

HOMEOWNERS ASSOCIATION OF FRISCO HILLS, INC.

**UNANIMOUS CONSENT IN LIEU OF A SPECIAL MEETING OF
THE BOARD OF DIRECTORS OF
HOMEOWNERS ASSOCIATION OF FRISCO HILLS, INC.**

The undersigned, being all of the Directors of the Board of Directors of Homeowners Association of Frisco Hills, Inc. a Texas non-profit corporation (the "Association"), do hereby waive notice of the time, place and purpose of a special meeting of the Board of Directors of the Association, and do hereby adopt, ratify and approve the following resolutions and each and every action effected thereby, and this Consent shall have the same force and effect as a vote by the undersigned at a properly called special meeting of the Board of Directors of the Association.

WHEREAS, the Association was established and is governed by certain agreements, including, without limitation, its Bylaws and Covenants, Conditions, and Restrictions ("CCR's") of the Association;

WHEREAS, the Association was formed for certain purposes as more specifically, set forth in the Bylaws and other governing documents of the Association, which purposes include, without limitation, exercising all of the powers and privileges and to perform all of the duties and obligations of the Association as may be set forth therein;

WHEREAS, Section 2.5 of the Bylaws authorizes the Board of Directors of the Association to exercise certain powers of the Association for the benefit of its members, including, without limitation exercise of powers as may be necessary to operate and manage the Association;

WHEREAS, Section 2.3.8 of the Bylaws provides that an Action of the Board may be taken without a meeting of the Directors or any action that may be taken at a meeting of the Directors may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by a number of Directors sufficient to take such action if all Directors were present and voted on such action;

WHEREAS, it has come to the attention of the Board of Directors that the full desires and intentions of the Board or the Association with regard to a Notice and Fining Policy providing standards by which violations of Owners or Residents within the community can be governed was absent or insufficient. The intention of this Resolution is to clarify for full disclosure the adoption of a Notice and Fining Policy by which the standards desired to address violations will be followed. This in no way is meant to limit the Board's or the Association's ability to address any violation from time to time on a case by case basis which may be exercised by the Board at their sole discretion.

HOMEOWNERS ASSOCIATION OF FRISCO HILLS, INC.

NOW THEREFORE BE IT RESOLVED, that effective July 1, 2017, the Board of Directors of the Association hereby consents to, adopt, ratify, and approve the following resolution and each and every action effected thereby. The Board of Directors has consented to this resolution in good faith and each of the undersigned reasonably believes the resolution contained herein to be in the best interest of the Association, and consistent with the intended operation and management of the Association as set forth in its governing documents;

RESOLVED, that the duly elected and acting Secretary of the Association, or the President, any Vice President, Secretary or Treasurer of the Association or other officer of the Association (each being herein referred to as an "Authorized Officer" and referred to collectively as the "Authorized Officers"), are hereby authorized, empowered and directed, jointly and severally, to give such certifications of fact and information as shall be necessary to consummate and effect the contemplated transactions referred to in the foregoing resolutions. Furthermore, at the next open Board meeting the Board shall ratify this Resolution and the changes memorialized herein shall be noted in the minutes of the meeting for Association records.

RESOLVED, that the Authorized Officers of the Association are hereby authorized, empowered and directed, jointly and severally, to (a) sign, execute, certify to, verify, acknowledge, deliver, accept, file and record any and all documents, instruments and agreements, and (b) take, or cause to be taken, any and all such actions, in the name and on behalf of the Association, as in the judgment of the Authorized Officer so acting shall be necessary, desirable, or appropriate in order to effect the purposes of the foregoing resolutions (the taking of any such action by any Authorized Officer to be conclusive evidence that the foregoing standard has been met).

RESOLVED, that any and all actions taken by the Association, the Board of Directors, or any of the officers of the Association for and on behalf of the Association, prior to the adoption of these resolutions which are within the scope and intent of these resolutions are hereby ratified, approved and adopted as the acts of the Association, as applicable, in all respects.

RESOLVED FURTHER, that these resolutions are to be interpreted in the broadest possible manner so as to authorize, approve and facilitate the consummation of the transactions contemplated hereby and the execution, delivery and performance of any and all documents, instruments and agreements in connection therewith.

[Signatures appear on Page 3]

HOMEOWNERS ASSOCIATION OF FRISCO HILLS, INC.


IN WITNESS WHEREOF, the undersigned has executed these resolutions to be effective as of date referenced above (but not necessarily executed on) the date set forth above.



Mehrdad Moayedi, President

Rome Barnes

Rome Barnes, Vice President (Signed electronically)



Victor Tannous, Secretary

**BEING ALL OR A MAJORITY OF THE DIRECTORS OF THE BOARD OF
DIRECTORS OF THE ASSOCIATION**

HOMEOWNERS ASSOCIATION OF FRISCO HILLS, INC.

EXHIBIT A

**RESOLUTION OF THE BOARD OF DIRECTORS AND
NOTICE AND FINING POLICY**

HOMEOWNERS ASSOCIATION OF FRISCO HILLS, INC.

[see attached]

**RESOLUTION ADOPTING FINING POLICY AND SUPPLEMENTING NOTICE
REQUIREMENTS AS SET FORTH IN ARTICLE 6 OF THE DECLARATION OF
COVENANTS, CONDITIONS, AND RESTRICTINS FOR
HOMEOWNERS ASSOCIATION OF FRISCO HILLS, INC. -
(the "Association")**

WHEREAS, the Association desires to adopt a Resolution setting forth guidelines on the enforcement of its current Covenants, Conditions, and Restrictions, and rules regarding enforcement of and for violations and matters of non-conformance within the Homeowners Association of Frisco Hills, Inc..

WHEREAS, The Board of Directors desires to supplement the existing enforcement policy as set forth in Article 6 of the Covenants, Conditions, and Restrictions of Homeowners Association of Frisco Hills, Inc. to bring further clarity and uniformity to the process and manner in which violations and matters of non-conformance are handled. Additionally, the Board of Directors desires to establish a fining policy and fine schedule in order to more effectively address violations and matters of non-conformance when they arise.

WHEREAS, the Board of Directors by Consent in Lieu of Special Meeting has agreed by unanimous consent to supplement and bring clarification to the enforcement policy / procedures and hereby adopt notice and fining structure as approved by a majority of the Board.

BE IT RESOLVED, that should there be a conflict between this Notice and Fining Policy and Article 6 of the Declaration, the higher standard shall prevail.

Adopted and approved as to form and content this 1st day of July, 2017, by the Board of Directors of Homeowners Association of Frisco Hills, Inc.



Mehrdad Moayedi, President

Rome Barnes

Rome Barnes, Vice President (Hereby Attested by my electronic signature)



Victor Tannous, Secretary

NOTICE AND FINING POLICY

Homeowners Association of Frisco Hills, Inc. has adopted the following Notice and Fining Policy to supplement the enforcement rules found in Article 6 of the Declaration and any amendment thereto for the enforcement of the Association's Governing Documents (to include the CC&R's, Amendments, By-Laws, and Rules & Regulations) and to establish a fine structure for use by the Association and its Managing Agent.

This policy shall supplement the provisions set forth in the Covenants, Conditions, and Restrictions. Should there be a conflict between the Declaration and this Notice and Fining Policy, the higher standard shall prevail. The amending of this policy shall not require the consent or joinder of the Members notwithstanding, any amendment shall be voted upon and approved by at least a majority of the Board when conducted in an Open Board Meeting for that purpose.

Any condition, use, activity or improvement which does not comply with the provisions of the Homeowners Association of Frisco Hills, Inc. Governing Documents shall constitute a "Violation" under this policy for all purposes.

1. **Violation Notice (Courtesy Notice):** Homeowners will be notified when a violation occurs. A minimum of ten (10) days will be given to allow the Owner to correct or eliminate the violation(s). The Notice shall include the nature and description of the violation, the street address of the Lot on which the violation exists, and date in which the violation was noted.
2. **Notice of Violation (2nd Notice):** If the violation is not corrected or eliminated within the time period specified in the Courtesy Notice, or if the Board or its Managing Agent deem it necessary or appropriate to proceed without the Courtesy Notice, the Association or its delegate will forward to the Owner of the Lot written notice of the violation(s). A Notice of Violation (2nd Notice) is not required if the alleged violator received a Notice of Violation relating to a similar or same violation within six (6) months of the current violation and was given a reasonable opportunity to cure the prior violation. In such event, the Board or its delegate may impose sanctions upon the Owner which may include but, are not limited to, suspension of the right to use of the Common Areas and/or imposition of monetary fines as authorized by the Declaration and/or this Enforcement Policy. Should the requirement for Notice of Violation (2nd Notice) not be required the Association or its delegate shall announce by way of Final Notice of Violation or Fine Warning Notice that sanctions for non-conformance will be levied. Notice shall meet the criteria as outlined in No. 3 below.
3. **Final Notice of Violation / Fine Warning Notice:** If after the initial notices (or subsequent notices if given) as described above the violation continues, the Owner will be notified that a fine will be levied against his/her account. ***This notice shall be mailed certified and regular U.S. mail*** and shall be the initial "Final Notice of Violation / Fine Warning Notice" which shall include the amount of the fine to be levied and shall contain verbiage pursuant to Chapter 209.006 and 209.007 of the Texas Property Code as amended from time to time regarding an Owner's right to request a hearing before a committee (or the Board in the absence of a committee). Notice must describe the violation

or property damage that is the basis for the fine for such violation, and state any amount due the Association from the Owner and Owner shall be given a reasonable time to cure the violation which shall not be less than ten (10) nor more than thirty (30) days and is dependent upon the Board's or delegate's discretion and the severity or nature of the violation.

Owner shall have thirty (30) days to request a hearing in writing from the date of notice. The Association or its Managing Agent shall set the hearing within thirty (30) days of receipt of the written request and the Owner shall be notified in writing of the hearing date, time and place not less than ten (10) days prior to the date of the hearing. Either party may request a postponement, or if requested, a postponement shall be granted for a period of not more than ten (10) days. Additional postponements may be granted by agreement of the parties. If the Hearing is to be held before a Committee appointed by the Board, the Owner shall have the right to appeal to the Board of Directors should the Owner disagree with the Committee's decision. Notice of an Appeal Hearing before the Board of Directors must be submitted by the Owner in writing. An Owner is liable to the Association for certain charges, including reimbursement of attorney's fees incurred by the Association.

Where the Owner corrects or eliminates the violation(s) prior to or during the imposition of any sanction, no further action will be taken except for the collection of any monetary fines which may have levied against the Lot Owner. Written notice of correction of violation may be obtained from the Association or its Managing Agent upon written request.

4. **“Damage Assessment”:** Violations that result in property damage or cause the Association to incur cleanup or other costs will result in a “Special Individual Assessment” on the homeowner's account. Non-payment of this type of assessment may result in additional fees, and collection actions as allowed by law. Any attorney fees or other costs incurred by the Association will be assessed to the Owner's account. Notices for Special Individual Assessment shall follow the same protocol for Fine Warning Notices sent in Section 3 above unless the Declaration requires a different notification process. If conflicts on notification exist, the Declaration shall prevail. The Association shall also deliver to the Owner a statement of account identifying the Special Individual Assessment due which Owner shall pay upon receipt of statement. Once the statement has been placed with the U.S. Postal Service for delivery the statement shall be deemed as delivered. Failure to pay any Special Individual Assessment by an Owner shall be subject to collection the same as any other Assessment.

5. **Emergency and Self-Help:** In the case of emergencies where it can reasonably be assumed that the safety, health, welfare and protection of the Owner, a neighbor or neighborhood, or the community in part or as a whole is at risk or there are recurring violations within a six (6) month period, the following process may be observed and followed:

Violations which present hazards for residents, are damaging property, creating an ongoing nuisance or can be considered an emergency requiring immediate correction shall be subject to self-help actions by the Association as described in the Declaration of Covenants, Conditions and Restrictions (the “CCR's”) should Owner fail to cure the violation.

Self Help actions considered an emergency requiring immediate attention will be addressed within seventy-two (72) hours or less by the Association. A notice in the case of

an emergency may be delivered by hand, electronic mail, or U.S. mail. Any costs for initiating Self Help to cure a violation including the costs of postage and handling shall be assessed to the Owner's account.

6. **Suit and Board Discretion:** Failure to comply with the Documents will be grounds for an action to recover damages or for injunctive relief to cause any such violation to be remedied, or both. Prior to commencing legal proceeding, the Association will give the defaulting party reasonable notice and an opportunity to cure the violation. The Board may use its sole discretion in determining whether to pursue a violation of the Documents, provided the Board does not act in an arbitrary or capricious manner.
7. **Request for Hearing:** If the Owner submits a written request for a hearing, any fines which may be levied shall be suspended until after the hearing. If the Association has a Managing Agent, notice shall be served through the Managing Agent who shall set the hearing date, time, and place and shall notify the Owner via U.S. mail. The Board shall appoint a Hearing Committee who shall oversee the first hearing and who shall render a decision based upon the facts and/or testimonies provided. The Hearing Committee shall render their findings and subsequent results from the hearing in writing no more than ten (10) days from the date of the hearing and the Managing Agent shall notify the Owner via U.S. mail of the decision.

The Association or its Managing Agent shall immediately proceed and comply with any instructions and/or findings. If the Hearing Committee rules in favor of the Association, all fines or other violation actions suspended pending the hearing outcome may resume unless the Hearing Committee instructs otherwise. If the Hearing Committee rules in favor of the Owner, all violation actions shall cease and no further fines shall be assessed unless and until the Hearing Committee provides instruction. The Hearing Committee must note in their findings and provide direction to the Managing Agent as to whether any fine(s) previously assessed to the Owners account will be upheld or waived. If the hearing is held by a committee appointed by the Board, the Owner shall have the right to appeal the decision of the committee to the Board of Directors and the decision of the Board of Directors shall be final. If the hearing is held by the Board of Directors in the absence of a committee, the decision of the Board of Directors is final.

FINE SCHEDULE

The costs of curing or abating a violation are at the expense of the Owner or other person responsible for the violation. At the Board's sole discretion, a fine may be levied against a renter or lessee other than the Owner however, should the renter or lessee fail to pay the fine within the time allotted, the Owner shall be responsible for the fine which shall be added to the Owner's account.

Each Final Notice / Fine Warning Notice shall contain the minimum verbiage as required by the Texas State Property Code or the Declaration and Bylaws and must advise the Owner of his/her right to request a hearing pursuant to Section 209.006 and 209.007 of the Texas Property Code. Additionally, notices prior to levying a fine shall notify Owners serving in active military of their rights under Chapter 209 of the Texas Property Code wherein active military personnel may have special rights of relief related to enforcement actions under federal law, including Servicemembers

Civil Relief Act (50 U.S.C. app. Section 501 et seq.), if the Owner is serving on active military duty. Fine Notice / Fine Warning Notice shall be mailed certified and regular U.S. mail.

The table below is intended to establish a base fining structure. **The Board shall have the right to instruct or adopt a different fining structure so long as the fines imposed do not exceed the maximum fine limit of \$500.00 per violation occurrence.** Fines for some violations such as recurring violations or serious violations that endanger persons or property may have a different fine structure or may be issued in lump sum amounts versus increments. The manner in which the fines for non-compliance are issued shall be at the sole discretion of the Board of Directors. Fines may be assessed based on the severity of a violation or for continual or recurring violations within a six month period. Each day the violation continues to exist shall constitute a separate violation.

An Owner who continually violates the Association's Declaration, Rules and Regulations or Bylaws, or who damages Association property may be assessed a one-time fine up to the maximum fine amount at the sole discretion of the Board so long as the fine amounts levied are commensurate to the violation or the history of recurring violations recorded against an Owner.

- 1st Fine:** First fine for a violation not cured by the Owner after the initial fine warning notice has been given shall not be less than \$50.00, then;
- 2nd Fine:** After a minimum of not less than ten (10) days, the Board or its Managing Agent shall inspect the Owner's property for compliance. If the violation remains, a letter shall be sent to the violating Owner advising that a second fine in the amount of \$75.00 shall be assessed to the Owner's account, then;
- 3rd Fine:** After a minimum of not less than ten (10) additional days, the Board or its Managing Agent shall inspect the Owner's property for compliance. If the violation remains, a letter shall be sent to the violating Owner advising that a third fine in the amount of \$100.00 shall be assessed to the Owner's account.
- 4th & After:** If compliance is not met after the end of a minimum of ten (10) days from the date the third fine letter is sent, the Owner will receive one (1) final notice advising that fines shall escalate at the rate of \$25.00 for every ten (10) days in which the violation remains until the maximum fine amount of \$500.00 is reached at which time the violation process shall start over and shall be treated as a recurring violation subject to additional fines as outlined in this policy so long as the violation remains. Each day the violation continues to exist shall constitute a separate violation.

The maximum fine amount is based on a per violation occurrence and can be assessed each time a violation occurs whether or not it is the same or similar kind or whether it is a recurring violation. Recurring violations or violations that cause damage or harm may be treated as those considered to be of greater severity by the Board or its Managing Agent.

Note: All fines are subject to collections and will be collected in the same manner as are the association dues.

This notice and fining policy was adopted the 1st day of July, 2017, by the Board of Directors to replace any existing policy and to supplement the Articles and Sections of the Declaration pertaining to enforcement. This policy may be subject to amendment or rescinding at the Board's sole discretion and upon majority vote of the Board.

A handwritten signature in blue ink, appearing to read 'Victor Tannous', positioned above a horizontal line.

Victor Tannous, Secretary
Homeowners Association of Frisco Hills, Inc.