional requirements shall apply to flagpoles installed on Lots:
   a. No more than one flagpole may be installed on a Lot;
   b. The flagpole must be free-standing and installed vertically;
   c. The flagpole must be no greater than 20 feet in height measured from grade level;
   d. The flagpole must have a dull or dark finish;
   e. The location and construction of the flagpole must comply with applicable zoning ordinances, may not be located in any easements (including drainage easements), and comply with all building setback requirements;
   f. Unless otherwise approved by the ACC, the pole must be located within 10 feet of one of the side-most building lines of the home, and within 10 feet of the front-most building line of the home (so that the distance between the pole and the side-most point of the home is no more than 10 feet, and the distance between the pole and the front-most point of the home is no more than 10 feet). The ACC may require the pole to be installed on a particular side or otherwise require a particular location;
   g. No trees may be removed for pole installation; and
   h. An Owner must ensure that external hardware, halyards (hoisting ropes), trucks, rings, and snaps used in combination with a flagpole do not create an unreasonable amount of noise.

7. Lighting of Flag Displays. An Owner desiring to install any light(s) for the purpose of illuminating a flag must include plans (in accordance with Paragraph 3 above) to the [Board/ACC] and receive the ACC's written approval before beginning installation. Such light installations must be of a reasonable size and intensity and placed in a reasonable location, for the purpose of ensuring that the lights do not unreasonably disturb or distract other individuals. All flag illumination lighting must be specifically dedicated to that purpose. No other lighting, whether located inside or outside of the

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residence, may be directed toward a displayed flag for purposes of illuminating the flag. Security flood lights, spot lights, or any other light not specifically installed to illuminate a flag (and included in the Owner's submission of plans to the ACC and approved in writing by the ACC) may not be oriented toward a displayed flag.

8. Maintenance. An Owner is responsible for ensuring that a displayed flag, flagpole, flag mount(s), lighting and related installations are maintained in good and attractive condition at all time at the Owner's expense. Any flag, flagpole, flag mount, light, or related installation or item that is in a deteriorated (torn, faded, holes, or frayed) or unsafe condition as determined by the Board must be repaired, replaced, or removed promptly upon the discovery of its condition.

SECTION IV. SOLAR ENERGY DEVICES

1. Conflict with Other Provisions. Per state law, this Section controls over any provision in any other Association governing document to the contrary.

2. Approval Required. An Owner may install solar energy devices only on property solely owned and solely maintained by the Owner, and only in accordance with the restrictions provided herein. Owners may not install solar energy devices except in accordance with the restrictions provided herein. Prior to installation of any solar energy device, the Owner must submit plans for the device and all appurtenances thereto to the [Board/ACC]. The plans must provide an as-built rendering, and detail the location, size, materials, and color of all solar devices, and provide calculations of the estimated energy production of the proposed devices. The Owner may not begin construction or installation until the Owner receives written approval from the ACC.

3. Definition. In this section, "solar energy device" means a system or series of mechanisms designed primarily to provide heating or cooling or to produce electrical or mechanical power by collecting and transferring solar-generated energy. All solar devices not meeting this definition are prohibited.

4. Prohibited Devices. Owners may not install solar energy devices that:
    a. threaten the public health or safety;
    b. violate a law;
    c. are located on property owned by the Association;
    d. are located in an area owned in common by the members of the Association;
    e. are located in an area on the property Owner's property other than:
        i. on the roof of the home (or of another structure on the Owner's lot allowed under the Association's governing documents); or
        ii. in a fenced yard or patio owned and maintained by the Owner;
    f. are installed in a manner that voids material warranties;
    g. are installed without prior approval by the ACC; or
    h. substantially interfere with the use and enjoyment of land by causing unreasonable discomfort or annoyance to persons of ordinary sensibilities. *This*

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determination may be made at any time, and the ACC may require removal of any device in violation of this or any other requirement.

5. Limitations on Roof-Mounted Devices. If the device is mounted on the roof of the home, it must:
    a. extend no higher than or beyond the roofline;
    b. be located only on the back of the home – the side of the roof opposite the street. The ACC may grant a variance in accordance with state law if the alternate location is substantially more efficient[1];
    c. conform to the slope of the roof, and have all top edges parallel to the roofline; and
    d. not have a frame, a support bracket, or visible piping or wiring that is any color other than silver, bronze, or black tone commonly available in the marketplace.

6. Limitations on Devices in a Fenced Yard or Patio. If the device is located in a fenced yard or patio, it may not be taller than the fence line.

7. Solar shingles. Any solar shingles must:
    a. Be designed primarily to:
        i. be wind and hail resistant;
        ii. provide heating/cooling efficiencies greater than those provided by customary composite shingles; or
        iii. provide solar generation capabilities; and
    b. When installed:
        i. resemble the shingles used or otherwise authorized for use on property in the subdivision;
        ii. be more durable than and are of equal or superior quality to the shingles used or otherwise authorized for use on property in the subdivision; and
        iii. match the aesthetics of the property surrounding the Owner's property.

SECTION V. RAIN BARRELS AND RAINWATER HARVESTING SYSTEMS

1. Conflict with Other Provisions. Per state law, this Section controls over any provision in any other Association governing document to the contrary.

2. Approval Required. Owners may install rain barrels or rainwater harvesting systems only with pre-approval from the Association's ACC (see Paragraph 4 below), and only in accordance with the restrictions described in this Section.

[1] If an alternate location increases the estimated annual energy production of the device more than 10 percent above the energy production of the device if located on the back of the home, the Association will authorize an alternate location in accordance with these rules and state law. It is the Owner's responsibility to determine and provide sufficient evidence to the ACC of all energy production calculations. All calculations must be performed by an industry professional.

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3. Prohibited Locations. Owners are prohibited from installing rain barrels or rainwater harvesting systems, or any part thereof, in the following locations:
   a. on property owned by the Association;
   b. on property owned in common by the members of the Association; or
   c. on property between the front of the Owner's home and an adjoining or adjacent street.

4. Approval Required for All Rain Barrels or Rainwater Harvesting Systems. Prior to any installation of any rain barrel or rain harvesting system (or any part thereof), prior written permission must be received from the ACC.

   Owners wishing to install such systems must submit plans showing the proposed location, color(s), material(s), shielding, dimensions of the proposed improvements, and whether any part of the proposed improvements will be visible from the street, another lot, or a common area (and if so, what part(s) will be visible). The location information must provide information as to how far (in feet and inches) the improvement(s) will be from the side, front, and back property line of the Owner's property.

5. Color and Other Appearance Restrictions. Owners are prohibited from installing rain barrels or rainwater harvesting systems that:
   a. are of a color other than a color consistent with the color scheme of the Owner's home;
   b. display any language or other content that is not typically displayed by such a barrel or system as it is manufactured; or
   c. are not constructed in accordance with plans approved by the Association.

6. Additional Restrictions if Installed in Side Yard or Improvements are Visible. If any part of the improvement is installed in a side yard, or will be visible from the street, another lot, or common area, the Association may impose restrictions on the size, type, materials, and shielding of, the improvement(s) (through denial of plans or conditional approval of plans).

SECTION VI. RELIGIOUS DISPLAYS

1. Conflict with Other Provisions. Per state law, this Section controls over any provision in any other Association governing document to the contrary.

2. General. State statute allows owners to display certain religious items in the owner's entry, and further allows the Association to impose certain limitations on such entry displays. The following rule outlines the limitations on religious displays in an owner's entry area. Notwithstanding any other language in the governing documents to the contrary, residents may display on the entry door or doorframe of the resident's dwelling one or more religious items, subject to the restrictions outlined in Paragraph 3 below.

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Allowed religious displays are limited to displays motivated by the resident's sincere religious belief.

3. Prohibited Items. No religious item(s) displayed in an entry area may:
    a. threaten the public health or safety;
    b. violate a law;
    c. contain language, graphics, or any display that is patently offensive to a passerby;
    d. be located anywhere other than the main entry door or main entry door frame of the dwelling;
    e. extend past the outer edge of the door frame of the door; or
    f. have a total size (individually or in combination) of greater than 25 square inches.

4. Remedies for Violation of this Section. Per state statute, if a religious item(s) is displayed in violation of this Section, the Association may remove the offending item without prior notice. This remedy is in addition to any other remedies the Association may have under its other governing documents or State law.

5. Seasonal Religious Holiday Decorations. This rule will not be interpreted to apply to otherwise-permitted temporary seasonal religious holiday decorations such as Christmas lighting or Christmas wreaths. The Board has the sole discretion to determine what items qualify as Seasonal Religious Holiday Decorations and may impose other restrictions on the display of such decorations. Unless otherwise provided by the Declaration, Seasonal Religious Holiday Decorations may be displayed no more than 30 days before and no more than 21 days after the holiday. Seasonal Religious Holiday Decorations must comply with all other provisions of the governing documents, but are not subject to this Section.

6. Other displays. Non-religious displays in the entry area to an owner's dwelling and all displays (religious or otherwise) outside of the entry area to an owner's dwelling are governed by other applicable governing document provisions.

SECTION VII. RECORD PRODUCTION

1. Effective Date. Notwithstanding any language to the contrary and regardless of date of adoption of these rules, the effective date of this Section is January 1, 2012.

2. Conflict with Other Provisions. Per state law, this Section controls over any provision in any other Association governing document to the contrary to the extent of any conflict.

3. Request for Records. The Owner or the Owner's authorized representative requesting Association records must submit a written request by certified mail to the mailing address of the Association or authorized representative as reflected on the most current filed management certificate. The request must contain:
    a. sufficient detail to describe the books and records requested, and

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   b. an election either to inspect the books and records before obtaining copies or to have the Association forward copies of the requested books and records.

4. Timeline for record production.
   a. If inspection requested. If an inspection is requested, the Association will respond within 10 business days by sending written notice by mail, fax, or email of the date(s) and times during normal business hours that the inspection may occur. Any inspection will take place at a mutually-agreed time during normal business hours, and the requesting party must identify any books and records the party desires the Association to copy.
   b. If copies requested. If copies are requested, the Association will produce the copies within 10 business days of the request.
   c. Extension of timeline. If the Association is unable to produce the copies within 10 business days of the request, the Association will send written notice to the Owner of this by mail, fax, or email, and state a date, within 15 business days of the date of the Association's notice, that the copies or inspection will be available.

5. Format. The Association may produce documents in hard copy, electronic, or other format of its choosing.

6. Charges. Per state law, the Association may charge for time spent compiling and producing all records, and may charge for copy costs if copies are requested. Those charges will be the maximum amount then-allowed by law under the Texas Administrative Code. The Association may require advance payment of actual or estimated costs. As of July, 2011, a summary of the maximum permitted charges for common items are:
   a. Paper copies - 10¢ per page
   b. CD - $1 per disc
   c. DVD - $3 per disc
   d. Labor charge for requests of more than 50 pages - $15 per hour
   e. Overhead charge for requests of more than 50 pages - 20% of the labor charge
   f. Labor and overhead may be charged for requests for fewer than 50 pages if the records are kept in a remote location and must be retrieved from it

7. Private Information Exempted from Production. Per state law, the Association has no obligation to provide information of the following types:

   a. Owner violation history
   b. Owner personal financial information
   c. Owner contact information other than the owner's address
   d. Information relating to an Association employee, including personnel files

8. Existing Records Only. The duty to provide documents on request applies only to existing books and records. The Association has no obligation to create a new document, prepare a summary of information, or compile and report data.

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SECTION VIII. RECORD RETENTION

1. Effective Date. Notwithstanding any language to the contrary and regardless of the date of adoption of these rules, the effective date of this Section relating to record retention is January 1, 2012.

2. Conflict with Other Provisions. Per state law, this Section relating to record retention controls over any provision in any other Association governing document to the contrary to the extent of any conflict.

3. Record Retention. The Association will keep the following records for at least the following time periods:
   a. Contracts with terms of at least one year; 4 years after expiration of contract
   b. Account records of current Owners; 5 years
   c. Minutes of Owner meetings and Board meetings; 7 years
   d. Tax returns and audits; 7 years
   e. Financial books and records (other than account records of current Owners); 7 years
   f. Governing documents, including Articles of Incorporation/Certificate of Formation, Bylaws, Declaration, Rules, and all amendments; permanently

4. Other Records. Records not listed above may be maintained or discarded in the Association's sole discretion.

SECTION IX. PAYMENT PLANS

1. Conflict with Other Provisions. Per state law, this Section controls over any provision in any other Association governing document to the contrary.

2. Effective date. Notwithstanding any language to the contrary and regardless of date of adoption of these rules, the effective date of this Section relating to payment plans is January 1, 2012.

3. Eligibility for Payment Plan.
   Standard payment plans. An Owner is eligible for a Standard Payment Plan (*see* Rule 4 below) *only* if:
   a. The Owner has not defaulted under a prior payment plan with the Association in the prior 24-month period;

   b. The Owner requests a payment plan no later than 30 days after the Association sends notice to the Owner via certified mail, return receipt requested under Property Code §209.0064 (notifying the owner of the amount due, providing 30 days for payment, and describing the options for curing the delinquency). Owner is responsible for confirming that the Association has received the Owner's

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request for a payment plan within this 30-day period. It is recommended that requests be in writing; and

c. The Association receives the executed Standard Payment Plan and the first payment within 15 days of the Standard Payment Plan being sent via email, fax, mail, or hand delivered to the Owner.

Other payment plans. An Owner who is not eligible for a Standard Payment Plan may still request that the Association's Board grant the Owner an alternate payment plan. Any such request must be directed to the person or entity currently handing the collection of the debt (i.e., the Association's manager or Association's attorney). The decision to grant or deny an alternate payment plan, and the terms and conditions for any such plan, will be at the sole discretion of the Association's Board.

4. Standard Payment Plans. The terms and conditions for a Standard Payment Plan are:
   a. *Term*. Standard Payment Plans are for a term of 6 months. (See also Paragraph 7 for Board discretion involving term lengths.)

   b. *Payments*. Payments will be made at least monthly and will be roughly equal in amount or have a larger initial payment (small initial payments with a large balloon payment at the end of the term are not allowed). Payments must be received by the Association at the designated address by the required dates and may not be rejected, returned or denied by the Owner's bank for any reason (i.e., check returned NSF).

   c. *Assessments and other amounts coming due during plan*. The Owner will keep current on all additional assessments and other charges posted to the Owner's account during the term of the payment plan, which amounts may but need not be included in calculating the payments due under the plan.

   d. *Additional charges*. The Owner is responsible for reasonable charges related to negotiating, preparing and administering the payment plan, and for interest at the rate of 18% per annum (Declaration ¶ 13G), all of which shall be included in calculating the total amount due under the plan and the amount of the related payments. The Owner will not be charged late fees or other charges related to the delinquency during the time the owner is complying with all terms of a payment plan.

   e. *Contact information*. The Owner will provide relevant contact information and keep same updated.

   f. *Additional conditions*. The Owner will comply with such additional conditions under the plan as the Board may establish.

   g. *Default*. The Owner will be in default under the plan if the Owner fails to comply with any requirements of these rules or the payment plan agreement.

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5. Account Sent to an Attorney/Agent for Formal Collections. An Owner does not have the right to a Standard Payment Plan after the 30-day timeframe referenced in Paragraph 3(b). Once an account is sent to an attorney or agent for collection, the delinquent Owner must communicate with that attorney or agent to arrange for payment of the debt. The decision to grant or deny the Owner an alternate payment plan, and the terms and conditions of any such plan, is solely at the discretion of the Board.

6. Default. If the Owner defaults under any payment plan, the Association may proceed with any collection activity authorized under the governing documents or state law without further notice. If the Association elects to provide notice of default, the Owner will be responsible for all fees and costs associated with the drafting and sending of such notice. All late fees and other charges that otherwise would have been posted to the Owner's account may also be assessed to the Owner's account in the event of a default.

   Any payments received during a time an Owner is in default under any payment plan may be applied to any out-of-pocket costs (including attorneys fees for administering the plan), administrative and late fees, assessments, and fines (if any), in any order determined by the Association, except that fines will not be given priority over any other amount owed but may be satisfied proportionately (e.g. a $100 payment may be applied proportionately to all amounts owed, in proportion to the amount owed relative to other amounts owed).

7. Board Discretion. The Association's Board may vary the obligations imposed on Owners under these rules on a case-by-case basis, including curtailing or lengthening the payment plan terms (so long as the plan is between 3 and 18 months), as it may deem appropriate and reasonable. The term length set forth in Paragraph 4 shall be the default term length absent Board action setting a different term length. No such action shall be construed as a general abandonment or waiver of these rules, nor vest rights in any other Owner to receive a payment plan at variance with the requirements set forth in these rules.

8. Legal Compliance. These payment plan rules are intended to comply with the relevant requirements established under Texas Property Code §209. In case of ambiguity, uncertainty, or conflict, these rules shall be interpreted in a manner consistent with all such legal requirements.

SECTION X. VOTING

1. Form of Proxy or Ballot. The Board may dictate the form for all proxies, ballots, or other voting instruments or vehicles. No form other than the form put forth by the Board will be accepted.

2. Deadline for Return of Voting Paperwork. The Board may establish a deadline, which may be communicated on the proxy form, absentee ballot, or otherwise communicated to the membership, for return of electronic ballots, absentee ballots, proxies, or other votes.

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SECTION XI. TRANSFER FEES

Transfer Fees. In addition to fees for issuance of a resale certificate and any updates or re-issuance of the resale certificate, transfer fees are due upon the sale of any property in accordance with the then-current fee schedule. Such schedule may be adopted by resolution of the board from time to time. Transfer fees shall also include any fee charged by the Association's managing agent. **It is the owner/seller's responsibility to determine the then-current fees.** Transfer fees not paid at or before closing are the responsibility of the purchasing owner and will be assessed to the owner's account accordingly. The Association may require payment in advance for issuance of any resale certificate or other transfer-related documentation.

If a resale certificate is not requested and a transfer occurs, all fees associated with Association record updates related to the transfer will be the responsibility of the new owner and may be assessed to the lot's account at the time the transfer becomes known. These fees will be set according to the then-current fee schedule of the Association or its managing agent, and may be equivalent to the resale certificate fee or in any other amount.

The Association's fee schedule may include (without limitation) fees related to: issuance of a resale certificate, questionnaires requested from lenders/title companies, statements of account, resale certificate updates, working capital fee due at closing, or other such fees.

SECTION XII. EMAIL ADDRESSES

1. Conflict with Other Provisions. Per state law, this Section controls over any provision in any other Association governing document to the contrary.

2. Email Addresses. An Owner is required to keep a current email address on file with the Association if the Owner desires to receive email communications from the Association. Failure to supply an email address to the Association or to update the address in a manner required by these rules may result in an Owner not receiving Association emails. The Association has no duty to request an updated address from an Owner, in response to returned email or otherwise. The Association may require Owners to sign up for a group email, email list serve or other such email subscription service in order to receive Association emails.

3. Updating Email Addresses. An Owner is required to notify the Association when email addresses change. Such notice must be in writing and delivered to the Association's managing agent by fax, mail, or email. The notice must be for the sole purpose of requesting an update to the Owner's email address. For example, merely sending an email from a new email address, or including an email address in a communication sent for any other purpose other than providing notice of a new email address, does not constitute a request to change or add the Owner's email in the records of the Association.

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SECTION XIII. STANDBY ELECTRIC GENERATORS

1. General. Unless otherwise approved in writing by the Board, which approval may be denied, approved, or approved with conditions, an Owner may not install a standby electric generator except in compliance with this rule.

2. Scope of Rule. A standby electric generator is the only device that may be used to provide backup electric service to a residence. A "standby electric generator" means a device that converts mechanical energy to electric energy and is:

    a. Powered by natural gas, liquefied petroleum gas, diesel fuel, or hydrogen;
    b. Fully enclosed in an integral manufacturer-supplied sound attenuating enclosure;
    c. Connected to the main electrical panel of a residence by a manual or automatic transfer switch;
    d. Rated for a generating capacity of not less than seven (7) kilowatts; and
    e. Permanently installed on a lot.

3. Conflict with Other Provisions. Per state law, this rule relating to standby electric generators controls over any contrary provision in the Association's governing documents.

4. Prior Approval Required. Prior to the installation of any standby electric generator or any part thereof, an owner must receive written approval of the Board. Owners wishing to install standby electric generators must submit plans and specifications to the Board. The following requirements apply to plans and specifications:

    a. An owner must provide a reasonably accurate and scaled schematic of the lot showing the property boundaries of the lot and the location of the residence, other permanent structures, fencing, and any adjoining streets. The schematic must also contain a scaled drawing of the generator at the proposed location, and indicate the distance (in feet and inches) from the closest rear and side lot line.
    b. All other applicable information typically required by the Association for architectural approval (e.g., color samples, samples of screening materials, etc.) and necessary to ensure compliance with this rule must also be provided.

5. Installation. The following installation requirements apply to standby electric generators:

    a. Installation must be done in compliance with the manufacturer's specifications and applicable governmental health, safety, electrical, and building codes.
    b. All electrical, plumbing, and fuel line connections must be installed by a licensed contractor.
    c. All electrical connections must be installed in accordance with applicable governmental health, safety, electric, and building codes.
    d. All natural gas, diesel fuel, biodiesel fuel, or hydrogen fuel line connections must be installed in accordance with applicable governmental health, safety, electrical, and building codes.

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e. All liquefied petroleum gas fuel line connections must be installed in accordance with rules and standards promulgated and adopted by the Railroad Commission of Texas and other applicable governmental health, safety, electrical, and building codes.
f. If a generator uses a fuel tank that is separate from the generator (i.e., the tank is not manufactured as an integral part of the generator system), the fuel tank must be installed in compliance with municipal zoning ordinances and governmental health, safety, electrical, and building codes.

6. Maintenance. The following maintenance requirements apply to standby electric generators:

   a. The generator and its electrical and fuel lines must be maintained in good condition at all times, including maintenance that is in compliance with the manufacturer's specifications and applicable governmental health, safety, electric, and building codes.
   b. Any deteriorated or unsafe component of a standby electric generator, including electrical and fuel line, must be promptly repaired, replaced, or removed.
   c. A generator may be tested for preventative maintenance only between 9:00AM and 6:00PM and not more frequently than suggested by the manufacturer.

7. Location. The following requirements apply to the location of a standby electric generator:

   a. Generators must be located in the rear yard area of the lot (behind the rear-most building line of the home). The generator may not be visible from a street, any common area, or the ground level of another lot unless it is screened in compliance with section 8.
   b. The Board may, in its sole discretion, grant a variance to allow the generator to be located in an area other than as described in subsection (a) if the Board deems that a variance is appropriate as a result of topographical or other issues and a plan for adequate screening of the generator is submitted and approved.
   c. The Board will grant a variance allowing the generator to be installed in a location other than as required under subsection (a) if the owner can document in a format reasonably acceptable to the Board that locating the generator in the rear yard will increase the installation cost by more than 10% or increase the cost of installing and connecting fuel lines by more than 20%. Even if such a variance is granted, the screening requirements outlined in section 8 must be met.
   d. Generators are expressly prohibited from being located on Association common areas or any other areas maintained by the Association.
   e. No portion of the generator may be installed within any applicable setback.

8. Screening. Owners must completely screen a standby electric generator from view if the generator is:
   a. Visible from the street faced by the dwelling;

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b. Located in an unfenced side or rear yard of a residence and is visible either from an adjoining residence or from adjoining property owned or maintained by the Association; or
c. Located in a side or rear yard fenced by a wrought iron or residential aluminum fence and is visible through the fence either from an adjoining residence or from adjoining property owned or maintained by the Association.

Submitted plans must include as-installed dimensions and types of all landscaping to be used for screening and the color, materials, and dimensions of any proposed screening materials and/or structures.

9. Allowable Use. A standby electric generator may not be used to generate all or substantially all of the electrical power to a residence except when utility-generated electrical power is unavailable or intermittent due to causes other than nonpayment for utility service to the residence.

SECTION XIV. ENFORCEMENT POLICY

Summary of Enforcement Policy

1. Send Courtesy Warning Letter (curable violations only - optional)
2. Send 209 Violation Notice (In accordance with Texas Property Code Ch. 209)
3. Levy fines and/or damage assessments as appropriate
4. Subsequent Violation Notices (optional)

The Board may vary from this policy on a case-by-case basis so long as the enforcement process meets state law requirements. Variances may include sending no Courtesy Warning Letter, sending more than one, and/or setting fines at levels other than as indicated on the Standard Fine Schedule.

1. **Types of Violations and Acts Covered.** The Board has adopted this policy to address situations where an owner has committed or is responsible for a violation of the deed restrictions other than by failing to pay assessments or other sums due to the Association. Delinquency violations are handled by an alternate process. This policy also covers situations where an owner or someone the owner is responsible for has damaged Association property.

2. **Violation Notices.**

i. Courtesy Warning Letter (curable violations only). Upon becoming aware of a deed restriction violation that is curable (*see* Section 3(i) below) and at the sole option of the Board or management professional, the Association may send a Courtesy Warning Letter requesting that the owner cure that violation by a date certain to avoid fines or other enforcement action.

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ii. <u>209 Violation Notice.</u> If a violation is not cured in response to any Courtesy Warning Letter or if a Courtesy Warning Letter is not sent, the Board, in addition to all other available remedies, may:

a. Levy a fine;
b. Suspend the owner's right to use common area, if allowed under the governing documents; and/or
c. Charge the owner for damage to common area.

Any such action shall be initiated by sending a 209 Violation Notice to the owner. The 209 Violation Notice shall:

A. Be in writing and sent certified mail to the most current owner address shown on the Association's records;
B. Describe the violation or property damage at issue;
C. State the amount of any property damage charge or fine that may be levied against the owner;
D. <u>If the violation is curable and does not pose a threat to public health or safety</u>, state a reasonable, specific date by which the owner may cure the violation and avoid any fine levied in the 209 Violation Notice; (there is no right to cure if the violation is uncurable, poses a threat to health or safety, or involves damage to property);
E. Inform the owner that he has a right to request a Board hearing to discuss the enforcement action on or before the 30th day after the notice was mailed to the owner (*see* Section 6 below);
F. Inform the owner that he will be responsible for attorney fees and costs incurred in relation to the violation if the violation continues after a specific date; such fees and costs may be assessed to the owner's account after a hearing is held or, if a hearing is not requested, after the deadline for requesting a hearing has passed;
G. Inform the owner that he may have special rights or relief related to enforcement under federal law, including the Servicemembers Civil Relief Act; and
H. Otherwise comply with Section 209 of the Texas Property Code and state law.

iii. <u>Subsequent Violation Notices for continuing or repeat violations.</u> If an owner has been sent a 209 Violation Notice for a particular violation and the same violation continues or a similar violation is committed within six months of the 209 Violation Notice, <u>the Association may levy additional fines either with or without notice to the owner</u>. If it desires to send notice of additional fines, the Association shall do so by means of a Subsequent Violation Notice. A Subsequent Violation Notice may be of any form and sent in any manner, as by law such notices <u>are not required to comply with Section 209</u> of the Texas Property Code, including the requirements set forth in Section 2(ii) above.

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3. **209 Violation Notices – Curable vs. Uncurable Violations.**

   i. Curable Violation. Curable violations are those that are ongoing or otherwise can be remedied by affirmative action. The following is a non-exhaustive list of curable violations: ongoing parking violations; maintenance violations; failing to construct improvements or modifications in accordance with approved plans and specifications; and ongoing noise violations such as a barking dog.

   ii. Uncurable Violation. Uncurable violations include those that are not of an ongoing nature, involve conditions that otherwise cannot be remedied by affirmative action, and those that pose a threat to public health or safety. The following is a non-exhaustive list of uncurable violations: shooting fireworks, committing a noise violation that is not ongoing, damaging common area property, and holding a prohibited gathering.

4. **209 Violation Notices -- When a fine or damage assessment may be levied; Board hearings.**

   i. Curable Violations – Initial Fine. If an owner is sent a 209 Violation Notice for a curable violation and cures that violation by the deadline in such notice, any fine noted in the 209 Violation Notice shall not be levied. If the owner fails to cure the violation by the deadline, any fine noted in the 209 Violation Notice shall be levied after the time has lapsed for the owner to request a Board hearing, or, if a hearing is timely requested, after the date the hearing is held and a decision is made to uphold the fine.

   ii. Uncurable Violations – Initial Fine/damage assessment. A fine or property damage assessment may be imposed in a 209 Violation Notice for an uncurable violation, regardless of whether the owner subsequently requests a Board hearing.

   iii. Subsequent Fines. This Section 4 does not apply to fines levied after the initial fine. (*See* Section 2(iii) – Subsequent Violations, above.)

5. **Standard Fine Schedule.** Below is the Standard Fine Schedule for deed restriction violations. *The Board may vary from this schedule on a case-by-case basis (i.e., set fines higher or lower than indicated below), so long as that decision is based upon the facts surrounding that particular violation. The Board also may change the fine amounts in this Standard Fine Schedule at any time by resolution, with no need to formally amend this Enforcement Policy.*

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i. Curable Violations.

a. Courtesy Warning Notice: No fine.

b. 209 Violation Notice: $25.00 fine (daily/weekly or one-time); and/or Suspension of common area usage rights, if allowed under the governing documents.

c. Subsequent Violation Notices: $75.00 fine (daily/weekly or one-time)
$150.00 fine (daily/weekly or one-time)

ii. Uncurable Violations.

a. 209 Violation Notice: $25.00 fine; or
Property damage assessment.

b. Subsequent Violation Notices: $75.00 fine
$150.00 fine

6. **Hearings.** If an owner receives a 209 Violation Notice and requests a hearing in a timely manner, that hearing shall be held in accordance with Section 209.007 of the Texas Property Code. The Board may impose rules of conduct for the hearing and limit the amount of time allotted to an owner to present his information to the Board. The Board may either make its decision at the hearing or take the matter under advisement and communicate its decision to the owner at a later date.

7. **Authority of agents.** The management company, Association attorney, and other authorized agents of the Association are granted authority to send violation notices, levy initial or subsequent fines according to the Standard Fine Schedule, and levy property damage assessments, all in accordance with this Enforcement Policy. Such parties may act without any explicit direction from the Board and without further vote or action of the Board. The enforcing party shall communicate with the Board and/or certain designated officers or agents on a routine basis with regard to enforcement actions. The foregoing notwithstanding, the Board reserves the right to make decisions about particular enforcement actions on a case-by-case basis at a properly noticed meeting if and when it deems appropriate.

8. **Force mows and other self-help enforcement action.** Notwithstanding other language herein, the management company, Association attorney, and other authorized agents of the Association are granted authority to carry out force mows or other self-help remedies on behalf of the Association, in accordance with any procedure described in the Declaration or other governing documents. (Declaration ¶ 9).

9. **Owners as Responsible Party**. If an Owner or a family member, guest, tenant or invitee of an owner damages Association property or commits a violation of the Association's

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governing documents, the related enforcement action shall be taken against the owner, an all related damage assessments, fines, legal fees, enforcement costs, and other charges will be levied against that owner and the related lot.

SECTION XV. SWIMMING POOL RULES

For safety, please obey all posted rules at the swimming pools, including the Hill Pool, the Pavilion Pool, and the Center Cove Pool, which state:

1. No lifeguard on duty at any time. Swim at your own risk.
2. Children should not use pool at any time without adult supervision.
3. Dogs are NOT permitted in the pool or pool area at any time.
4. Glass containers are NOT permitted in the pool or pool area at any time.
5. No trespassing; admittance is by pool key only. Pool use is limited to Windermere Oaks Property Owners, Tennis Village Property Owners, and their respective tenants, family members, and guests.
6. Only proper swim attire may be worn in the pool.
7. Proper coverings for incontinence and/or diapers must be worn in the pool at all times.

SECTION XVI. TENNIS COURT RULES

Obey posted rules that state:

1. Court use is limited to Windermere Oaks property owners, Tennis Village Property Owners, and their respective tenants, family members, and guests.
2. All players must wear tennis shoes while on courts.
3. No skateboards, bikes, dogs allowed on courts.
4. No jumping over net.
5. Dispose of all trash in the receptacles at the tennis courts.

SECTION XVII. BOAT RAMP RULES

1. No parking on the boat ramp. All parking should be in the area provided at the top of the boat ramp.
2. Please only use half the launching ramp so two boats may launch or be retrieved at the same time.
3. All watercraft, including personal watercraft must observe the no wake rules inside marina cove.
4. No swimming in the area of the boat launch and courtesy dock.
5. Please dispose of your trash in the receptacle at the top of the ramp.
6. The Courtesy Dock is for loading and off-loading. Do not use it for tie-ups other than to bring your trailer down. Also, the Courtesy Dock is not a fishing pier or swimming platform.
7. Boat Ramp use is limited to Windermere Oaks Property Owners, Tennis Village Property Owners and their respective tenants, family members, and guests.

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