

**DOCUMENT RETENTION POLICY FOR
FOREST COVE SECTION II HOMEOWNERS ASSOC.**

THE STATE OF TEXAS

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KNOW ALL PERSONS BY THESE PRESENTS:

COUNTY OF GALVESTON

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WHEREAS, Forest Cove Section II Homeowners Assoc. (the "Association"), a Texas non-profit corporation, which is governed by its Board of Directors (the "Board") is charged with administering and enforcing those certain covenants, conditions and restrictions contained in the recorded Deed Restrictions for Forest Cove Section II (hereafter collectively referred to as the "Deed Restrictions") filed on February 6, 2004 under Galveston County Clerk's File No. GAC2004007813 and refilled on July 5, 2005 under Galveston County Clerk's File No. GAC2005044545, and is also a domestic non-profit corporation formed by the Secretary of State of Texas on June 7, 2005, as Forest Cove Section II Homeowners Assoc., under File No. 800502445; and

WHEREAS, the Board is duly authorized to enact this Document Retention Policy for Forest Cove Section II Homeowners Assoc.; and

WHEREAS, Chapter 209 of the Texas Property Code was amended effective January 1, 2012, to add Section 209.005(m) ("Section 209.005") thereto regarding retention of Association documents and records ("Documents"); and

WHEREAS, the Board desires to establish a policy for document retention consistent with Section 209.005 and to provide clear and definitive guidance to owners.

NOW, THEREFORE, the Board has duly adopted the following *Document Retention Policy*.

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
Financial records (including budgets, financial reports, bank records, and paid invoices)	Seven (7) years
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

Record Description	Record Retention Period
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
Contracts	Four (4) years after expiration or termination of the contract
Minutes of meetings of the Board of Directors	Seven (7) years
Minutes of Annual Meetings of the Members	Seven (7) years
Federal tax returns	Seven (7) years
State tax returns, if any	Seven (7) years
Audit reports	Seven (7) years
Certificate of Formation and Bylaws of the Association and all amendments; Amended and Restated Declaration of Covenants, Conditions and Restrictions and all amendments and supplements to the Amended and Restated Declaration of Covenants, Conditions and Restrictions; annexation documents; and deeds conveying real property to the Association	Permanently
Other dedicatory instruments of the Association not listed above, including, without limitation, Architectural Guidelines, Rules and Regulations and Policies	One (1) year after the date the document is rescinded or superseded by another document
Minutes and reports of committees	Seven (7) years
Insurance Policies	Four (4) years after expiration or termination of the policy
Insurance claims and related documents	Four (4) years after the claim is resolved
Personnel records, excluding payroll records (if any)	Permanently
Payroll records (if any)	Five (5) years after the date of termination of employment
Reserve study	For the period of time covered by the study, plus two (2) years
Legal opinions issued by counsel for the Association	Permanently
Suit files	Seven (7) years after the date the suit is resolved

2. Destruction of Documents.

Upon expiration of the retention period listed in Section 1 above, the Documents shall no longer be considered Association records and may be destroyed, discarded, deleted, purged or otherwise eliminated.

This Document Retention Policy was approved by a majority vote of the Board of Directors and now appears in the books and records of the Association. This Policy is effective upon recordation in the Public Records of Galveston County, Texas and supersedes any policy regarding document retention which may have previously been in effect. Except, as affected by Section 209.005 and/or by this Policy, all other provisions contained in the Deed Restrictions or any other dedicatory instruments of the Association shall remain in full force and effect.

TO CERTIFY which witness my hand this 28th day of August, 2014.

FOREST COVE SECTION II HOMEOWNERS ASSOC.

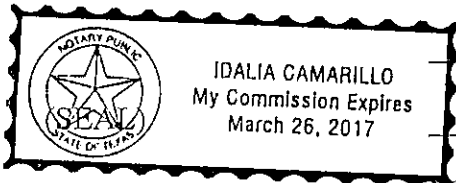
BY: Elizabeth L. Conner
Elizabeth L. Conner
President/Director
Forest Cove Section II Homeowners Assoc.

THE STATE OF TEXAS *

COUNTY OF GALVESTON *

BEFORE ME, the undersigned authority, on this day, personally appeared ELIZABETH L. CONNER, President and a Director for Forest Cove Section II Homeowners Assoc. known to me to be the person whose name is subscribed to the foregoing document and being by me first duly sworn, declared that she is the person who signed the foregoing document in her capacity as President and a Director, and that the statements contained therein are true and correct to the best of her knowledge and belief.

GIVEN under my hand and seal of office this 28th day of August, 2014.



Idalia Camarillo
Notary Public, State of Texas
Idalia Camarillo
Notary's Printed Name
My commission expires on March 26th 2017

After Recording, return to:
Forest Cove Section II Homeowners Assoc.
P.O. Box 237
Dickinson, Texas 77539

FILED AND RECORDED

Instrument Number: 2014048938

FILED FOR RECORD

Recording Fee: 34.00

Number Of Pages: 4

Filing and Recording Date: 08/28/2014 12:44PM

I hereby certify that this instrument was FILED on the date and time stamped hereon and RECORDED in the OFFICIAL PUBLIC RECORDS of Galveston County, Texas.



Dwight D. Sullivan

Dwight D. Sullivan, County Clerk
Galveston County, Texas

NOTICE: It is a crime to intentionally or knowingly file a fraudulent court record or instrument with the clerk.

DO NOT DESTROY - *Warning, this document is part of the Official Public Record.*