

CAPE ROYALE PROPERTY OWNERS ASSOCIATION, INC.

RECORDS RETENTION POLICY

STATE OF TEXAS §
 §
 COUNTY OF SAN JACINTO §

WHEREAS, Cape Royale Property Owners Association, Inc. (the "Association"), is the governing entity for the Property located in San Jacinto County, Texas, as particularly described in Exhibit "A", attached hereto, (the "Subdivision"); and

WHEREAS, Chapter 209 of the Texas Property Code was amended, effective January 1, 2012, to add Section 209.005(m), which requires the Association to adopt and record a policy regarding retention of Association Books and Books and Records; and

WHEREAS, the Association, through its Board of Directors, shall have and may exercise discretionary authority concerning the restrictive covenants contained herein;

NOW THEREFORE, in order to comply with Section 209.005(m), the Association hereby adopts the following Records Retention Policy:

The Association shall maintain its records as follows:

<u>RECORD</u>	<u>RETENTION PERIOD</u>
Certificate of Formation/ Articles of Incorporation, Bylaws, Declarations and all amendments to those documents.	PERMANENT
Association Tax Returns and Tax Audits	SEVEN (7) YEARS
Financial Books and Records	SEVEN (7) YEARS
Account Records of Current Owners	FIVE (5) YEARS
Contracts with a term of more than one year	FOUR (4) YEARS AFTER CONTRACT EXPIRES
Minutes of Member Meetings and Board Meetings	SEVEN (7) YEARS

Records not listed above are not subject to retention. Upon expiration of the retention date, the applicable records may be destroyed.

CAPE ROYALE PROPERTY OWNERS ASSOCIATION, INC.

CERTIFICATION

"I, the undersigned, being the President of Cape Royale Property Owners Association, Inc., hereby certify that the foregoing Resolution was adopted by at least a majority of the Association Board of Directors on the 28th day of December 2011."

By: Ken L. Clark, President

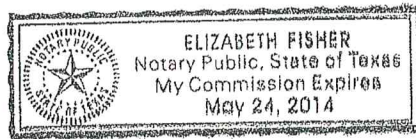
Print Name: KEN L. CLARK

ACKNOWLEDGEMENT

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BEFORE ME, the undersigned authority, on this day, personally appeared the person whose name is subscribed to the foregoing instrument and acknowledged to me that they executed the same as the act of the Association for the purpose and consideration therein expressed and in the capacity therein stated.

Given under my hand and seal of office this 28 day of DECEMBER, 2011.



Elizabeth Fisher
 Notary Public, State of Texas

After Recording Return to:
 HOLT & YOUNG, P.C.
 11200 Richmond Ave., Ste. 450
 Houston, Texas 77082