

**RESOLUTION REGARDING
ADOPTION OF STATUTORY POLICIES AND GUIDELINES
THE BAL HARBOUR ASSOCIATION
A TEXAS NON-PROFIT CORPORATION**

WHEREAS, the By-Laws governing The Bal Harbour Association ("the Association"), as well as the pertinent provisions of the Texas Business Organizations Code, authorize the Association, acting through its Board of Directors, to exercise all powers reasonable and necessary for the governance and operation of the Association;

WHEREAS, the Texas State Legislature has enacted certain statutes applicable to community associations throughout the State of Texas, including a requirement that certain policies and procedures be adopted by each such organization, and that such policies be recorded in the office of the County Clerk as a dedicatory instrument, in accordance with Section 202.006 of the Texas Property Code; and,

WHEREAS, the Board of Directors desires to adopt those policies and procedures as specified below, and which shall be attached hereto and recorded in the office of the County Clerk, in accordance with the aforementioned legislation, which shall in all respects encumber the properties which are governed by The Bal Harbour Association.


NOW, THEREFORE, BE IT RESOLVED that the following Policies and Guidelines are hereby adopted in accordance with the requirements of Chapter 209 of the Texas Property Code:

- Collection and Payment Plan Policy
- Guidelines for Standby Electric Generators
- Policy Regarding Ballots, Voting and Recounts

This Resolution Regarding Adoption of Policies and Guidelines is hereby adopted on behalf of the Association, and in accordance with the mandate of Chapter 209 of the Texas Property Code.

Adopted on this 14 day of November, 2017.

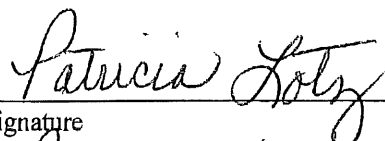
THE BAL HARBOUR ASSOCIATION



Signature
James Ross

Print Name
Secretary

Position



Signature
PATRICIA LOTZ

Print Name
Vice-President

Position

RP-2017-520897

Julie Houston
Signature

JULIE HOUSTON
Print Name

DIRECTOR
Position

Mark E. Hesse
Signature

MARK E. HESSE
Print Name

TREASURER
Position

Brenda Hesse
Signature

Brenda Hesse
Print Name

Director
Position

Nancy Guthrie
Signature

NANCY GUTHRIE
Print Name

President
Position

Charles D. Lindsay
Signature

CHARLES D. LINDSAY
Print Name

DIRECTOR
Position

Ernest N. Collins
Signature

Ernest N. Collins
Print Name

Director
Position

Joan C. Warren
Signature

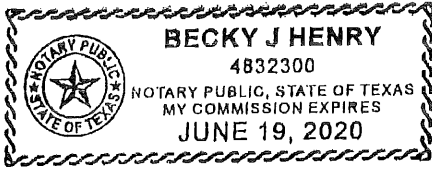
JOAN C. WARREN
Print Name

DIRECTOR
Position

STATE OF TEXAS §
 §
COUNTY OF HARRIS §

Before me, the undersigned authority, on this day personally appeared JAMES ROSS,
Secretary (position) of The Bal Harbour Association, a Texas non-profit corporation,
known to me to be the person and officer whose name is subscribed to the foregoing instrument and
acknowledged to me that he/she had executed the same as the act of said entity for the purpose and
consideration therein expressed, and in the capacity therein stated.

Given under my hand and seal of office this 16th day of NOVEMBER, 2017.



Becky J Henry
Notary Public, State of Texas

Becky J. Henry
Printed Name

RP-2017-520897

**THE BAL HARBOUR ASSOCIATION
AMENDED COLLECTION and PAYMENT PLAN POLICY**

Purpose:

The Board of Directors recognizes the importance of collecting the maintenance fees and related charges which promote the health, recreation and welfare of the members and their properties, as well as subdivision common areas, amenities, and associated facilities. The purpose of this policy is to ensure that Association dues and related charges are collected in a timely manner.

Policy:

Each calendar year, the Board of Directors will establish an annual budget based upon maintenance fee dues which shall be collected from the members during the following year. Assessment invoices shall be mailed to each Member on the last business day of each calendar month. It is the responsibility of each respective member / property owner to notify the Association or a Director if an assessment invoice is not received by the tenth day of any month.

Payment of the monthly Association dues is expected on or before the first day of each month. If payment is not received by the 20th day of the respective month, such assessment shall be considered delinquent and there shall be added to the amount due a late charge in an amount to be established by the Board. The current late charge amount is \$17.50, which may be changed from time to time, by a vote of the Board.

If the amount due is not paid within ninety (90) days of the due date, the amount due shall bear interest at the rate of one percent (1.00%) per month, until fully paid. Such interest shall be charged on the amount due alone and shall not be charged on the late charge amount.

The Association may send one or more letters (following the delinquency date) notifying the member / property owner of the delinquency, in accordance with Board instructions. At least one such letter shall be sent via certified mail, return receipt requested, and a copy sent by regular mail. Such letter shall include the language required by Chapter 209 of the Texas Property Code, whereby the owner shall be notified of the owner's right to appear before the Board of Directors, and shall be notified of the fact that additional fees and costs will likely be added to an account which is eventually referred to an attorney for collection. The owner shall be responsible for all postage costs associated with the delinquent notice(s) that are sent.

The Association shall permit delinquent homeowners to pay all amounts, delinquent or otherwise, owing to the Association by way of a monthly payment plan. A reasonable fee shall be assessed to the owner's account for preparation of the payment plan, along with a monthly administrative fee of a reasonable amount, for each payment received and processed. For the duration of the payment plan, interest will continue to accrue against the delinquent assessments appearing on the account, however, late fees and/or collection costs will be waived during the duration of the payment plan. The minimum term of a payment plan shall be three (3) months, and the maximum term shall be determined by the Board of Directors on a case-by-case basis. Should a homeowner fail to honor the terms of a payment plan, the Association is not required to offer such homeowner any additional payment plan, for a period of two (2) years, from and after the date of such owner's default under the original plan. The Association is also not required to allow any owner to enter into a payment plan more than once in any 12-month period.

Members / property owners who have not paid their assessments in a timely manner shall be referred to the Association's attorney for appropriate collection efforts. The owner shall be responsible for all legal fees associated with delinquent assessments, as well as any other outstanding balance. In the event that dues and related charges remain delinquent after the attorney's demand letter, the attorney shall be authorized to bring such legal action as is appropriate in a Court of competent jurisdiction, seeking judgment against the property owners, as well as such other relief at law and/or in equity as is deemed necessary and appropriate. Formal

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legal action shall be brought against those owners and/or properties sustaining a delinquent balance and/or which accounts reflect assessments and related charges which are overdue, after a vote of the Board of Directors to proceed with such legal action, which vote shall be conducted at a regular or special meeting of the Board, after proper notice to owners in accordance with the Texas Property Code, and the results of such vote shall be reflected in the minutes of the meeting.

Priority of Payments

Payments shall be applied in the following order:

1. Any delinquent assessment;
2. Any current assessment;
3. Any attorney's fees or 3rd party collection costs incurred by the Association related to efforts to collect assessments or any other charge that could provide basis for foreclosure;
4. Any attorney's fees not subject to (3);
5. Any fines assessed by the Association; and
6. Any other amount owed to the Association.

Exception, if an Owner is in default on a payment plan, the Association is not required to apply any payment received in the above specified order of priority.

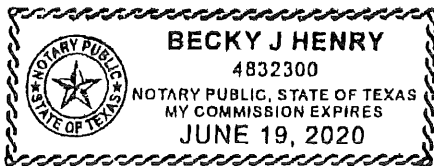
Adopted by Resolution of the Board of Directors on this 16 day of November, 2017.

J Ross
 Signature _____
 Position Secretary
 The Bal Harbour Association

STATE OF TEXAS §
 §
 COUNTY OF HARRIS §

Before me, the undersigned authority, on this day personally appeared JAMES ROSS, Secretary (position) of The Bal Harbour Association, a Texas non-profit corporation, known to me to be the person and officer whose name is subscribed to the foregoing instrument and acknowledged to me that he/she had executed the same as the act of said entity for the purpose and consideration therein expressed, and in the capacity therein stated.

Given under my hand and seal of office this 16th day of November, 2017.



Becky J Henry
 Notary Public, State of Texas
Becky J. Henry
 Printed Name

**THE BAL HARBOUR ASSOCIATION
GUIDELINES FOR STANDBY ELECTRIC GENERATORS**

STATE OF TEXAS §
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COUNTY OF HARRIS §

KNOW ALL PERSONS BY THESE PRESENTS:

WHEREAS, The Bal Harbour Association (“the Association”) is charged with administering and enforcing those certain covenants, conditions and restrictions contained in the Association’s By-Laws, the respective Declaration of Covenants and Restrictions encumbering all properties governed by The Bal Harbour Association (collectively referred to as “the Declarations”), and in seeking to maintain compliance with applicable State and Federal laws; and

WHEREAS, Section 202.019 of the Texas Property Code addresses the use and regulation of Standby Electric Generators; and

WHEREAS, the Board of Directors of the Association (“the Board”) has determined that in keeping with the current laws, and in connection with maintaining the aesthetics and architectural harmony of the community, and to provide clear and definitive guidance regarding electric generators located therein, it is appropriate for the Association to adopt guidelines regarding the use and placement of standby electric generators within the community.

NOW, THEREFORE, the Board has duly adopted the following Guidelines for Standby Electric Generators within the community.

1. These guidelines apply to “standby electric generators” (hereinafter “Generators”) which convert mechanical energy to electrical energy, and which are powered by natural gas, liquefied petroleum gas, diesel fuel, biodiesel fuel, or hydrogen, and which are fully enclosed in an integral manufacturer-supplied sound attenuating enclosure, and which are connected to the main electrical panel of a residence by a manual or automatic transfer switch, and which are rated for a generating capacity of not less than seven kilowatts. All other generator devices are not governed by the statute, and are not acceptable for permanent installation within the community;
2. Generators shall be installed and maintained in compliance with the respective manufacturer’s specifications;
3. Generators shall be installed and maintained in compliance with all applicable governmental health, safety, electrical, and building codes;
4. Generators shall be installed in such a manner that all electrical, plumbing, and fuel line connections are installed only by licensed contractors;
5. Generators shall be installed in such a manner that all electrical connections are installed in accordance with all applicable governmental health, safety, electrical, and building codes;
6. Generators shall be installed in such a manner that all natural gas, diesel fuel, biodiesel fuel and/or hydrogen fuel line connections shall be installed in accordance with applicable governmental health, safety, electrical, and building codes;
7. All liquefied petroleum gas fuel line connections shall be installed in accordance with rules and standards promulgated and adopted by the Railroad Commission of

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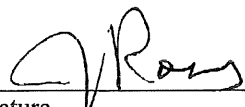
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Texas, as well as all other applicable governmental health, safety, electrical, and building codes;

8. All fuel tanks shall be installed and maintained to comply with applicable municipal zoning ordinances and governmental health, safety, electrical, and building codes;
9. Generators, as well as all electrical lines, fuel lines, connections, tanks, switches and other components shall be maintained in good condition. Any such item which has become deteriorated or unsafe shall be promptly repaired, replaced or removed;
10. Generators shall be installed in locations which are screened from view to the greatest extent possible, preferably in the back yard or privately enclosed area of the respective property, and behind a wood fence. Generators which are visible from the street faced by the respective dwelling, or located in an unfenced side or rear yard and visible either from an adjoining residence or from adjoining property owned by the Association, or located in a side or rear yard which is fenced by a wrought iron or aluminum fence shall be screened from view by additional plantings, bushes, shrubs and/or additional fencing, which fencing must be pre-approved by the Association;
11. Generators which require periodic testing may be so tested only between the hours of 8:30 a.m. and 6:30 p.m.
12. Generators shall not be used to generate all or substantially all of the electric power to a residence, except when utility-generated electrical power is not available or is intermittent due to causes other than nonpayment for utility service to the residence;
13. Generators must be installed on land or structures owned by the property owner. No portion of any Generator, nor any component thereof, may encroach on adjacent properties or common areas.
14. Generators must be installed in compliance with manufacturer's instructions and specifications, and in a manner which does not void material warranties. Licensed craftsmen must be used where required by law. Permits must be obtained where required by law.
15. Installation of a Generator must be pre-approved by the Association and/or its Architectural Committee.

These guidelines are effective upon being recorded in the Official Public Records of Real Property of Harris County, and supersede any guidelines for Generators which may have previously been in effect. Except as affected by Section 202.019 and/or by these guidelines, all other provisions contained in the Declarations or any other dedicatory instruments of the Association shall remain in full force and effect.

Approved and adopted by the Board on this 16 day of November 2017.

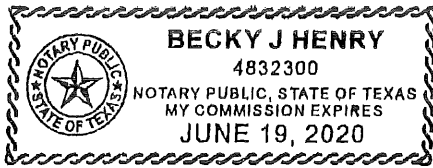


 Signature
 Position Secretary
 The Bal Harbour Association

STATE OF TEXAS §
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COUNTY OF HARRIS §

Before me, the undersigned authority, on this day personally appeared JAMES ROSS,
Secretary (position) of The Bal Harbour Association, a Texas non-profit corporation,
known to me to be the person and officer whose name is subscribed to the foregoing instrument and
acknowledged to me that he/she had executed the same as the act of said entity for the purpose and
consideration therein expressed, and in the capacity therein stated.

Given under my hand and seal of office this 16th day of November, 2017.



Becky J. Henry
Notary Public, State of Texas

Becky J. Henry
Printed Name

RP-2017-520897

**THE BAL HARBOUR ASSOCIATION
POLICY REGARDING BALLOTS, VOTING and RECOUNTS**

This document sets forth the general policy of The Bal Harbour Association regarding the use of ballots for voting by Association members, for voting by Association members, and for the recounting of ballots in any contested vote, which policy is adopted pursuant to the Association's By-Laws, the respective Declaration of Covenants, Conditions & Restrictions encumbering all properties governed by The Bal Harbour Association, as well as applicable State and Federal laws.

VOTING / QUORUM.

- (a) The voting rights of an owner may be cast or given:
- (1) in person or by proxy at a meeting of the property owners' association;
 - (2) by absentee ballot, in the event the Board chooses to utilize absentee ballots, in accordance with this document, and such ballots are provided to the membership, per statutory requirements; the use of absentee ballots is not required; rather, such use is permissible, provided the association's managing agent offers such services;
 - (3) by electronic ballot in accordance with this document, if electronic voting is available and is utilized by the association's managing agent – the use of electronic voting is not required; rather, such use is permissible, provided the association's managing agent offers such services; or
 - (4) by any method of representative or delegated voting provided by a dedicatory instrument.
- (b) An absentee or electronic ballot:
- (1) may be counted as an owner present and voting for the purpose of establishing a quorum only for items appearing on the ballot;
 - (2) may not be counted, even if properly delivered, if the owner attends any meeting to vote in person, so that any vote cast at a meeting by a property owner supersedes any vote submitted by absentee or electronic ballot previously submitted for that proposal; and
 - (3) may not be counted on the final vote of a proposal if the motion was amended at the meeting to be different from the exact language on the absentee or electronic ballot.
- (c) A solicitation for votes by absentee ballot must include:
- (1) an absentee ballot that contains each proposed action and provides an opportunity to vote for or against each proposed action;
 - (2) instructions for delivery of the completed absentee ballot, including the delivery location; and
 - (3) the following language: "By casting your vote via absentee ballot you will forgo the opportunity to consider and vote on any action from the floor on these proposals, if a meeting is held. This means that if there are amendments to these proposals your votes will not be counted on the final vote on these measures. If you desire to retain this ability, please attend any meeting in person. You may submit an absentee ballot and later choose to attend any meeting in person, in which case any in-person vote will prevail."
- (d) "Electronic ballot" means a ballot:
- (1) given by: (A) e-mail; (B) facsimile; or (C) posting on an Internet website;
 - (2) for which the identity of the property owner submitting the ballot can be confirmed; and

(3) for which the property owner may receive a receipt of the electronic transmission and receipt of the owner's ballot.

(e) If an electronic ballot is posted on an Internet website, a notice of the posting shall be sent to each owner that contains instructions on obtaining access to the posting on the website.

SOLICITATION OF CANDIDATES.

At least 10 days before the date the association disseminates absentee ballots (if utilized) or other ballots to association members for purposes of voting in a board member election, the association will provide notice to the association members soliciting candidates interested in running for a position on the board. The notice will contain instructions for an eligible candidate to notify the association of the candidate's request to be placed on the ballot and the deadline to submit the candidate's request. The deadline may not be earlier than the 10th day after the date the association provides the notice required by this subsection.

The notice must be either: (1) mailed to each owner; or (2) provided by:

(a) posting the notice in a conspicuous manner reasonably designed to provide notice to association members: (i) in a place located on the association's common property or, with the property owner's consent, on other conspicuously located privately owned property within the subdivision; or (ii) on any Internet website maintained by the association or other Internet media; and

(b) sending the notice by e-mail to each owner who has registered an e-mail address with the association.

The Association will include on each absentee ballot (if utilized) or other ballot for a board member election the name of each eligible candidate from whom the association received a request to be placed on the ballot.

TABULATION OF AND ACCESS TO BALLOTS.

A person who is a candidate in an association election or who is otherwise the subject of an association vote, or a person related to that person within the third degree by consanguinity or affinity, may not tabulate or otherwise be given access to the ballots cast in that election or vote except as provided below.

(1) A person other than a person described above may tabulate votes in an election or vote, but may not disclose to any other person how any individual voted.

(2) Only a person who tabulates votes or who performs a recount may be given access to the ballots cast in an Association election or vote, unless a person is obligated to comply with a Court Order for the release of ballots or other voting records.

RECOUNT OF VOTES.

(a) No later than the 15th day after (i) the date of any meeting at which an election has taken place, or (ii) the date of the announcement of the results of the election or vote, any owner may require a recount of the votes. A demand for a recount must be submitted in writing either: (1) by verified mail or by delivery by the United States Postal Service with signature confirmation service to the association's mailing address as reflected on the latest management certificate filed by the Association; or (2) in person to the association's

managing agent as reflected on the latest management certificate filed by the Association or to the address to which absentee and proxy ballots are mailed.

(b-1) The association must estimate the costs for performance of the recount by a person qualified to tabulate votes under Subsection (c) (below) and must send an invoice for the estimated costs to the requesting owner at the owner's last known address according to association records not later than the 20th day after the date the association receives the owner's demand for the recount.

(b-2) The owner demanding a recount under this section must pay the invoice in full to the association on or before the 30th day after the date the invoice is sent to the owner.

(b-3) If the invoice described by Subsection (b-1) is not paid by the deadline prescribed by Subsection (b-2), the owner's demand for a recount shall be considered withdrawn and a recount shall not be required.

(b-4) If the estimated costs under Subsection (b-1) are lesser or greater than the actual costs, the association must send a final invoice to the owner on or before the 30th business day after the date the results of the recount are provided. If the final invoice includes additional amounts owed by the owner, any additional amounts not paid to the association before the 30th business day after the date the invoice is sent to the owner may be added to the owner's maintenance assessment account as an assessment. If the estimated costs exceed the final invoice amount, the owner is entitled to a refund. The refund shall be paid to the owner at the time the final invoice is sent under this subsection.

(c) Following receipt of payment from the requesting owner, the association will, at the expense of the owner requesting the recount, retain for the purpose of performing the recount, the services of a person qualified to tabulate votes under this subsection. The association shall enter into a contract for the services of a person who: (1) is not a member of the association or related to a member of the association's Board of Directors within the third degree by consanguinity or affinity, as determined under Chapter 573, of the Texas Government Code; and which person (2) is: (A) a current or former: (i) county judge; (ii) county elections administrator; (iii) justice of the peace; or (iv) county voter registrar; or (B) a person agreed upon by the association and each person requesting the recount.

On or before the 30th day after the date of receipt of payment for a recount, the recount must be completed and the association will provide each owner who requested the recount with notice of the results of the recount. If the recount changes the results of the election, the association will reimburse the requesting owner for the cost of the recount, not later than the 30th day after the date the results of the recount are provided.

In accordance with State Laws, any action taken by the board in the period between the initial election vote tally and the completion of the recount is not affected by any recount.

A person who performs a recount may not disclose to any other person how an individual voted.

Only a person who tabulates votes or who performs a recount may be given access to the ballots cast in an Association election or vote, unless a person is obligated to comply with a Court Order for the release of ballots or other voting records.

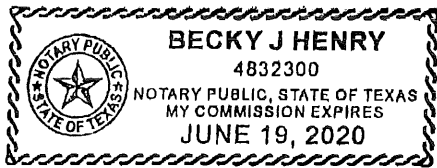
Adopted by Resolution of the Board of Directors this 16 day of November, 2017.

J Ross
Signature
Position Secretary
The Bal Harbour Association

STATE OF TEXAS §
 §
COUNTY OF HARRIS §

Before me, the undersigned authority, on this day personally appeared JAMES ROSS,
Secretary (position) of The Bal Harbour Association, a Texas non-profit corporation,
known to me to be the person and officer whose name is subscribed to the foregoing instrument and
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Becky J Henry
Notary Public, State of Texas
Becky J. Henry
Printed Name

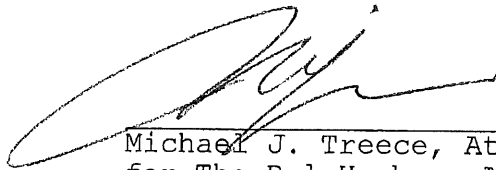
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AFFIDAVIT REGARDING AUTHENTICITY OF DOCUMENTS

STATE OF TEXAS }
 }
COUNTY OF HARRIS } KNOW ALL MEN BY THESE PRESENTS:

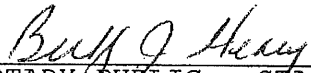
THAT the foregoing and attached documents entitled "Resolution Regarding Adoption of Statutory Policies and Guidelines", "Amended Collection and Payment Plan Policy", "Guidelines for Standby Electric Generators" and "Policy Regarding Ballots, Voting and Recounts" are original documents which were adopted in connection with the operation and administration of The Bal Harbour Association, and all of the properties governed thereby. The signatures appearing on said documents are original and authorized signatures of the Board of Directors of The Bal Harbour Association, and the documents attached hereto were duly and properly adopted by said Board of Directors, and are original documents which are kept in the ordinary course of business of The Bal Harbour Association. The attached items constitute supplements to the Bal Harbour Association's "dedicatory instrument," as such term is defined within Section 202.001(1) of the Texas Property Code. The foregoing and attached documents are hereby filed/recorded in compliance with the mandate of Section 202.006 of the Texas Property Code.

All facts recited and statements made herein are true, correct and in all respects accurate."

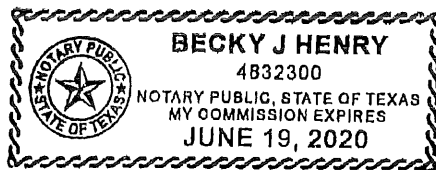


Michael J. Treece, Attorney
for The Bal Harbour Association

SUBSCRIBED AND SWORN TO BEFORE ME on this the 17th day of November, 2017.


NOTARY PUBLIC - STATE OF TEXAS

After Filing
Please Return to:
Treece Law Firm
1020 Bay Area Blvd.
Suite 200
Houston, Texas 77058



RP-2017-520897

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Pages 14
11/28/2017 12:32 PM
e-Filed & e-Recorded in the
Official Public Records of
HARRIS COUNTY
STAN STANART
COUNTY CLERK
Fees \$64.00

RECORDERS MEMORANDUM

This instrument was received and recorded electronically and any blackouts, additions or changes were present at the time the instrument was filed and recorded.

Any provision herein which restricts the sale, rental, or use of the described real property because of color or race is invalid and unenforceable under federal law.

THE STATE OF TEXAS
COUNTY OF HARRIS

I hereby certify that this instrument was FILED in File Number Sequence on the date and at the time stamped hereon by me, and was duly RECORDED in the Official Public Records of Real Property of Harris County, Texas.



Stan Stanart

COUNTY CLERK
HARRIS COUNTY, TEXAS

RP-2017-520897