

**OPEN RECORDS POLICY
FOR
LAKESIDE IMPROVEMENT ASSOCIATION**

THE STATE OF TEXAS §
 §
COUNTY OF HARRIS §

I, Anne Vachon, Secretary of Lakeside Improvement Association (the "Association"), do hereby certify that at a meeting of the Board of Directors of the Association (the "Board") duly called and held on the 14th day of December, 2011, with at least a quorum of the Board members being present and remaining throughout, and being duly authorized to transact business, the following Open Records Policy was duly approved by a majority vote of the members of the Board:

RECITALS:

1. Chapter 209 of the Texas Property Code was amended to amend Section 209.005 to set forth open records procedures and to require property owners' associations to adopt and record open records policies consistent with the procedures set forth in the statute.
2. The new law relating to open records becomes effective on January 1, 2012.
3. The Board of Directors of the Association desires to adopt an open records policy consistent with the provisions of Section 209.005 of the Texas Property Code.

POLICY:

It is the policy of the Association to make the books and records of the Association, including financial records, open to and reasonably available for examination by an Owner, or a person designated in a writing signed by the Owner as the Owner's agent, attorney, or certified public accountant (the "Owner's Representative") in accordance with the following provisions:

1. **Request.** An Owner or the Owner's Representative must submit a written request for access or information. The written request must:
 - a. be sent by certified mail to the mailing address of the Association or to the authorized representative of the Association as reflected on the most current Management Certificate of the Association filed of record in accordance with Section 209.004 of the Texas Property Code;
 - b. describe with sufficient detail the books and records of the Association that are requested; and
 - c. state whether the Owner or the Owner's Representative elects to inspect the requested books and records before obtaining copies or have the Association forward copies of the requested books and records.

2. **Election to Inspect.** If an inspection is requested, the Association shall send written notice to the Owner or the Owner's Representative of dates during normal business hours that the Owner or the Owner's Representative may inspect the requested books and records. Such written notice shall be sent on or before the tenth (10th) business day after the date the

Association receives the request, unless the Association sends a notice to the Owner or Owner's Representative in accordance with Section 4 below.

3. **Election to Obtain Copies.** If copies of the identified books and records are requested, the Association shall produce copies of the requested books and records on or before the tenth (10th) business day after the date the Association receives the request, unless the Association sends a notice to the Owner or Owner's Representative in accordance with Section 4.

4. **Inability to Produce Records Within 10 Days.** If the Association is unable to produce requested books and records on or before the tenth (10th) business day after the date the Association receives the request, the Association shall provide written notice to the Owner or the Owner's Representative that:

- a. informs the Owner or the Owner's Representative that the Association is unable to produce the requested books and records on or before the tenth (10th) business day after the date the Association received the request; and
- b. states a date by which the requested books and records will be sent or made available for inspection, which date shall not be later than the fifteenth (15th) business day after the date such notice is given.

5. **Extent of Books and Records.** The Association shall produce books and records requested by an Owner or an Owner's Representative to the extent those books and records are in the possession, custody or control of the Association.

6. **Time of Inspection; Copies.** If an inspection of books and records is requested or required, the inspection shall take place at a mutually agreed upon time during normal business hours. At the inspection, the Owner or the Owner's Representative shall identify the books and records to be copied and forwarded. The Association shall thereafter make copies of such books and records at the cost of the Owner and forward them to the Owner or the Owner's Representative.

7. **Format.** The Association may produce books and records requested by an Owner or an Owner's Representative in hard copy, electronic or other format reasonably available to the Association.

8. **Costs.** The Association may charge an Owner for the compilation, production or reproduction of books and records requested by the Owner or the Owner's Representative, which costs may include all reasonable costs of materials, labor, and overhead. Costs will be billed at the rates established by Title 1 of the Texas Administrative Code, Section 70.3 ("Section 70.3") as same may be amended from time-to-time. As of the date of this Policy, the rates set forth below are established by Section 70.3. Should the rates set forth in Section 70.3 ever be different than in this Policy (either through amendment or error by this Policy) the then current rates set forth in Section 70.3 shall control.

Labor for locating, compiling and reproducing records*	\$15.00 per hour
Copies (8½ x 11 and 8½ x 14)	\$0.10 per page
Oversize paper copies (11 x 17, greenbar and bluebar)	\$0.50 per page
Specialty papers (blue print and maps)	actual cost
Diskette	\$1.00
Magnetic tape or data or tape cartridge	actual cost
CD	\$1.00
DVD	\$3.00
VHS video cassette	\$2.50
Audio cassette	\$1.00
Other	At the rate provided for in Section 70.3

9. Advance Payment of Estimated Costs. The Association shall estimate the costs of compiling, producing and reproducing books and records requested by an Owner or an Owner's Representative on the basis of the rates set forth in Section 8 above. The Association may require advance payment of the estimated costs of compiling, producing and reproducing the requested books and records.

10. Actual Costs.

- 10.1. If the actual costs of compiling, producing and reproducing requested books and records are less than or greater than the estimated costs, the Association shall submit a final invoice to the Owner on or before the thirtieth (30th) business day after the date the requested books and records are delivered.
- 10.2. If the final invoice includes additional amounts due from the Owner, the Owner shall be required to pay the additional amount to the Association before the thirtieth (30th) business day after the date the invoice is sent to the Owner.
- 10.3. If the final invoice indicates that the actual costs are less than the estimated costs, the Association shall refund the excess amount paid by the Owner not later than the thirtieth (30th) business day after the date the invoice is sent to the Owner.
- 10.4. If the Owner fails to pay to the Association the additional amounts shown in the final invoice in accordance with Subsection 10.1 above, the Association may add the additional amount to the Owner's assessment account as an assessment.

* No labor will be charged if there are 50 or fewer pages unless the documents are in 2 or more separate buildings not physically connected to each other or in a remote storage facility.

11. Books and Records Not Required to be Produced.

- 11.1. Unless an Owner whose records are the subject of a request provides express written approval to the Association or unless a court order is issued directing either the release of books and records or that books and records be made available for inspection, the Association is not required to release or allow inspection of books and records that:
- a. identify the history of violations of dedicatory instruments of an individual Owner;
 - b. disclose an Owner's personal financial information, including records of payment or nonpayment of amounts due the Association;
 - c. disclose an Owner's contact information, other than the Owner's address; or
 - d. disclose information related to an employee of the Association, including personnel files.
- 11.2. The Association is not required to release or allow inspection of ballots cast in an election or removal of Directors, except as required by a recount procedure in accordance with Section 209.0057 of the Texas Property Code.
- 11.3. In addition, information may be released in an aggregate or summary manner that will not identify an individual property Owner.

12. Business Day. As used in this policy, "business day" means a day other than a Saturday, Sunday or state or federal holiday.

I hereby certify that I am the duly elected, qualified and acting Secretary of the Association and that the foregoing Open Records Policy was approved by a majority vote of the Board of Directors as set forth above and now appears in the books and records of the Association, to be effective upon recording in the Official Public Records of Real Property of Harris County, Texas.

TO CERTIFY which witness my hand this the 28th day of December, 2011.

LAKESIDE IMPROVEMENT ASSOCIATION

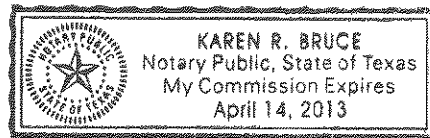
By: Anne Vachon, Secretary
Anne Vachon, Secretary

THE STATE OF TEXAS §
 §
COUNTY OF HARRIS §

BEFORE ME, the undersigned notary public, on this 28 day of December, 2011 personally appeared Anne Vachon, Secretary of Lakeside Improvement Association, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that she executed the same for the purpose and in the capacity therein expressed.

Karen R Bruce

Notary Public in and for the State of Texas



~~Return to:~~
Rick S. Butler
Butler | Hailey
8901 Gaylord, Suite 100
Houston, Texas 77024

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RECORDS RETENTION POLICY
for
LAKESIDE IMPROVEMENT ASSOCIATION

THE STATE OF TEXAS §
 §
COUNTY OF HARRIS §

I, Anne Vachon, Secretary of Lakeside Improvement Association (the "Association"), do hereby certify that at a meeting of the Board of Directors of the Association (the "Board") duly called and held on the 14th day of December, 2011, with at least a quorum of the Board members being present and remaining throughout, and being duly authorized to transact business, the following Records Retention Policy was duly approved by a majority vote of the members of the Board:

RECITALS:

1. Chapter 209 of the Texas Property Code was amended to add Section 209.005(m) requiring property owners' associations to adopt a records retention policy and to set forth minimum retention periods for particular types of documents.
2. The new law becomes effective on January 1, 2012.
3. The Board of Directors of the Association desires to adopt a records retention policy consistent with the new law.

POLICY:

It is the policy of the Association to retain the records of the Association listed below for the periods of time set forth below. The Association is not required to retain any other records. As used herein, "records" means documents originated or obtained by the Association in connection with its operations, whether a paper document or a document in electronic form.

1. Retention Periods.

Record Description	Record Retention Period
a) Financial records (including budgets, financial reports, bank records, and paid invoices)	Seven (7) years
b) Account records (including records relating to assessments and other sums owed and paid to the Association and records relating to violations of any dedicatory instrument of the Association) of current owners	Five (5) years

c) Account records (including records relating to assessments and other sums owed and paid to the Association and records relating to violations of any dedicatory instrument of the Association) of former owners	One (1) year after the former owner ceases to own a lot in the subdivision
d) Contracts	Four (4) years after expiration or termination of the contract
e) Minutes of meetings of the Board of Directors	Seven (7) years
f) Minutes of meetings of the members	Seven (7) years
g) Federal tax returns	Seven (7) years
h) State tax returns, if any	Seven (7) years
i) Audit reports	Seven (7) years
j) Certificate of Formation and Bylaws of the Association and all amendments; Restrictions and all amendments and supplements to the Restrictions; annexation documents; and deeds conveying real property to the Association	Permanently
k) Other dedicatory instruments of the Association not listed in (j), above, including, without limitation, Architectural Guidelines, Rules and Regulations and Policies	One (1) year after the date the document is rescinded or superseded by another document
l) Minutes and reports of committees	Seven (7) years
m) Insurance policies	Four (4) years after expiration or termination of the policy
n) Insurance claims and related documents	Four (4) years after the claim is resolved
o) Personnel records, excluding payroll records	Permanently
p) Payroll records	Five (5) years after the date of termination of employment
q) Reserve study	For the period of time covered by the study, plus two (2) years
r) Legal opinions issued by counsel for the Association	Permanently

s) Suit files	Seven (7) years after the date the suit is resolved
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2. Destruction of Documents.

The documents listed in Section 1 above, will be destroyed as soon as practicable when the applicable retention period expires. Other documents of the Association not listed in Section 1 above, will be destroyed when deemed appropriate by the Board of Directors of the Association. Destruction of paper documents shall be by shredding, bagging and trash pick-up, unless another method of destroying the documents is approved by the Board of Directors of the Association. Destruction of electronic documents shall be by deletion from hard disks and reformatting of removable disks.

I hereby certify that I am the duly elected, qualified and acting Secretary of the Association and that the foregoing Records Retention Policy was approved by a majority vote of the Board of Directors as set forth above and now appears in the books and records of the Association, to be effective upon recording in the Official Public Records of Real Property of Harris County, Texas.

TO CERTIFY which witness my hand this the 28th day of December, 2011.

LAKESIDE IMPROVEMENT ASSOCIATION

By: *Anne Vachon, Secretary*
Anne Vachon, Secretary

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BEFORE ME, the undersigned notary public, on this 28 day of December, 2011 personally appeared Anne Vachon, Secretary of Lakeside Improvement Association, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that she executed the same for the purpose and in the capacity therein expressed.

Karen R. Bruce
Notary Public in and for the State of Texas

Return to:
Rick S. Butler
Butler | Hailey
8901 Gaylord, Suite 100
Houston, Texas 77024
207787

