

RECORDS RETENTION POLICY
for
VALLEY RANCH HOMEOWNERS ASSOCIATION, INC.

THE STATE OF TEXAS §
 §
COUNTY OF MONTGOMERY §

I, Don Reynolds, President of Valley Ranch Homeowners Association, Inc. (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 27th day of NOV, 2012, 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 became 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) Articles of Incorporation and Bylaws of the Association and all amendments; Declaration of Covenants, Conditions and Restrictions and all amendments and supplements to the Declaration of Covenants, Conditions and 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, Builder 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

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.

Provided, however, immediately upon learning of an investigation or court proceeding involving an Association matter, all documents and records (both hard copy and electronic, including e-mail) related to the investigation or proceeding must be preserved; this exception supersedes any established destruction schedule for the records in question to the contrary.

I hereby certify that I am the duly elected, qualified and acting President 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 Montgomery County, Texas.

TO CERTIFY which witness my hand this the 9th day of January, ~~2012~~ ²⁰¹³.

VALLEY RANCH HOMEOWNERS ASSOCIATION, INC.

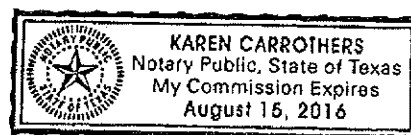
By: [Signature]
Print Name: Dan Reynolds, President

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BEFORE ME, the undersigned notary public, on this 9th day of January, ~~2012~~ ²⁰¹³ personally appeared Dan Reynolds, President of Valley Ranch Homeowners Association, Inc., known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he/she executed the same for the purpose and in the capacity therein expressed.

[Signature: Karen Carrothers]
Notary Public in and for the State of Texas

Return to:
Rick S. Buller
Butler | Hailey
8901 Gaylord, Suite 100
Houston, Texas 77024
222004



SECOND SUPPLEMENTAL
NOTICE OF DEDICATORY INSTRUMENTS
FOR
VALLEY RANCH HOMEOWNERS ASSOCIATION, INC.

THE STATE OF TEXAS §
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The undersigned, being the authorized representative of Valley Ranch Homeowners Association, Inc., a property owners' association as defined in Section 202.001 of the Texas Property Code (the "Association"), hereby supplements the "Notice of Dedicatory Instruments for Valley Ranch Homeowners Association, Inc." ("Notice") recorded in the Official Public Records of Real Property of Montgomery County, Texas on June 6, 2008 under Clerk's File No. 2008-056313, and the "First Supplemental Notice of Dedicatory Instruments for Valley Ranch Homeowners Association, Inc." (the "First Supplemental Notice") recorded in the Official Public Records of Real Property of Montgomery County, Texas on October 1, 2008 under Clerk's File No. 2008-096645, which documents were filed for record for the purpose of complying with Section 202.006 of the Texas Property Code.

1. Additional Dedicatory Instruments. In addition to the Dedicatory Instruments identified in the Notice and the First Supplemental Notice, the following documents are Dedicatory Instruments governing the Association:
 - Payment Plan Policy for Valley Ranch Homeowners Association, Inc.;
 - Open Records Policy for Valley Ranch Homeowners Association, Inc.; and
 - Records Retention Policy for Valley Ranch Homeowners Association, Inc.

This Second Supplemental Notice is being recorded in the Official Public Records of Real Property of Montgomery County, Texas for the purpose of complying with Section 202.006 of the Texas Property Code. I hereby certify that the information set forth in this Second Supplemental Notice is true and correct and the documents attached to this Second Supplemental Notice are the originals.

Executed on this 10th day of January, 2013.

VALLEY RANCH HOMEOWNERS ASSOCIATION, INC.

By: 
Rick S. Butler, authorized representative

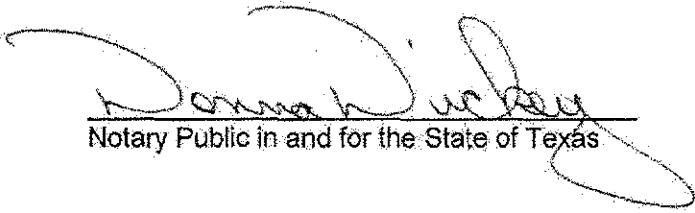
THE STATE OF TEXAS

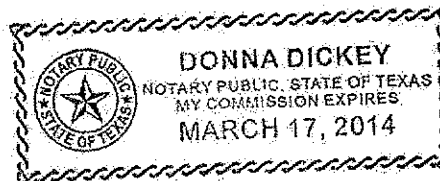
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COUNTY OF MONTGOMERY

BEFORE ME, the undersigned notary public, on this day personally appeared Rick S. Butler, authorized representative of Valley Ranch Homeowners Association, Inc., known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he executed the same for the purpose and in the capacity therein expressed.

SUBSCRIBED AND SWORN TO BEFORE ME on this the 10th day of January, 2013, to certify which witness my hand and official seal.


Notary Public in and for the State of Texas



Return to:

Rick S. Butler
BUTLER | HAILEY
8901 Gaylord Drive, Suite 100
Houston, Texas 77024

216763

E-FILED FOR RECORD
01/11/2013 10:29AM

Mark Turnbull

COUNTY CLERK
MONTGOMERY COUNTY, TEXAS

STATE OF TEXAS
COUNTY OF MONTGOMERY

I hereby certify this instrument was e-FILED in
file number sequence on the date and at the time
stamped herein by me and was duly e-RECORDED in
the Official Public Records of Montgomery County, Texas.

01/11/2013



Mark Turnbull

County Clerk
Montgomery County, Texas