

**TWIN LAKES OWNERS ASSOCIATION, INC.
DOCUMENT INSPECTION AND COPYING POLICY**

WHEREAS, Twin Lakes Owners Association, Inc. (“Association”) is charged with administering and enforcing those certain covenants, conditions and restrictions contained in the Second Amended and Restated Declaration of Covenants, Conditions and Restrictions for Twin Lakes Owners Association, Inc. (“Declaration”), recorded on January 10, 2006 as Instrument Number 2006-3647 of the Real Property Records, Denton County, Texas, as supplemented and/or amended from time to time; and

WHEREAS, Section 209.005 of the Texas Property Code governs owner access to Association documents and records (“Records”); and

WHEREAS, the Board of Directors (“Board”) of the Association desires to establish a policy for records production consistent with Section 209.005 and to provide clear and definitive guidance to property owners.

NOW, THEREFORE, the Board has duly adopted the following Document Inspection and Copying Policy (“Policy”).

1. Right to Inspect. Every owner of a lot in the Association is entitled to inspect and copy the Association’s books and records in compliance with the procedures set forth in this Policy.
2. Books and Records Available for Inspection and Copying. The Association’s books and records available for inspection and copying by owners are those records designated by Section 209.005 of the Texas Property Code.
 - a. Pursuant to Section 209.005(d) of the Texas Property Code an attorney’s files relating to the Association, excluding invoices, are not records of the Association, and are not subject to inspection by owners, or production in a legal proceeding.
 - b. Pursuant to Section 209.005(k), the Association is not required to release or allow inspection of any books and records relating to an employee of the Association, or any books and records that identify the violation history, contact information (other than the address) and/or financial information of an individual owner, absent the express written approval of the owner whose information is the subject of the request or a court order requiring disclosure of such information.
3. Owner Request via Certified Mail. An owner may submit a designation in writing, signed by the owner, specifying such other individuals who are authorized to inspect the Association’s books and records as the owner’s agent, attorney, or certified public accountant. The owner and the owner’s designated representative are referred to herein as the “Requesting Party.”
 - a. The Requesting Party seeking to inspect or copy the Association’s books and records must submit a written request via certified mail to the Association at the mailing

address of the Association or its managing agent as reflected on the Association's current management certificate.

- b. The request must contain sufficient detail describing the requested Association's books and records, including pertinent dates, time periods or subjects sought to be inspected.
 - c. The request must also specify whether the Requesting Party seeks to inspect the books and records before obtaining copies or to have the Association forward copies of the requested books and records to the Requesting Party.
4. Request to Inspect. If the Requesting Party elects to inspect the Association's books and records, the Association shall notify the Requesting Party within ten (10) business days after receiving the Requesting Party's request of the dates during normal business hours that the Requesting Party may inspect the requested books and records ("Inspection Notice").
 5. Request to Copy. If the Requesting Party requests copies of the Association's books and records, the Association shall produce the requested books and records by the 10th business day after the date the Association receives the request.
 6. Association Notice of Delay in Producing Books and Records. If the Association is unable to produce the requested books and records by the 10th business day after the date the Association receives the request, the Association must provide written notice to the Requesting Party (the "Inspection Delay Letter") that:
 - (a) the Association is unable to produce the information by the 10th business day after the date the Association received the request, and
 - (b) state a date by which the information will be either sent or made available for inspection that is not later than fifteen (15) business days after the date of the Inspection Delay Letter.
 7. Inspection Time and Place. Any inspection shall take place at a mutually agreed upon time during normal business hours. All inspections shall take place at the office of the Association's management company, if one is utilized by the Association, or such other location as the Association designates.
 - a. No Requesting Party or other individual shall remove original records from the location where the inspection is taking place, nor alter the records in any way. All individuals inspecting or requesting copies of records shall conduct themselves in a businesslike manner and shall not interfere with the operation of the Association's or management company's office or the operation of any other office where the inspection or copying is taking place.
 - b. At such inspection, the Requesting Party may identify such books and records for the Association to copy and forward to the Requesting Party. The Association may produce

all requested books and records in hard copy, electronic, or other format reasonably available to the Association.

8. Costs Associated with Compilation, Production and Reproduction. The costs associated with compiling, producing and reproducing the Association's books and records in response to a request to inspect or copy documents ("Production Costs"), which are the responsibility of the owner, shall be those set forth in 1 Texas Administrative Code Section 70.3. Production Costs shall be subject to increase in the event 1 T.A.C. 70.3 is amended or re-codified. Current Production Costs include:

a. *Copy charge.*

- (i) Standard paper copy: \$.10 per page or part of a page; Oversize paper copy: \$.50. Each side that has recorded information is considered a page.
(ii) Nonstandard copy: diskette, CD, audio cassette --\$1.00; DVD -- \$3.00; other electronic media, specialty paper – actual cost.

b. *Labor charge.*

- (i) The hourly charge for a programmer is \$28.50 an hour.
(ii) The charge for labor costs incurred in processing a request, including the actual time to locate, compile, manipulate data, and reproduce the requested information, is \$15 an hour.
(iii) A labor charge shall not be billed in connection with complying with requests that are for 50 or fewer pages of paper records, unless the documents to be copied are located in two or more separate buildings that are not physically connected with each other; or a remote storage facility.
(iv) When confidential information is requested, a labor charge may be recovered for time spent to redact, blackout, or otherwise obscure confidential information.

c. *Overhead charge.*

Whenever any labor charge is applicable to a request, the Association may include in the charges direct and indirect costs. This overhead charge would cover such costs as depreciation of capital assets, rent, maintenance and repair, utilities, and administrative overhead. The overhead charge shall be computed at 20% of the charge made to cover any labor costs associated with a particular request.

d. *Supplies.* The actual cost of miscellaneous supplies, such as labels, boxes, and other supplies used to produce the requested information, may be added to the total charge.

e. *Shipping.* The Association may add any related postal or shipping expenses which are necessary to transmit the reproduced information.

9. Advance Payment. The Association may require the owner to pay the estimated Production Costs in advance.

- a. *Final Invoice.* If the estimated Production Costs are lesser or greater than the actual Production Costs, the Association shall submit a final invoice to the owner on or before the 30th business day after the date the information is delivered.

- b. *Assessment for Unreimbursed Amounts.* If the final invoice contains additional amounts due from the owner, those additional amounts, if not reimbursed to the Association before the 30th business day after the date the invoice is sent to the owner, may be added to the owner's account as an assessment.
- c. *Owner Refund.* If the estimated Production Costs exceeded the final invoice amount, the owner is entitled to a refund, which shall be issued not later than the 30th business day after the date the invoice is sent to the owner.

This Policy is effective upon recordation in the Real Property Records and supersedes any policy regarding document retention which may have previously been in effect. Except as affected by Section 209.005 or by this Policy, all other provisions contained in the Declaration or any other dedicatory instrument of the Association shall remain in full force and effect.

This is to certify that the foregoing Policy was adopted by the Board at a meeting of the same held _____, and has not been modified, rescinded or revoked.

By: _____
Title:

Date: _____