

**HOLIDAY BEACH PROPERTY OWNERS' ASSOCIATION
RECORDS RETENTION POLICY**

SUBDIVISION: Holiday Beach Subdivision, Rockport, Aransas County, Texas

322130

County Clerk, Aransas County, Texas

ASSOCIATION: Holiday Beach Property Owner's Association

The Board of Directors of Holiday Beach Property Owner's Association, a Texas property owners association as defined by Texas Property Code Chapter 209, has resolved that it is the best interests of the Association to adopt this Policy, and has instructed the undersigned to execute and effect recording of this instrument on behalf of the Association.

PURPOSE. The purpose of this Policy is to comply with the minimum requirements of Property Code Section 209.005(m) enacted by the 82nd Texas Legislature as House Bill 2761, effective January 1, 2012, which requires a property owners association composed of more than 14 lots to adopt and comply with a document retention policy.

EFFECTIVE DATE. This Policy is adopted by the Board of Directors to be effective date from January 1, 2012.

DOCUMENT RETENTION REQUIREMENTS. At a minimum, the Association will retain the documents required by Property Code Sec. 209.005(m), for the periods of stated required by Property Code Section 209.005(m), which on the Effective Date consist of the documents hereinafter identified.

MINIMUM STATUTORY REQUIREMENTS Effective January 1, 2012, the Association will retain the following documents for the below-stated periods of time, being the stated requirements of Property Code Section 209.005(m):

- (1) certificates of formation, bylaws, restrictive covenants, and all amendments to the certificates of formation, bylaws, and covenants shall be retained permanently;
- (2) financial books and records shall be retained for at least seven years;
- (3) account records of current owners shall be retained for at least five years;

(4) contracts with a term of one year or more shall be retained for at least four years after the expiration of the contract term;

(5) minutes of meetings of the owners and the board shall be retained for at least seven years; and

(6) tax returns and audit records shall be retained for at least seven years.

CONSTRUCTION. The Policy may not be construed to prevent the Board of Directors from adopting, amending, and restating, from time to time, one or more additional administrative policies pertaining to the retention of documents, records, and information of the Association, including 'without limitation .' policies relating to the storage and destruction of the items, and policies pertaining to the retention, storage, and destruction of documents, records, and information of the Association. This provision may not be construed as a duty of the Board of Directors to adopt such additional administrative policies.

APPLICABILITY. Pursuant to SECTION 6(b) of House Bill 2761, this Policy applies only with respect to books and records of the Association generated on or after January 1, 2012, the effective date of the law enacted by House Bill 2761.

PUBLIC RECORDING. In case this administrative Policy is construed to be a "dedicatory instrument" within the meaning of Property Code Sec. 202.001(1), it will be publicly recorded in Aransas County, Texas, pursuant to Property Code Sec. 202.006(b). All amendments, restatements, and supplements to this Policy must also be publicly recorded in the same County, unless and until State law clarifies that public recording of administrative policies, such as this Policy, is not required. This provision and the act of recording may not be construed as an assertion by the Association that this Policy, which is administrative in nature, is a "dedicatory instrument."

322130

File No. _____
County Clerk, Aransas County, Texas

By signing below, the undersigned certifies that the Board of Directors of the Association adopted this Policy and instructed the undersigned to execute this Policy and effect its recording on behalf of the Association.

Approved by the Board on February 21, 2012

Holiday Beach Property Owner's Association
a Texas Property Owners' Association

by Rose Arp
Rose Arp, President