

**Bylaws
of the
Tempest Homeowners Association**

July 24, 2018

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BYLAWS

ARTICLE 1. Name and Purpose

1.1 Name/Bylaws. The corporate name of the Association shall be Tempest Homeowners Association, a Texas nonprofit corporation (the "Association"). The Association is the Association referred to in the Second Supplementary, Amended and Restated Master Declaration of Protective Covenants, Conditions, Restrictions and Easements for Tempest Golf Community, as it may be amended from time to time (the "Declaration"), and is a residential community located on the real property in Gregg County, Texas, as described on Exhibit A-2 to the Declaration (the "Community").

1.2 Purpose. The purpose of the Association is to (i) maintain and preserve the Community as a first class residential community, (ii) maintain and operate the common areas, entry gates, non-public streets, streetlights, landscape, lighting and other improvements included in the definition of Common Property in the Declaration (the "Common Property"), and located on the Association owned real property described on Exhibit A-2 to the Declaration and (iii) take necessary action required to care for the Common Property, (iv) establish, amend and repeal rules for the Common Property, (v) establish, collect and expend the funds of the Association received from assessments of the Members of the Association and any other funds pursuant to the Declaration and the terms of these Bylaws for the purposes of the Association, and (vi) exercise and enforce all rights, privileges and powers set forth in the Declaration and as may be conferred upon nonprofit Associations under the applicable laws of the State of Texas, as may be amended, including but not limited to Chapter 209 of the Texas Property Code (the "Code") (the "Applicable Laws"), including, but not limited to, conducting the management, regulation and government of its affairs and property, the transaction of its business, entering into contracts and related documentation and the calling and holding of meetings of its Members; provided, however, that the Association shall not, except to an insubstantial degree, engage in any activities or exercise any activities that are in violation of the restrictions provided in these Bylaws, the Declaration or by Applicable Laws. No part of the Association's revenue or earnings shall inure to the personal benefit of any Member.

ARTICLE 2. Definitions

Definitions. The capitalized terms used in these Bylaws shall have the same meanings given to them in the Declaration, unless otherwise specifically defined in Exhibit A hereto. In the event of any conflict between the terms and provisions of these Bylaws and the Declaration, the Declaration shall control over these Bylaws.

ARTICLE 3. Membership and Voting

3.1 Members. Each Owner of a Unit in the Community, as defined in the Declaration, shall automatically be a member of the Association ("Member") during their respective period of ownership of the Lot.

3.2 Voting Rights. Each Member shall be entitled to one (1) vote for each Unit in which such Member holds the ownership interest required to be a Member. When more than one person holds such interest or interests in any Unit, all such persons shall be Members, and the vote for such Unit shall be exercised as they, among themselves, determine, but such Members, collectively, shall not be entitled to more than one (1) vote per Unit owned by them. If there is any dispute between the parties holding an

interest in the Unit as to who is entitled to vote or the manner of the vote, the Association may disallow the vote. Members shall be eligible to vote at official Association member meetings and any other electronic or paper ballot elections the Board may authorize. The voting may be conducted by ballot, proxies or electronic ballot procedures as provided herein and the applicable provisions of the Code.

3.2.1 Majority Vote. "Majority Vote" shall mean a majority of the Members voting in person or by proxy with the required quorum at an Annual Meeting or Special Meeting.

3.2.2 Super Majority Vote. "Super Majority Vote" shall mean sixty-six and two thirds (66 2/3) vote of all the Members in the Association, voting in person or by proxy at an Annual Meeting or Special Meeting.

ARTICLE 4.

Fees, Charges, Assessments and Late Fees

4.1 Fees and Charges. Fees, charges and assessments for each Member and the time for payment thereof shall be as established by the Board, subject to the terms and restrictions recited in these Bylaws and in the Declaration. The Board shall maintain and publish a current list of fees and charges (the "Schedule of Fees and Charges"). All monetary transactions between a Member and the Association shall be charged to the Member's account and shall be secured by the continuing lien set forth in the Declaration.

4.2 Assessments. All Members shall be subject to (i) General Assessments, (ii) Neighborhood Assessments, (iii) Special Assessments and (iv) Specific Assessments (collectively, the "Assessments"), as levied the Board pursuant to the Declaration. During the Development and Sale Period, the Board has the authority, but not obligation, to operate the Association on an annual balanced operating budget basis. After the Development Termination Date, preparation of a budget shall be an affirmative duty of the Board. The Board has the power to assess the Members the amount necessary to cover any annual operating deficit as determined by the Board.

4.3 Payment Terms. All fees, charges and assessments are due and payable immediately on receipt of billing. Any Member who fails to pay the statement of account on or before (i) January 31 of each year for any annual assessment, and (ii) before the close of business on the 10th day of the month following the billing date for any monthly assessment or other amount billed, shall be considered delinquent.

4.4 Common Property Unavailable or Service Failure. Even though (i) certain Common Property may be unavailable for Members' use due to renovation, capital improvements, fire, hurricane, casualty or other similar occurrence beyond the Association's control or (ii) certain services provided by the Association, including but not limited to, landscape maintenance, Common Property maintenance, or any other services provided by the Association are not satisfactory, defective or interrupted and not provided, the Members will continue to be liable for the timely payment of all Assessments and charges.

4.5 Other Charges. The Board shall have the power to establish fines or other appropriate charges for infractions of the Bylaws, Rules and Regulations, and the Declaration, subject to the terms of the each and Applicable Law.

4.6 Enforcement, Collection, Violations. In the event of any default or breach by a Member under the terms of the Bylaws, Rules and Regulations, Declaration or other Association Policies, the Association reserves the right to (a) file suit to recover the amount owed and/or (b) pursue any and all remedies provided in the Declaration, these Bylaws, the Rules and Regulations, the Association Policies,

and/or as allowed by Applicable Law, including but not limited to, recovery of all other costs, expenses and reasonable attorney fees.

ARTICLE 5.

Policies

5.1 Association Policies. The Board is authorized to periodically establish certain policies to be utilized in the operation of the Association and the enforcement of the terms and obligations under the Rules and Regulations (as may be adopted by the Board), the Declaration and these Bylaws (the "Association Policies"). The Association Policies (and any revisions) are to be posted on the Association's website. The current Policies established by the Board, which are subject to revisions as determined by the Board, are as follows: (i) Records Retention and Production Policy, (ii) Payment Plan, Assessment Collections and Application of Payments Policy, and (iii) Design Guidelines.

ARTICLE 6.

Board Governance and General Management

6.1 Board of Directors. During the Development and Sale Period governance and general management of the Association shall be vested in a Board of Directors (herein the "Board") appointed by the Declarant. After the Development Termination Date, the Board shall be elected and consist of five (5) elected Members, which will include three (3) Officers of the Association, the President, Vice President and Secretary (and such other Officers as the Board determines). The Treasurer is not required to be a member of the Board. Each member of the Board shall be elected for a two (2) year term, based on staggered terms so that at each Annual Meeting of the Members, the Members shall elect either two (2) or three (3) Directors, as the case may be, each to serve for a term of two (2) years, in order to fill the positions of the Directors whose terms have expired at such Annual Meeting. Any Member that has been convicted of a felony or crime involving moral turpitude within twenty (20) years will be ineligible to serve on the Board and if already serving will be automatically removed from the Board and prohibited from future service. Except as otherwise provided by a resolution adopted by the Members, the term of a newly elected Board member shall begin at the conclusion of the Annual Meeting at which his/her election is announced.

6.2 Powers. The Board shall have full power and authority to do any and all things that it deems to be necessary and in the best interests of the Association and the powers and authority granted in these Bylaws and the Declaration, subject to the restrictions recited herein and in the Declaration, which require the prior approval by the voting Members. The Board will have the authority, but not obligation, to delegate certain managerial and operating functions to an individual (the "Community Manager" or a professional management company (the "Management Company"), which shall report to the Board.

6.2.1 Contracts. Subject to the limitations set forth in the Declaration, the Board of Directors may authorize any Officer or Officers, agent or agents, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Association. Such authority may be general or confined to specific instances.

6.2.2 Checks, Drafts, etc. All checks, drafts or other orders for payment or money, notes or other evidences of indebtedness issued in the name of the Association shall be signed by the President or such other Officer or Officers, agent or agents of the Association and in such manner as shall, from time to time, be determined by resolution of the Board of Directors.

6.3 Rules and Regulations. The Board may adopt such rules and regulations for (i) the operation and care of the Common Property, (ii) guiding Member conduct, and (iii) the general operation of the Association subject to the terms of the Bylaws and Declaration (the "Rules and Regulations").

6.4 Regular Meetings. Regular meetings ("Regular Meetings") of the Board may be held at such time and place as shall be determined from time to time, by a majority of the Directors, but in no event less than four (4) per calendar year. If required by Applicable Law, notice of Regular Meetings, including a general description of the subjects to be considered at the meeting, shall be given to the Members by email, and posted on the Association's website, at least seventy-two (72) hours prior to the date named for such meeting if required by Applicable Law.

6.5 Special Meetings. Special meetings of the Board may be called by the President and must be called by the Secretary at the written request of two (2) of the Directors. If required by Applicable Law, not less than seventy-two (72) hours' notice of the meeting shall be given to the Members by (i) mail or (ii) email and the notice shall be posted on the Association's website, which notice shall state the time, place and purpose of the meeting.

6.6 Quorum. A quorum at Board meetings shall consist of a majority of the entire Board in person or by telephone conference call. The acts approved by a majority of those present at a meeting at which a quorum is present shall constitute the acts of the Board, except where approval by a greater number is required by the Declaration or by the Bylaws. Directors may not appear or vote by proxy.

6.7 Waiver of Notice. Any Director may waive notice of a meeting before or after the meeting and such waiver, if in writing and signed by such Director, shall be deemed equivalent to the giving of notice. Any Director who attends a meeting shall be deemed to have waived notice.

6.8 Consent in Lieu of Meeting. Subject to the specific restrictions in the Code, the Board is allowed to take action outside of a meeting without prior notice to Members using electronic or telephonic means so long as each Director is given a reasonable opportunity to express the Director's opinion to all other Directors and vote.

6.9 Compensation and Expenses. No Member of the Board or other Officer or their immediate family member shall receive any compensation from the Association for acting as such but shall be reimbursed for reasonable expenses incurred while serving in such capacity.

6.10 Conflict of Interest. After the Development Termination Date, no elected Officer or Board member shall use his or her position for personal gain. Such activity shall be deemed a conflict of interest and shall be a cause for removal under Section 6.11 below.

6.11 Removal of Officers or Board Members. During the Development and Sale Period, the Declarant may, in its sole discretion, remove an Officer or Board Member and appoint a replacement, at any time and for any reason. After the Development Termination Date, Officers and Board members may be removed for cause by an affirmative vote of eighty percent (80%) of the full Board (currently, a vote of four (4) Board members) or, after the Development Termination Date, by a Super Majority Vote of the Members at any Annual Meeting or Special Meeting. Causes for removal of an Officer or Board member include, but are not necessarily limited to: (i) failure to attend three (3) consecutive Board meetings without a valid excuse, (ii) a material breach of confidentiality, (iii) a breach of any fiduciary duty, or (iv) any other action deemed to have a material adverse effect on the Association or its Members, as determined by the Board, in its sole discretion.

6.12 Vacancies. After the Development Termination Date, any vacancy occurring in the Board shall be filled by the Board at a Board meeting called for that purpose by the affirmative vote of a majority of the remaining Board members, though the remaining Board members may constitute less than a quorum of the Board (or, if there be only one remaining Board member, by that Board member). A Board member elected to fill a vacancy (i) with a term greater than one (1) year shall be elected only for the remainder of the year until the next Annual Meeting or (ii) with less than one (1) year of term remaining shall serve the balance of the term. At the next Annual Meeting election, there will be open elections to fill the previously vacated seat for the unexpired term of the previously vacated seat, if any.

6.13 Exclusive Powers and Duties. All of the powers and duties of the Association provided for under the Declaration and the Bylaws shall be exercised exclusively by the Board and, when authorized by the Board, the Association's officers, agents, contractors and employees, subject only to approval by Members when such approval is specifically required by the terms of the Bylaws or Declaration.

6.14 Delegation of Board and Officer Duties. Notwithstanding anything contained herein to the contrary, the Board and Officers may delegate any of their duties, powers or functions to the Community Manager or a Management Company. The Members of the Board and Officers shall not be liable for any omission or improper exercise by a third party Management Company of any such duty, power or function so delegated by the Board. In addition, the Board may authorize committees of the Association as the Board determines may be helpful or have unique experience in the transaction of the Association's business.

ARTICLE 7.

Officers

7.1 Executive Officers. The executive officers of the Association shall be a President, and a Secretary (all of whom shall be members of the Board) and a Treasurer (who is not required to be a member of the Board). The Officers shall be elected annually by the Board. No person may hold two offices at the same time, excepting that the Secretary and Treasurer may be the same person during the Development and Sale Period. The Board shall, from time to time, elect such other officers and designate their powers and duties as the Board shall find to be required to manage the affairs of the Association.

7.2 President. The President shall be the Chief Executive Officer of the Association and shall have all of the powers and duties which are usually vested in the office of President of an organized association including, but not limited to, the power to appoint committees from among the Members from time to time that, in the exercise of his discretion, are determined appropriate to assist in the conduct of the Association.

7.3 Secretary. The Secretary shall (i) keep the minutes of all proceedings of the Board and Association, (ii) be responsible for safekeeping of the minutes and giving and serving of all notices to the Members and Directors and other notices required by law, (iii) keep the records of the Association pursuant to the Record Retention and Production Policy, and (iv) perform all other duties incident to the office of Secretary of an organized association and as may be required by the Board or the President. The Secretary shall use reasonable best efforts to provide minutes of each Board meeting to the Members within a reasonable period after each Regular Meeting, Annual Meeting or Special Meeting by posting on the website or email to the Members.

7.4 Treasurer. The Treasurer shall keep the books of the Association in accordance with generally accepted accounting procedures, and shall perform all other duties incident to the officer of Treasurer.

ARTICLE 8. Committees

8.1 Committees. During the Development and Sale Period, the Board shall have the authority, but not obligation, to create and maintain the following standing committees ("Standing Committees"), such committees will be mandatory after the Development Termination Date:

- (i) Finance Committee**
- (ii) Architectural Review Committee**
- (iii) Nominating Committee**
- (iv) Rules and Compliance Committee**

The members of the Standing Committees will serve at the direction of the Board and are appointed on an annual basis. The Board will appoint the members of the Standing Committees based on Board member recommendations. A Board member will serve as Chairperson of (i) the Finance Committee and (ii) the Nominating Committee. A Board member will serve as a (i) member of the Architectural Review Committee and the Rules and Compliance Committee, or (ii) Chairman, as determined by the Board. The Board member serving on the Standing Committees shall report to the Board the activities, recommendations and progress of the Standing Committee.

8.1.1 Finance Committee. The Finance Committee shall consist of not less than three (3) members selected by the Board (the "Finance Committee"), of which one shall be the Treasurer and one a member of the Board who shall serve as Chairman. The Finance Committee shall prepare and review the Association's proposed budget for the succeeding year (January 1 to December 31) and forward to the Board for review, comments and approval. In addition, the Finance Committee shall advise and assist the Board, as requested, in (i) negotiations of contracts, (ii) capital reserve funding and projections, (iii) reviewing Assessments and charges, and (iv) identifying financial matters that should be brought to the attention of the Board. The Finance Committee may have separate subcommittees to handle insurance and audit issues as necessary.

8.1.2 Architectural Review Committee. The Architectural Review Committee shall consist of not less than three (3) Members selected by the Board (the "Architectural Review Committee" or "ARC"). The Board shall seek to obtain Members with applicable background and experience to serve on the Architectural Review Committee. The President of the Association shall not serve on the Architectural Review Committee. The Architectural Review Committee is charged with the preservation of the Community as a first-class residential development and shall, from time to time, publish and promulgate, after approval by the Board of Directors, Design Guidelines which shall supplement the Declaration, provided such guidelines shall be in keeping with the overall quality, general architectural style and design and landscape of the Community. The Architectural Review Committee shall review and make recommendations (with the advice and counsel of third party professionals, if necessary) concerning interpreting the general intent, effect and purpose of matters for which it is responsible in accordance with the Declaration and present same to the Board of Directors for a final decision, unless authority to approve the matter in question has been given to the Architectural Review Committee by the Board. The Architectural Review Committee shall have the authority to issue citations for violations of the Declaration, the Rules and Regulations and the Design Guidelines.

8.1.3 The Nominating Committee. After the Development Termination Date, nominations for election to the Board shall be made each year by a Nominating Committee (the "Nominating Committee"). The Nominating Committee shall consist of (i) a member of the Board who shall serve as Chairman, and (ii) two (2) other Members of the Association (non-Board). The Nominating Committee shall be appointed by the Board not less than sixty (60) days prior to each election to serve a term of one (1) year. The Nominating Committee shall make as many nominations for election to the Board as it shall in its discretion determine, but in no event less than the number of positions to be filled. In determining its nominations, the Nominating Committee shall (i) solicit interested candidates from the entire membership through a notice forwarded in the same manner as notices of an Annual Meeting and not less than the period set forth in the Declaration and (ii) use reasonable efforts, subject to availability, to nominate candidates representing the expertise and experience which exist within the pool of potential candidates. Further nominations may be made by petition of voting Members, addressed to the chairperson of the Nominating Committee, containing the signatures of Members having twenty-four (24) or more of all the votes in the Association and requesting that a particular Member or Members therein named be nominated and included in the previous nominations. Such petitions must be received by the chairperson of the nominating committee at least thirty (30) days before the date of the Annual Meeting and must contain the written consent and resume of each nominee named. All nominees must be Members in good standing of the Association. Not more than thirty (30) days prior to each Annual Meeting, the Nominating Committee shall make a written report to the voting Membership of nominations by posting copies thereof on the Association website. Accompanying the report will be a listing of current members of all Standing Committees, Board members, and Officers of the Association. The Nominating Committee may not nominate one (1) of its own members as candidates for election. \

8.1.4 Rules and Compliance Committee. The Rules and Compliance Committee shall consist of not less than three (3) Members selected by the Board (the "Rules and Compliance Committee" or "RCC"). The Board shall seek to obtain Members to serve on the RCC. The President of the Association shall not serve on the RCC. The RCC is charged with the preservation of the Community as a first-class residential development and shall, from time to time, amend, publish and promulgate, after approval by the Board of Directors, the Association Rules and Regulations which shall supplement the Declaration. The RCC shall review and make recommendations (with the advice and counsel of third party professionals, if necessary) concerning interpreting the general intent, effect and purpose of matters for which it is responsible in accordance with the Declaration, Bylaws, Rules and Regulations, and Association Policies and present same to the Board of Directors for a final decision, unless authority to approve the matter in question has been given to the RCC by the Board. The Rules and Compliance Committee shall have the authority to issue citations for violations of the Declaration, the Rules and Regulations, and the Association Policies.

8.2 Other Committees. Other Committees may be created by the President, upon Board approval or at the Board's discretion. The Board may modify, amend or terminate any of the other committees and/or their duties, which may be instituted by the Board at any time. All committees may have sub-committees, subject to Board approval.

8.3 Board Appeal. Upon receipt of an Architectural Review Committee or Rules and Compliance Committee decision in writing on an appealed matter that is not a minor replacement or repair matter, Moving Violation, or Parking Violation, the Member may appeal the decision by filing written notice to the Board within ten (10) days of receipt of the decision. After proper notices in accordance with Applicable Law, the Board shall meet, and the Member and the applicable Committee may present their positions. The Board's decision shall be final and binding on the Member with no further appeal rights.

8.4 Committee Members. All committee members shall be Members in good standing and shall serve at the discretion and with the approval of the Board. All committees, excepting only the Nominating Committee, are advisory to the Board. The minimum number of members of the Committee set forth above is subject to the Board being able to obtain the necessary Members to fill the positions, and if the Members are not available, then the Board may revise the minimum number to the number willing to serve.

ARTICLE 9.

Member Meetings

9.1 Annual Meetings. Annual Meetings of the Members of the Association (the "Annual Meetings") shall be held at the place and time as may be designated by the Board on the third Wednesday in February of each calendar year (or the first business day thereafter if such day is a governmental or religious holiday). At the discretion of the Board, the Annual Meeting of the Members of the Association may be held at such other reasonable date (not more than thirty (30) days prior to or subsequent to the February date) as may be designated by written notice of the Board delivered to the Members not less than ten (10) nor more than sixty (60) days prior to the date fixed for said meeting.

9.2 Special Meetings. Special Meetings of the Members ("Special Meetings") may be called (i) by the President or other officer (if the President is the subject of the meeting) at any time, (ii) upon written petition to the President signed by Members having twenty percent (20%) of all the votes in the Association or (iii) by the written request of two (2) members of the Board. Written notice shall be provided to the Members pursuant to Article 10.

9.3 Quorum. Thirty percent (30%) of the Total Association Vote shall constitute a quorum, except for meetings where a vote greater than a simple majority is required for the proposed action to be taken. In such event, the required quorum shall be the number of Members required to obtain the such greater voting threshold for the required action. If the quorum provided above is present for the meeting (and if the action does not require a greater Voting threshold), the affirmative Majority Vote cast at the meeting in person or by proxy shall be the act of the Association. If, however, such quorum shall not be present in or represented at any meeting of the Association, the Members present or represented by proxy shall have the power to adjourn and reconvene the meeting from time to time, without notice other than announcement at the meeting, until a quorum shall be present or represented. At such reconvened meeting, at which a quorum shall be present or represented by proxy, any business may be transacted as was set out in the notification of the original meeting.

9.4 Election of Board Members. At each Annual Meeting after the Development Termination Date, Board members shall be elected pursuant to the provisions in the Bylaws. In addition, any Board vacancies for which an unexpired term remains shall be filled by election pursuant to Section 6.12.

9.5 Proxies. At any meeting of the Members, any Member may vote in person or by proxy, provided that the proxy is given to the President or another voting Member in good standing. The Member holding the other Member's proxy must attend the meeting in person to be entitled to vote the proxy. No voting Member shall be entitled to vote more than ten (10) proxies on behalf of other voting Members, except for the proxies provided to the President, for which there is no limitation. Proxies held by any Member other than the President must be delivered to the Community Manager or Management Company or the Secretary at least twenty-four (24) hours prior to the meeting to be verified. A Member presence at a meeting automatically cancels the proxy previously executed.

9.6 Election of Board. After the Development Termination Date, at the Annual Meeting of the Members the Members shall elect two (2) Directors or three (3) Directors, as the case may be, each to serve for a term of two (2) years, in order to fill the positions of the Directors whose terms have expired at the time of the Annual Meeting. The candidates receiving the highest number of votes up to the number of Members of the Board to be elected shall be deemed elected. To stagger the Board, the two directors receiving the fewest amount of votes in the first election following the Development Termination Date shall serve one (1) year terms. All votes shall be cast by written ballot (unless it is an uncontested election for a Board position which may be by voice vote). Election to the Board shall be by secret written ballot or by proxy, at which election the member may cast, in person or by proxy, in respect to each vacancy, such votes as they are entitled to exercise, but cumulative voting shall not be permitted. The Members of the Board shall serve for a term of two (2) years commencing at the time of their election or until their death, resignation, removal or until they are no longer Members of the Association, whichever is earlier.

9.7 Voting Procedures. The votes in an election (i) for the Board and (ii) matters that require a greater than simple Majority Vote shall be counted by an independent third party, which may be the Association's third party accounting or Management Company. Cumulative voting shall not be permitted at any meetings of the Association.

9.8 Conduct of Meetings. The conduct of all Membership meetings shall not be governed by Roberts Rules of Order, except as may be required by Applicable Law, in which case Roberts Rules of Order shall be utilized.

ARTICLE 10.

Notices and Consents

10.1 Notices. After the Development Termination Date, and unless otherwise provided herein, written notice required for meetings of the Membership, or the Board, as applicable, stating the place, day and hour of the meeting, and if a Special Meeting the purposes thereof, shall be forwarded (i) by email or posted on the website, or (ii) delivered to each voting Member or Director, as applicable, or (iii) deposited in the United States Mail postage prepaid addressed to each voting Member at the address of the Member's Unit or to such other address as the Member may have given in writing to the Community Manager, Management Company, or the Secretary for the purpose of service of notices, with postage prepaid. Notices shall be forwarded (i) not less than seventy-two (72) hours for a Board meeting or (ii) not less than ten (10) days nor more than sixty (60) days before a Member meeting. Any address for purposes of notice may be changed from time to time by notice in writing to the Community Manager, Management Company or the Secretary. The duty to keep an updated email address registered with the Association lies solely with the Member. For the purpose of determining the Members entitled to notice of a meeting and to vote at any meeting, the Total Association Vote shall be determined at the close of business on the tenth (10th) day preceding the day notice of such meeting is given (the "Record Date"). A voting Member or Director, either before or after a meeting, may waive notice of any meeting, and such waiver shall be deemed the equivalent of giving notice. Attendance in person by a voting Member at a meeting shall constitute waiver of notice of the meeting, unless he or she attends for the express purpose of objecting to the notice.

ARTICLE 11.

Non-Liability and Indemnification

11.1 Indemnification. To the fullest extent permitted by Applicable Law, the (i) Board and members thereof, (ii) any members of a committee of the Association, and (iii) any Officer of the Association (collectively, the "Indemnified Parties"), while acting in their applicable capacity shall not

be liable to any individual Member, any class or class action of Members, to the owner of any Unit or to anyone else for any damage, loss, or prejudice suffered or claimed on account of any decision, approval or disapproval, course of action, act (including resignation), inaction, omission, error, negligence or the like made in good faith in connection with the Association, the Common Property, these Bylaws, the Declaration or the negotiation, execution or performance of any agreement entered into between the Association and any third party. The Association shall indemnify, defend and hold each and every one of the Indemnified Parties harmless for, from and against any such claim or liability arising out of events described in this Article 11, including the advance and payment of all costs and expenses incurred in connection therewith (including any legal or administrative proceedings or orders arising therefrom), including without limitation, all court costs and attorneys' fees, all of which the Association shall either advance as required and/or pay as and when due (as opposed to reimbursing following payment by any indemnitee) with respect to the Indemnified Party. With respect to members of the Board and any Officers of the Association, all conduct shall be deemed to be in good faith, except for acts of gross negligence and intentional bad faith. Provided, however, for assuming the defense in advance, the Indemnified Party shall execute an agreement with the Association acknowledging that the Indemnified Party shall reimburse the Association all costs and expenses incurred in the defense if the Court rules that the Indemnified Party committed an act of gross negligence or intentional bad faith that is the cause of the claim. In the event that claims covered by the foregoing indemnity are asserted, the Association's choice of counsel to defend against such claims shall be subject to approval by the Indemnified Parties against whom such claims have been asserted, such approval not to be unreasonably withheld or delayed.

11.2 Insurance. The rights of indemnification herein provided shall be insured against by policies maintained by the Association and the Board is hereby authorized to obtain same. The rights of indemnification shall be severable, shall not affect any other rights to which any Director or Officer may now or hereafter be entitled, shall continue as to a person who has ceased to be such Director or Officer and shall inure to the benefit of the heirs, executors and administrators of such a person.

ARTICLE 12.

Amendments

12.1 Amendments. During the Development and Sale Period, subject to any notices required by Applicable Law, the Declarant may amend the Bylaws at any time, in its sole discretion. After the Development Termination Date, the Bylaws may be amended at the Annual Meeting or any Special Meeting of the Membership provided written notice is given at least thirty (30) days prior to the regular or called meeting at which the vote is taken. An amendment of the Bylaws shall require a Super Majority Vote of the Members, by a vote in person or proxy. Provided, however, any amendment that is (i) necessary to correct or clarify an existing provision of the Bylaws that is not materially adverse to the Members and (ii) any amendment that is required by law or governmental regulation may be approved by a majority vote of the Board.

ARTICLE 13.

Miscellaneous

13.1 Records. The Board or the Management Company shall keep or cause to be kept a complete and accurate set of books of accounts reflecting the Association's receipts and expenditures, and such books shall be maintained in accordance with the generally accepted accounting principles, as directed by the Board. The books shall be available for examination by all the Members and Mortgagees (or their designees as required by Applicable Law) at convenient hours on working days. The Board shall maintain a Records Retention and Production of Association Records Policy.

13.2 *Transactions with Members, Directors and Officers.* Following the Development Termination Date, the Association shall not enter into contracts or transact business with one or more of its Directors, Officers or a Member, or with any firm of which one or more of the Association's Directors, Officers or Members or their immediate family members are owners or employees, or in which they are otherwise interested or with any corporation or association in which any of its directors, officers, or a Member are stockholders, directors or officers, owners, employees or otherwise interested, and such contract or other transaction shall be void, unless all requirements under the Code to enter into a contract with an interested party are satisfied, the contract is fully disclosed to the Members at a Special Meeting or Annual Meeting and approved by the Board and a Majority Vote of the Members.

13.3 *Gender and Number.* All pronouns in these Bylaws shall be deemed to refer to the masculine, feminine, neuter, singular or plural as the identity of the person or persons referred to may require.

13.4 *Membership Directory and Lists.* The Membership directory may not be used for solicitations or business purposes of any kind.

13.5 *Severability.* The invalidity of any provisions or provisions of these Bylaws shall not be deemed to impair or affect in any manner the validity, enforceability or effect of the remainder of these Bylaws, and, in such event, all of the other provisions of these Bylaws shall continue in full force and effect as if such invalid provisions had never been included herein.

13.6 *Interpretation.* The interpretation of these Bylaws shall rest with the Board unless and until superseded by a Super Majority vote of the Members at an Annual Meeting or Special Meeting of the Membership.

13.7 *Captions.* Captions and headings contained in these Bylaws are as a matter of convenience. In no way should they be construed to define, limit or extend their scope, intent or any provision hereof.

Exhibit A

Definitions

Annual Meetings. “Annual Meetings” shall have the meaning set forth in Section 9.1.

Applicable Laws. “Applicable Laws” shall have the meaning set forth in Section 1.2.

Architectural Review Committee. “Architectural Review Committee” shall have the meaning set forth in Section 8.1.2.

Assessments. “Assessments” shall have the meaning set forth in Section 4.2.

Association. “Association” shall have the meaning set forth in Section 1.1.

Board. “Board” shall have the meaning set forth in Section 6.1.

Bylaws. “Bylaws” shall have the meaning set forth in Section 1.1.

Code. “Code” shall have the meaning set forth in Section 1.2.

Community. “Community” shall have the meaning set forth in Section 1.1.

Common Property. “Common Property” shall have the meaning set forth in Section 1.2.

Declaration. “Declaration” shall have the meaning set forth in Section 1.1.

Finance Committee. “Finance Committee” shall have the meaning set forth in Section 8.1.1.

General Assessment. “General Assessment” shall have the meaning set forth in Section 4.2 and the Declaration.

Indemnified Parties. “Indemnified Parties” shall have the meaning set forth in Article 11.

Majority Vote. “Majority Vote” shall have the meaning set forth in Section 3.2.1.

Management Company. “Management Company” shall have the meaning set forth in Section 6.2.

Member. “Member” shall have the meaning set forth in Section 3.1.

Membership. “Membership” shall mean all of the Members in the Association.

Minor Repair or Replacement Item. “Minor Repair or Replacement Item” shall have the meaning as defined in the Design Guidelines.

Neighborhood Assessment. “Neighborhood Assessment” shall have the meaning set forth in Section 4.2 and the Declaration.

Nominating Committee. “Nominating Committee” shall have the meaning set forth in Section 8.1.3.

Record Date. “Record Date” shall have the meaning set forth in Section 10.1.

Regular Meetings. “Regular Meetings” shall have the meaning set forth in Section 6.4.

Rules and Regulations. “Rules and Regulations” shall have the meaning set forth in Section 6.3.

Schedule of Fees and Charges. “Schedule of Fees and Charges” shall have the meaning set forth in Section 4.1.

Special Assessment. “Special Assessments” shall have the meaning set forth in Section 4.2 and the Declaration.

Special Meetings. “Special Meetings” shall have the meaning set forth in Section 9.2.

Specific Assessment. “Specific Assessment” shall have the meaning set forth in Section 4.2 and the Declaration.

Standing Committees. “Standing Committees” shall have the meaning set forth in Section 8.1.

Super Majority Vote. “Super Majority Vote” shall have the meaning set forth in Section 3.2.3.

Total Association Vote. “Total Association Vote” shall have the meaning set forth in Section 1.29 of the Declaration.

Unit. “Unit” shall have the meaning set forth in Section 1.30 of the Declaration.

RULES AND REGULATIONS
FOR
TEMPEST GOLF COMMUNITY

July 24, 2018

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ARTICLE I. GENERAL

The Tempest Golf Community Second Supplementary, Amended and Restated Master Declaration of Protective Covenants, Conditions, Restrictions, and Easements (the "Declaration") recorded in the Gregg County Official Records provides for the development of a planned community known as the Tempest Golf Community (the "Community"). Tempest Homeowners Association, Inc. (the "Association"), was formed for the purposes set forth in the Declarations and Association Bylaws.

Pursuant to the Declaration (including, without limitation Section 7.1), these Rules and Regulations (the "Rules") have been prepared and adopted by the Board of Directors of the Association (the "Board") to aid in the governing of the Association and to promote the health, safety, and welfare of the members. These Rules supplement the Declaration and the Association Articles and Bylaws to provide for the use of the common areas and facilities, personal conduct in the Community and the establishment of penalties for infractions; and are intended to promote the maximum use, enjoyment and safety by the maximum number of residents of all recreational and social facilities in the community. Use of any of the facilities is limited to Owners, Residents, Guests, and Tenants. Unless otherwise noted, capitalized terms used herein shall have the meanings set forth in the Declaration or Section 4 hereof, in the event that there exists a conflict, the Declaration shall control.

These Rules shall be binding on all the Owners, Residents, Guests, Tenants, contractors, subcontractors, and vendors when they are on Property. The Board has adopted these Rules and has the authority to repeal or amend the Rules in the future.

ALL MEMBERS UNDERSTAND THAT THE DECLARATION MAY BE AMENDED PURSUANT TO ITS TERMS BY THE DECLARANT, AND THE ASSOCIATION MAY, FROM TIME TO TIME, SUBJECT TO THE PROVISIONS OF THE DECLARATION, ADOPT, AMEND AND REPEAL THESE RULES AND THAT ALL MEMBERS WILL BE REQUIRED TO COMPLY WITH ANY AND ALL SUCH AMENDMENTS TO THESE RULES.

The Community Manager will assist in monitoring the day to day compliance with the Declaration, Bylaws, Association Policies, and these Rules. The property is located within the county of Gregg. The county sheriff may be called to handle violations of law. All Owners, Residents, Tenants, Guests, contractors, subcontractors, and visitors are obligated to obey all federal, state, city and Association laws, rules and vehicle regulations while in the Community.

Property belonging to the Association is not to be removed from the facilities without the prior permission of the Association. The maintenance areas are off-limits to Owners, Residents, Guests, and Tenants.

The Association is not responsible for the destruction, theft, or loss of anyone's personal property from the Community and Common Property. Smoking is not permitted within any of the Community buildings at any time. This includes e-cigarettes. Firearms are not permitted within any of the Community buildings except when carried by certified law enforcement officers.

The Board encourages Members to offer suggestions for improvement of the Community. Suggestions may be directed to the Community Manager. Suggestions should be in writing and signed by the Owner.

To the maximum extent permitted by law, the Association may, at any time and without notice, deny permission to any non-resident to use any community facility.

The Board may make exceptions to these Rules.

ARTICLE II. CODE OF CONDUCT

The Board, in order to identify responsibilities of Owners, Residents, Guests, Tenants, contractors, subcontractors, and vendors when using the Tempest Community facilities and Common Property, has established the following Code of Conduct. To protect the ambience for all those who enjoy the Community, the following actions are prohibited:

- A. Use of loud, profane, indecent, or abusive language, physical abuse, threats or harassment.
- B. Actions which result in unsafe conditions or practices, uncivil and discourteous manners, willful misconduct, or actions which unfairly or unreasonably impair the rights and privileges of other users.
- C. Interference with Association staff functions, procedures, or discipline of the Association staff.
- D. Soliciting, door-to-door or otherwise, for any purpose, including for political campaigns is not permitted in the Tempest Community. This includes the throwing of fliers and samples on driveways.

Violations of these or any other rules of the Tempest Community may result in disciplinary actions, as provided in Article IV.

ARTICLE III. PURPOSE AND SCOPE

Section 1. Purpose

These Rules are a supplement to the Declaration and provide policies for the use of the Common Property, for the personal conduct of Owners, Residents, Guests, Tenants, contractors, subcontractors and vendors.

Section 2. Effective Date

These Rules shall be effective on the date set forth on the cover and the footer of each page. Any subsequent amendments shall be effective as of the date they are approved by the Board unless a later effective date is established. These Rules may be amended or repealed in whole or in part by a vote of the majority of the Board.

Section 3. Official Copy of the Rules and Regulations

The Board shall maintain a current and accurate set of the Rules, which will be available for inspection by Owners, Residents, Guests, Tenants, contractors, subcontractors, vendors and all others who lawfully use any of the Tempest Community Common Property.

Section 4. Definitions

All terms defined herein shall at all times have the same definition as set forth in the Declaration. In the event of any conflict, the Declaration definition shall control. If any such definition is changed in the Declaration the same change shall automatically be incorporated herein. Terms not defined in the Declaration shall have the definitions detailed below.

- A. **"Architectural Review Committee" (ARC):** shall be defined as set forth in the Bylaws.
- B. **"Association Office":** The Association Office shall be at 568 East Wilkins Road, Gladewater, Texas, 75647, or at such other location as the Board shall determine.
- C. **"Association Policies":** shall mean Board promulgated rules which supplement these Rules and Regulations and address specific topics, as such may be amended from time to time.
- D. **"Board":** shall mean the Board of Directors of the Tempest Homeowners Association.
- E. **"Bylaws":** shall mean the Bylaws of the Tempest Homeowners Association, Inc.
- F. **"Commercial Vehicle":** shall mean any car, truck, trailer, tractor, recreational Vehicle or combination thereof which has lettering visible to the public and advertises any business or for-profit organization; or any Vehicle used for business or commercial purposes, which is too large to be housed in an existing garage. Vehicle with an attached commercial license plate, regardless if the Vehicle has lettering visible or not, will be considered a Commercial Vehicle.
- G. **"Common Property":** shall have the meaning set forth in Section 1.8 of the Declaration which states: "Common Property" means any and all real and personal property, including, without limitation, easements and other interests therein, and the facilities and improvements located thereon, now or hereafter owned by the Association for the common use and enjoyment of the Owners, including, without limitation any property designated as Exclusive Common Property as provided herein.
- H. **"Community Manager":** shall mean an individual appointed by the Board to carry out certain delegated managerial and operational functions of the Association.
- I. **"Declarant":** shall have the meaning set forth in Section 1.11 of the Declaration which states: "Declarant" means TEMPEST DEVELOPMENT, LLC, a Texas limited liability company (f/k/a Southern Hills Development, LLC) and its successors-in-title and assigns; provided that in a recorded instrument, such successor-in-title or assignee

is designated as the Declarant hereunder by the then holder of all of the rights of Declarant hereunder; and, provided, further, upon the effective date of the designation of a successor Declarant, all rights of the former Declarant in and to such status as Declarant hereunder shall cease, it being understood that there shall be only one holder of the rights of Declarant hereunder at any one point in time."

- J. **"Family"**: includes parents, parents-in-law, sons, daughters, sons-in-law, daughters-in-law, brothers, sisters, brothers-in-law, sisters -in-law, and grandchildren of the Owners in the ~~Tempest~~ Community.
- K. **"Guest"**: a non-resident friend, relative or invitee of an Owner, or Tenant, who is visiting the Community at the personal invitation of, and with specific knowledge and sponsorship of the same.
- L. **"Member"**: shall mean any person holding Membership in the Association pursuant to the Declaration.
- M. **"Overnight Parking"**: shall be considered to be during the time period between 2 a.m. and 6 a.m.
- N. **"Owner"**: shall have the meaning set forth in Section 1.25 of the Declaration which states: "Owner" means the record owner, whether one or more Persons, of the fee simple title to any Unit within the Community but does not include any Mortgagee.
- O. **"Resident"**: shall mean: a) each Owner, tenant or lessee actually residing at a Unit and (b) members of the immediate family of each Owner, tenant and lessee actually living in the same household with such Owner, tenant or lessee on any part of the Unit."
- P. **"Rules and Compliance Committee" (RCC)**: shall have the definition set forth in the Bylaws.
- Q. **"Tenant"**: is a person who has rented or leased an Owner's house and is residing in that house.
- R. **"Unit"** shall have the meaning set forth in Section 1.30 of the Declaration which states: "Unit" shall mean a separate portion of the Community which may be independently owned, including, without limitation a Townhome Unit or a Detached Unit.
- S. **"Vehicles"**: include, but are not limited to, the following: automobiles, bicycles, campers, golf carts, motorcycles, motorhomes, recreational vehicles, tractors, trailers and trucks.

ARTICLE IV. ENFORCEMENT

Section 1. General

- A. The enforcement rights set forth in this Article IV are in addition to, and not in lieu of, any other enforcement rights set forth in the Declaration and Bylaws. The provisions of this Article IV are not intended to address the failure to pay assessments pursuant to the Declaration.
- B. Any authority granted to the Board under these Rules may be exercised by a majority of the members of the Board consistent with the Bylaws. By resolution, the Board may appoint a designee or one or more committees, including without limitation the Architectural Review Committee (the "ARC") and Rules and Compliance Committee (the "RCC"), and may grant such committee or designee authority to administer all or any portion of these Rules. These committees may be granted authority to determine compliance with these Rules and the Association Policies and make recommendations to the Board regarding amendments to these Rules. If the Board appoints the ARC or RCC, the Board shall reserve the right to review any action or recommendation of the such committee.
- C. The Board also may appoint a designee (the "Community Manager") who will be involved in the day-to-day administration and enforcement of these Rules and the Association Policies. The Board may, in its discretion, authorize the Community Manager or any other Board designee to perform any right or obligation granted herein to the Board. The Board or its designee has the discretion to waive temporarily any rule contained in this document based on the safety, health, and welfare of the Community. If the Board appoints the Community Manager or any other Board designee, the Board shall reserve the right to review any action or recommendation of the Community Manager or any other appointed Board designee.
- D. The Association, the Community Manager, the Rules and Compliance Committee ("RCC") and, with respect to the Design Guidelines, the Architectural Review Committee (the "ARC"), and their respective agents, shall have the right to issue citations for violations of these Rules, the Declaration, the Bylaws, the Design Guidelines, and other Association Policies as such may be implemented by the Board.

Section 2. Penalties

- A. In addition to any penalties set forth in the Declaration and Bylaws, penalties for violations of these Rules and the Association Policies may include, but are not limited to, reasonable monetary fines, suspension of the right to use Common Property and correction of the violating condition at the violator's expense.

Monetary fines for infractions not spelled out in succeeding paragraphs are as follows:

1st Offense:	Written warning*
2nd Offense:	\$25 fine
3rd Offense:	\$50 fine
4th Offense	\$100 fine

5th or More Offense during 6 month period beginning with the first violation: The ARC or RCC will refer the matter to the Board for action, which action may include without limitation additional fines and/or suspension or revocation of privileges as determined by the Board in its discretion.

B. All Moving Violations:

1st Offense: Written warning*

2nd Offense: \$50 fine

3rd Offense: \$100 fine

4th or More Offense during 6-month period beginning with the first violation: The ARC or RCC will refer the matter to the Board for action, which action may include without limitation additional fines and/or suspension or revocation of privileges as determined by the Board in its discretion.

C. Parking Violations:

1. Parking in a fire lane, in front of a fire hydrant, in a handicap space, or illegally parking a Commercial Vehicle:

1st Offense: Written warning*

2nd Offense: \$150

3rd Offense: \$300

4th or More Offense during 6-month period beginning with the first violation: The ARC or RCC will refer the matter to the Board for action, which action may include without limitation additional fines and/or suspension or revocation of privileges as determined by the Board in its discretion.

2. Other Parking Violation:

1st Offense: Written warning*

2nd Offense: \$25

3rd Offense: \$50

4th or More Offense during 6-month period beginning with the first violation: The ARC or RCC will refer the matter to the Board for action, which action may include without limitation additional fines and/or suspension or revocation of privileges as determined by the Board in its discretion.

3. Parking of Recreational Vehicles:

1st Offense: Written warning*

2nd Offense: \$150

3rd Offense: \$300

4th or More Offense during 6-month period beginning with the first violation: The ARC or RCC will refer the matter to the Board for action, which action may include without limitation additional fines and/or suspension or revocation of privileges as determined by the Board in its discretion.

*** Pursuant to the terms of Section 209.006(b)(2)(A) of the Texas Property Code, the Member/Owner will be issued a written warning entitling them to a reasonable period (as set forth on the permit) to cure the violation and avoid the fine or suspension unless the Owner was given notice and a reasonable opportunity to cure a similar violation within the preceding six months.**

- D. This fine schedule is based on a 6-month period starting with the first violation. Privileges, as set forth above, shall mean the right to suspend the voting rights of any Member/Owner and to suspend the right of any Member (and any Tenant or Guest claiming through the Member) to use the Common Property.**
- E. The above fines and remedies are not intended to, and shall not be deemed to limit any other rights and remedies available at law or in equity to the ARC, the RCC, the Association, the Declarant or any other person. The above fines are to be imposed only after notice and opportunity to be heard and compliance with the other requirements of Chapter 209 of the Texas Property Code (as may be hereafter amended or revoked).**
- F. Unless a valid appeal is timely filed, payment of fines shall be made in person or by mail to the Association Office at 568 East Wilkins Road Gladewater Texas, 75647, on or before the 30th day after the homeowner receives the Notice of Citation (referenced in Section 3 below).**

Section 3. Notice of Citation

A notice of citation shall be issued to the violator within a reasonable time after the infraction is discovered. Whether or not the Notice of Citation is left with the violator, on the violator's vehicle or at the violators residence (if applicable), in accordance with Section 209.006 of the Texas Property Code, a Notice of Citation shall be sent to the applicable Owner, Resident, or Tenant by certified letter, with return receipt requested, that specifies:

- A. The violation or complaint that is the basis for the fine or other remedy stated and reference the rules(s), guideline, policy, Bylaw, and/or Declaration section(s) violated;**
- B. Any fine or amount due and/or remedy stated by the Association from the Owner, Resident, or Tenant;**
- C. Unless the Owner, Resident, or Tenant was given notice and a reasonable opportunity to cure a similar violation within the preceding six months, the current citation must inform the Owner, Resident, or Tenant that the Owner, Resident, or Tenant shall have a reasonable period to cure the violation and avoid the fine or suspension;**
- D. An Owner, Resident, or Tenant may submit, on or before the 30th day after the Owner, Resident, or Tenant receives the notice, a written request for a hearing before the ARC or RCC, pursuant to Sections 5 and 6 below; and**
- E. An Owner, Resident or Tenant has the right to appeal the ARC's or RCC's hearing decision to the Board pursuant procedure detailed in the Bylaws.**

Section 4. Enforcement - Non-Residents

Non-residents (Guests, visitors, Association employees, contractors and subcontractors) are required to comply with these rules including penalties. If the offense warrants, a possible revocation of the privilege of entering the Community may result.

Section 5. Appeals to the ARC

A. If an individual appeals a citation to the ARC, the appeal shall be conducted by the ARC in accordance with the following procedures:

1. Individual has until thirty (30) days from the date of receipt of the Notice of the Citation to appeal to ARC.
2. Appeals must be in writing and turned in to the Association Office no later than the thirty-day time period set forth above. This Hearing Appeal Form can be printed from the Association website or picked up at the Association Office.
3. ARC will hear appeals at its regular meeting time. If unable to handle all appeals at regular meeting time, ARC may set an additional time to hear any unheard appeals. Notwithstanding the foregoing, the ARC shall hold the hearing not later than the 30th day after the date that the ARC receives the Owner, Resident, or Tenant request for a hearing and shall notify the Owner, Resident, or Tenant of the date, time, and place of the hearing not later than the 10th day before the date of the hearing.

The Board or the ARC may request a postponement, and, if requested, a postponement shall be granted for a period of not more than 10 days. Additional postponements may be granted by agreement of the parties.

4. The Owner's, Resident's, or Tenant's presence is not required to hold a hearing. The hearing shall be open unless the violator has requested a closed hearing.
 5. The violator and Community Manager involved may present a verbal explanation at the appeals hearing and then must leave during deliberations.
 6. The violator may have additional individuals testify at the hearing only to the extent that they have relevant information pertaining to the particular citation in question.
- B. ARC will deliver a decision, in writing, within a reasonable time after deliberations. The notice shall specify the ARC's decision regarding the appeal and shall state that the individual has the right to appeal the decision of the ARC, in writing, directly to the Board pursuant to the procedure described in the Bylaws and Section 7 of these Rules.

Section 6. Appeals to the RCC

A. If an individual appeals a citation to the RCC, the appeal shall be conducted by the RCC in accordance with the following procedures:

1. Individual has until thirty (30) days from the date of receipt of the Notice of the Citation to appeal to RCC.
2. Appeals must be in writing and turned in to the Association Office no later than the thirty-day time period set forth above. This Hearing Appeal Form can be printed from the Association website or picked up at the Association Office.
3. RCC will hear appeals at its regular meeting time. If unable to handle all appeals at regular meeting time, RCC may set an additional time to hear any unheard appeals. Notwithstanding the foregoing, the RCC shall hold the hearing not later than the 30th day after the date that the RCC receives the Owner, Resident, or Tenant request for a hearing and shall notify the Owner, Resident, or Tenant of the date, time, and place of the hearing not later than the 10th day before the date of the hearing.

The Board or the RCC may request a postponement, and, if requested, a postponement shall be granted for a period of not more than 10 days. Additional postponements may be granted by agreement of the parties.

4. The Owner's, Resident's, or Tenant's presence is not required to hold a hearing. The hearing shall be open unless the violator has requested a closed hearing.
 5. The violator and Community Manager involved may present a verbal explanation at the appeals hearing and then must leave during deliberations.
 6. The violator may have additional individuals testify at the hearing only to the extent that they have relevant information pertaining to the particular citation in question.
- B. RCC will deliver a decision, in writing, within a reasonable time after deliberations. The notice shall specify the RCC's decision regarding the appeal and shall state that the individual has the right to appeal the decision of the RCC, in writing, directly to the Board pursuant to the procedure described in the Bylaws and Section 7 of these Rules.

Section 7. Appeals to the Board

- A. No Appeals to the Board may be made for Moving or Parking Violations.
- B. Appeals to the Board of RCC's decision must be in writing and received by the Board within ten (10) days of the violator receiving the decision from the ARC or RCC. The Board shall consider written appeals of ARC or RCC decisions, including holding a hearing, if requested by the Owner, Resident, or Tenant. Such hearing may be held via telephone conference and shall be subject to such time limitations as

established by the Board.

- C. Within a reasonable time) after considering a written appeal to the Board, the Board will send the Owner, Resident, or Tenant a ruling letter by certified mail, with return receipt requested, that specifies:
 - 1. Decision of the Board regarding the appeal;
 - 2. Fine or desired action requested of the Owner, Resident, or Tenant;
 - 3. Consequences to the Owner, Resident, or Tenant of failing to resolve the issue as specified by the Board.
- D. The Board's decision shall be final and binding on all parties.

Section 8. Owner, Resident, or Tenant Notice of Delinquency

- A. If an Owner, Resident, or Tenant fails to pay the fine or take desired action within the time period set forth in the Notice of Citation or Ruling Letters, if applicable, then the Board shall have the right to send the Owner, Resident, or Tenant a Notice of Delinquency by certified mail, with return receipt requested, that specifies action to be taken by the Board including but not limited to:
 - 1. Establish an assessment lien against the Owner's lot; provided the Association's right to foreclose such lien is subject to the limitation set forth in Texas Property Code 209.009;
 - 2. Suspend Owner's, Resident's, or Tenant's right to use facilities on Common Property;
 - 3. Collect reimbursement of reasonable attorneys' fees and other reasonable costs incurred by the association relating to collecting amounts, including damages, due the Association for enforcing restrictions or the bylaws or rules of the Association, subject to the limitation set forth in Texas Property Code 209.008 (which requires, among other things, prior written notice to the Owner); and/or
 - 4. Collect interest from the date 30 days after the due date until paid at the rate of 18% per annum and such amount shall be subject to the same collection cost and interest rate terms on delinquent assessments as provided in Section 15.5.1 of the Declaration.
- B. If a non-resident fails to pay the fine or take desired action within 30 days of receiving the Notice of Citation or Ruling Letters, if applicable, the Board shall have the right to send the non-resident a Notice of Delinquency by certified mail, return receipt requested, that specifies action to be taken by the Board including, but not limited to, revocation of the privilege of entering onto Community Property.

ARTICLE V. TRAFFIC REGULATIONS

Section 1. Purpose

In striving to maintain the safety of the Tempest Golf Community residential areas, the following traffic regulations are for the protection and well-being of all Community residents and their guests. The regulations pertain to the handling of all Vehicles. (See definition of "Vehicles.")

Section 2. Registration of Vehicles

All licensed Vehicles garaged at the ~~Tempest Golf Community~~ must be registered with the Association office. The individual registering the Vehicle must be an Owner or a Tenant with a valid Community identification card. Once registered, a Community numbered sticker will be issued. The decal is to be placed where it will be visible on the upper left inside windshield of driver's side of the Vehicle.

- A. Golf carts should be registered with the Association office. A decal will be issued to be displayed on the lower right-hand corner of the windshield.
- B. Contractors and subcontractors will be issued a dated "Contractor Pass" which is to be placed where it will be visible on the dashboard of their Vehicles. Subcontractors must provide contractor identification to obtain a dated pass.
- C. If an Owner, Resident, or Tenant's vehicle is sold or the Resident wants to un-register a vehicle, the Tempest numbered decal must be removed from the vehicle. The Resident must turn in the removed decal to the Association Office or use the same decal on the new vehicle and provide the Association office with the new vehicle information.

Section 3. Moving Violations

A. Speed Limits

The speed limit throughout Tempest Golf Community is 20 miles per hour unless otherwise posted.

B. Golf Cart Paths

Only Members who have executed a Golf Cart Agreement on file with the Association, will be allowed on the golf cart paths. The only exception for golf cart access will be for official Association activity.

C. Skateboards

Use of skateboards in the Community is prohibited.

D. Failure to Obey STOP Signs

It is a violation for any Vehicle not to stop at a STOP sign. The Vehicle must come to a full stop prior to proceeding into the intersection. Vehicles and pedestrians within the intersection have the right-of-way. When two Vehicles arrive at the intersection at the same time, the Vehicle on the right has the right-of-way.

E. Sidewalks

Sidewalks are for pedestrians (walkers, joggers and runners) and bicycles, with pedestrians having the right-of-way. No golf carts are allowed on common area sidewalks, except those that are expressly marked for golf cart use. In these instances where golf carts can use sidewalks, pedestrians have the right-of-way.

Section 4. Vehicle Violations

A. Parking Citations may be issued:

1. If a Vehicle is parked in a Fire Lane. Except for the purpose of discharging or taking passengers, it is a violation to park a Vehicle in any area designated as a Fire Lane. The Vehicle may not be left unattended in these areas.
2. If a Vehicle is parked on other than paved surfaces on private property. It is also a violation to drive or park a Vehicle on a vacant lot within the Community, except for Vehicles of Declarant and its contractors and subcontractors.
3. If any Vehicle with a commercial logo used by a resident on a regular and recurring basis is parked in a driveway overnight.

B. Overnight Driveway Parking

Parking space intended for a licensed motorized four-wheeled Vehicle in the garage is not to be used for storage or a workshop. A motorized four-wheeled Vehicle is defined as an automobile, truck or registered golf cart ONLY. (An exception may be made for motorcycles.) Boats on or off trailers, pulled trailers and ATV's do not meet the criteria as a motorized four-wheeled Vehicle. Overnight parking in a driveway is temporary and may be permitted if authorization from the Association or the Community Manager has been obtained and the following conditions are met:

The Vehicle authorized to park in the driveway is a car, van, registered golf cart, or pick-up truck of 1 ton rating or less, and may be parked on the driveway only if it is used on a regular and recurring basis for basic transportation. The height of the Vehicle must not exceed seven feet, and the length must not exceed 18 feet. Any pick-up (truck) over 18 feet will be authorized only if the length is factory standard. Any Vehicle parked in the driveway may not extend into the street or block a sidewalk. Any Vehicle modified that cannot be parked in the garage will not be authorized. Resident may only have one Vehicle authorized to be parked in the driveway.

The RCC or the Community Manager will have the right to reevaluate overnight driveway parking authorizations every 6 months. The rights set forth in this paragraph are not intended to limit the right of the Community Manager, ARC or RCC to cite an Owner, Resident, or Tenant, or revoke authorization for improper usage at any time.

C. Parking in Areas Not Striped for Parking

1. All paved parking lots have been marked with paint stripes to designate parking spaces for either autos or golf carts only.
2. It is a violation to park in an area not striped for parking. Autos and trucks may not park in designated golf cart spaces (narrow spaces too small for cars).
3. Parking two golf carts side by side in a parking space striped for cars is permitted.

D. Parking in a Space Reserved for the Handicapped

1. It is a violation to park in a space reserved for the handicapped unless a handicapped license plate or a handicapped permit is displayed.
2. It is a violation for a person who is not handicapped to park a handicapped licensed Vehicle in a handicapped space if a handicapped person is not being transported.
3. Vehicles may not be parked on diagonally striped lines between handicapped parking spaces.

E. Parked in an Unsafe Location

1. Parking in an unsafe manner or location that hinders the view of drivers approaching an intersection, or hinders the ability of drivers to drive in a safe manner is a violation.

F. Parking near a Fire Hydrant

1. Vehicles may not be parked within 15 feet of a fire hydrant.

G. Parking near an intersection

1. All Vehicles must be parked at least 15 feet from the stop sign location on both sides of the street. No Vehicle will be parked within the intersection visibility triangle as to block the view of a traffic sign.

Section 5. Overnight Street Parking

Overnight parking on the street in front of an Owner's, Resident's, or Tenant's residence or on the street in front of a neighbor's residence is not permitted except on special occasions with the prior approval of the Community Manager. For special events and service Vehicles, parking is allowed on the street, so long as the Vehicles do not remain overnight.

Section 6. Overnight Guest Parking

Two white magnetic Guest Passes are issued to each homeowner residence to be used only by temporary Guests for overnight driveway parking. These are not to be used for the Owner, Resident, or Tenant's own Vehicles. If Guest Pass is lost, stolen or misplaced, replacements may be purchased from the Association office.

- A. Guest Passes are intended only for overnight driveway parking and should be removed whenever the Guest moves his/her car.
- B. Guest Passes should be placed on the back of the Vehicle so they are easily visible from the street.
- C. If the Guest Pass will not adhere to the back of the Vehicle, place it on the driver's side as close to the back as possible. If there is not a place where the Guest Pass will adhere, call the Community Manager
- D. The Guest Pass does not allow street parking at any time without permission from the Community Manager.

Section 7. Recreational Vehicle Special Rules

- A. Motor homes, campers, detached campers, camper shells, travel trailers, and similar Vehicles or equipment designed for camping and/or temporary or extended housing (each an "RV") which is owned by a Community Resident or a Community Resident Guest, may for purposes of loading and unloading, be parked on the street in front of their residence or on their driveway for a period not to exceed 48 hours. An RV parked in a driveway must be parked so as not to extend into the street. Cones or reflective traffic triangles must be placed in the front and rear of the RV while parked on the street.
- B. RV must be parked at least 20 feet from the stop sign location on both sides of the street. No RV will be parked within the intersection visibility triangle as to block the view of a traffic sign.
- C. Guest RV parking: Guest parking will be charged against the Owner's, Resident's, or Tenant's available parking time.
- D. Parking RV in parking lot: It is a violation to park any RV in any designated parking lot overnight.
- E. Sleeping in an RV is prohibited while the RV is parked in the Community.
- F. There are to be no extensions of slide outs into the street or across any portion of the sidewalk.

- G. Vehicles being towed are treated as part of the total RV length for the visibility triangle and cannot extend into the 20 foot area from back of RV to stop sign.

Section 8: Trucks, Trailers, Campers, and Boats Special Rules

- A. Trucks, Trailers, and Boats parked on street or in driveway: For purposes of loading and unloading only and not to exceed 48 hours, motor Vehicles classed by the manufacturer as trucks exceeding 1-ton, mobile homes, trailers of any kind including boat trailers, cargo trailers, horse trailers, motorcycle trailers, or other similar equipment or vehicles owned by Tempest residents or their guests may be parked on the street in front of their residence (unless otherwise posted) or in their driveways so as not to extend into the street or block a sidewalk. Cones or reflective traffic triangles must be placed in the front and rear of the oversized Vehicle while parked on the street.

Section 9. Commercial Vehicle Special Rules

A. Commercial Vehicle Parking

1. No contractor or subcontractor, except Declarant and its contractors and subcontractors, may work, park or store any equipment or Commercial Vehicle overnight on any street, parking lot, residential lot, driveway, or common area within the Community in such a manner as to be visible from neighboring property, including, without limitation, from any street without prior approval from the Community Manager.
2. Commercial Vehicles used while doing business in the Community may be parked while doing business only and may not be parked overnight.
3. The Community Manager may make an exception to the rules for moving vans and/or PODS that must stay overnight.

B. Commercial Vehicles must be parked at least 20 feet from the stop sign location on both sides of the street. No Commercial Vehicle will be parked within the intersection visibility triangle as to block the view of a traffic sign. Promotional Advertising Parking

1. It is a violation to park any Vehicle within the Community for the purpose of promoting or advertising a commercial product without the prior written approval of the Board.

ARTICLE VI. ANIMALS AND BIRDS

Section 1. Pet Control

- A. Pets are not allowed at any time:

1. On the golf course;
2. On any areas adjacent to drainage ways;
3. Inside any of the Community buildings, nor on the patios.

The Community Manager may approve exceptions for special events.

B. Additional rules governing pets are set forth in Section 7.6 of the Declaration.

Section 2. Guide Dogs

Guide dogs are permitted access to any area where the dog's owner is allowed, when accompanied by a handicapped person.

Section 3. Pet Waste

A person in possession of a pet must remove and dispose of any excreta the pet deposits.

ARTICLE VII. OWNERS, RESIDENTS AND TENANTS

Section 1. Residence at Tempest Golf Community

- A. There will be no hanging or draping clothes, rags, carpets or other paraphernalia visible from neighboring property unless permitted by the Design Guidelines.
- B. Residents whose homes contain fireplaces are required to comply with any regulations by governmental agencies limiting wood burning in fireplaces.

Section 2. Tenants - Rental/Lease Property

- A. All rental or lease agreements within the Community shall be for a minimum duration of one month.
- B. All rental or lease agreements shall be registered with the Association.
- C. Failure of the Owner to abide by requirements A and B above may result in a \$100.00 fine or penalty.
- D. Tenants will not be members of the Association.
- E. If Tenants do not abide by the Declaration, the Rules & Regulations, the Bylaws, and the Design Guidelines, they may immediately lose all privileges otherwise available to them in the Community.
- F. In order for a Tenant to use Community facilities, the Owner's membership privileges must have been transferred from the Owner to the Tenant in the records of the Association.

ARTICLE VIII. OUTSIDE APPEARANCE OF PROPERTY

Section 1. Holiday Decorations

Year-ending holiday decorations and lighting may be installed no earlier than November 1st and must be removed no later than January 15th. Other holiday decorations should be removed within one week after the holiday.

Section 2. Outside Lighting

Outside lighting fixtures must be situated and adjusted so any shining light does not cast an unreasonable amount of light onto neighboring property.

Section 3. Rubbish and/or Debris on Vacant Lots

No rubbish or debris of any kind shall be placed or permitted to accumulate on any vacant lot. These lots are private property and placement of debris on a vacant property is considered trespassing. Individuals found in violation will be held responsible for clean-up costs and may be assessed a fine.

Section 4. Garage Sales

Garage sales, yard sales and driveway sales are not permitted.

Section 5. Garage Openings

It is in violation to leave the garage door open except when necessary for access to and from the garage. Under this rule, Residents may leave their garage doors open while in the process of working in the garage, driveway, or yard and when needing access to the garage to retrieve or return items stored in the garage. Furthermore, for ventilating purposes, garage doors may be left up to one garage door panel or not to exceed 21 inches. (Measurement is taken from the garage/driveway ground to the bottom of the garage door). Garage doors may be left in their UP position from 6:00 am to 10 pm only. Any Owner, Resident, or Tenant found in violation of the one panel (21 inches) requirement may be assessed a fine. The Association or the Community Manager is not responsible for the removal of any animals, domestic or wild, that may wander into the garage when left in the UP position.

TEMPEST HOMEOWNERS ASSOCIATION

PAYMENT PLAN, ASSESSMENT COLLECTION AND APPLICATION OF PAYMENTS POLICY

Effective July 24, 2018

The following policy is promulgated pursuant to and in accordance with Texas State Law and Article V, Section 5.1 of the Bylaws of the Tempest Homeowners Association (the "Association").

Purpose:

The purpose of this policy is to provide a uniform and consistent way to manage Owner requests for payment plans to address their delinquent assessments and fees due to the Association (hereafter referred to as "delinquent amounts").

It is the intention of the Board of Directors to work with Owners to satisfy their obligation to the Association to pay in full any and all delinquent amounts. To do so, the Board of Directors has established this policy.

Payment Plans:

1. Any Owner may, subject to the conditions set forth below, request the Association's approval of a payment plan to repay delinquent amounts; any such request must be in writing and submitted to the Association Office.
2. Unless the Owner expressly elects a payment plan term shorter than three (3) months, a payment plan will have a term of no less than three (3) months or more than eighteen (18) months, as determined by the Board of Directors in its sole discretion.
3. Current assessments that become due and payable by the Owner during the term of the payment plan must be paid in a timely manner, in addition to making payments required pursuant to the payment plan, or provision for their payment must be addressed in the payment plan.
4. The Association may charge a fee to negotiate, establish and initiate any payment plan, together with a monthly fee to administer the payment plan for its duration; such fees shall be included in the payment plan unless the Board determines otherwise.
5. Every payment plan must provide for payment of the total debt owed to the Association, including, without limitation, late fees, interest, fines and other collection costs.
6. An Owner will not be eligible for a payment plan within the two (2) year period following any default under a prior payment plan.
7. Interest on any unpaid delinquent amounts will continue to accrue during the term of the payment plan in accordance with Section 4.2 of the Declaration and remain the obligation of the Owner.
8. Each payment plan will contain a detailed payment schedule setting forth the date that each payment is due and the amount of each payment to be made, provided that a payment plan

may include, without such specificity, a final payment to include interest accrued on unpaid delinquent amounts under paragraph 7 above and any fees assessed under paragraph 4 above.

9. Any payment plan approved after an Owner's account has been turned over to the Association's attorney for collection must be paid in certified funds.
10. Any payment plan approved after notice has been given to the Owner that the property is in foreclosure must, in order to forestall foreclosure, set forth a) the minimum amount, established by the Board of Directors, to be paid by the Owner and b) the date by which such initial payment must be received, and such amount must in fact be received by the Association in a timely manner; otherwise the foreclosure shall proceed.

Settlements:

The Board of Directors will consider offers to settle an account once the Owner is at the foreclosure stage but is not obligated to accept such an offer if it deems acceptance to not be in the best interest of the Association. Settlements must be paid in certified funds and are subject to the deadlines established by the Association's attorney.

Default:

The Board of Directors has established the following criteria for determining what constitutes "default" on a payment plan.

"Default" on a payment plan may include one or both of the following:

1. Failure of an Owner to make a timely payment in full of any amount due in accordance with an approved payment plan.
2. Failure of an Owner, who is a party to a payment plan, to make a timely payment in full of any additional assessments not included in the payment plan that come due during the term of the payment plan.

Should the Owner default on a payment plan:

1. The Board of Directors, at their sole discretion, shall have the right a) to demand the immediate payment in full of all delinquent and unpaid amounts addressed in the payment plan, including any interest accrued and unpaid thereon from the date the plan was approved and b) with respect to a failure to make a timely payment in full of any additional assessments not included in the payment plan, to exercise any and all rights available to it at law and under the Declaration.
2. The Board of Directors, at their sole discretion, shall have the right to insist that any such payment be in certified funds.
3. The Board of Directors, at their sole discretion, shall have the right to proceed with appropriate collection measures in accordance with the Association's Collection Policy in order to secure payment of amounts due to the Association.

Assessment Collection:

Assessments are collected on an annual basis. Each annual assessment is due and payable on or before January 31st of the calendar year in which they are due.

Annual statements will be mailed approximately forty-five (45) days before the due date. Any annual assessment not received by the due date will be considered delinquent and interest of 18% per annum, or the maximum allowed by law, in accordance with Section 4.2 of the Declaration, will be assessed to the account for that month and each month thereafter, until the balance is paid.

When an account becomes more than sixty (60) days delinquent, the Association will mail a Demand Letter. A \$10.00 fee for this letter will be charged to the delinquent account.

When an account becomes more than ninety (90) days delinquent, a Demand Letter will be sent by the Association's Attorney. All costs incurred will be assessed to the account.

If there is no response to the Attorney Demand Letter within thirty (30) days, the Attorney will be instructed to record a Notice of Lien against the property. All costs incurred will be assessed to the account.

Any account reaching 120 days delinquent will be reviewed by the Association Board of Directors and at their direction may be posted for foreclosure as allowed by the Declaration and the laws of the State of Texas.

Priority of Payments:

Except as otherwise provided for and authorized by law, any partial payments received from a Owner shall be applied in accordance with state statute, i.e., in the following order:

1. Delinquent assessments;
2. Current assessments;
3. Attorney's fees and collection costs associated solely with delinquent assessments, and any other charge that could provide the basis for foreclosure;
4. Other attorney's fees not associated with the collection of assessments;
5. Fines, and
6. Other amounts owed the Association which are unsecured.

TEMPEST HOMEOWNERS ASSOCIATION
RECORDS RETENTION AND PRODUCTION POLICY
July 24, 2018

The following policy is promulgated pursuant to and in accordance with Texas State Law, and Article V, Section 5.1 of the Bylaws of the Tempest Homeowners Association (the "Association").

Purpose:

To establish a uniform and consistent policy to retain and produce records as detailed below.

Retention of Records:

The Association will maintain records in the following categories for the duration stated for each category:

<u>Category</u>	<u>Retention Period</u>
Account Records of Current Owners	Five (5) Years
Contracts for Terms of at Least One (1) Year	Four (4) Years after Expiration of Contract
Minutes of Owner Meetings / Board Meetings	Seven (7) Years
Tax Returns and Audits	Seven (7) Years
Financial Books and Records	Seven (7) Years
Governing Documents	Permanently

Production of Records:

- 1) Owners may have access to Association records, upon submission of a written request to the Association or its representative by certified mail to the mailing address of the Association or authorized representative as listed in the current management certificate.
- 2) The written request must identify the records requested and indicate whether the owner wants to inspect the records or have the Association forward copies.
- 3) The Association will respond to the written request within ten (10) business days from receipt of the request to, as appropriate:
 - i. provide written notice of dates on which records may be inspected, or
 - ii. provide the requested copies, or
 - iii. provide the owner written notice that it is unable to produce the records within the ten (10) day period and provide a date, within fifteen (15) business days from the date of the Association's response, by which the records will be sent or made available to the owner for inspection

- Owners are responsible for the costs of producing and copying Association records in accordance with the cost schedule below. The Association will estimate the costs for producing records.
- Payment must be made in advance.

Cost Schedule

- 1) Standard Paper Copy (either 8.5" x 11" or 8.5" x 14") - ten cents (\$.10) per page
- 2) Oversized Paper Copy (up to 11" x 17) - fifty cents (\$.50) per page
- 3) USB Drive (\$20.00)
- 4) Programmer- twenty-eight dollars and fifty cents (\$28.50) per hour
- 5) Labor- fifteen dollars (\$15.00) per hour
- 6) Overhead – 20% of the labor and/or programmer charge

Labor charge will be applied whenever it is necessary to locate, compile, manipulate data and/or reproduce the requested information if the request exceeds fifty (50) pages. The Labor charge will apply regardless of the number of pages if the documents requested are in a remote storage facility.

A programmer charge will be applied if a particular request requires the service of a programmer to execute an existing program so that the requested information may be accessed and copied.

Records Which Will Not Be Produced:

The Association will keep certain records confidential and decline to make them available. These specifically include:

- 1) Violation histories of Owners
- 2) Owners' personal financial information
- 3) Owners' contact information other than address
- 4) Association personnel files