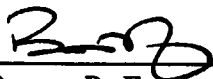


**CORPORATE CERTIFICATE  
COMMUNITY IMPROVEMENT ASSOCIATION OF SHADOW BAY, INC.**

The undersigned certifies that he is the Attorney for COMMUNITY IMPROVEMENT ASSOCIATION OF SHADOW BAY, INC. (the "Association"). The Association is the property owners' association for Shadow Bay Section One, a subdivision in Montgomery County, Texas, according to the map or plat thereof recorded in the Map Records of Montgomery County, Texas.

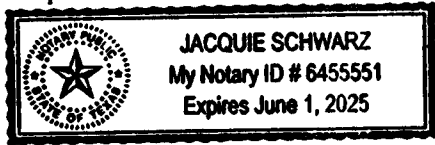
The Association is a Texas nonprofit corporation, and attached to this certificate is a true and correct copy of the Association's **COLLECTION POLICY**.


Signed this the 3<sup>rd</sup> day of August, 2022.

  
\_\_\_\_\_  
BRYAN P. FOWLER, Attorney

STATE OF TEXAS                   §  
  §  
COUNTY OF MONTGOMERY       §

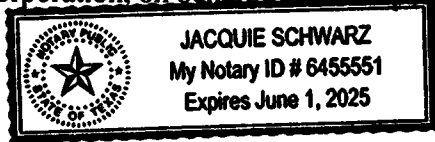
SWORN TO AND SUBSCRIBED BEFORE ME on the 3<sup>rd</sup> day of August, 2022, by BRYAN P. FOWLER, Attorney for COMMUNITY IMPROVEMENT ASSOCIATION OF SHADOW BAY, INC., a Texas nonprofit corporation.




  
\_\_\_\_\_  
Notary Public - State of Texas

STATE OF TEXAS                   §  
  §  
COUNTY OF MONTGOMERY       §

This instrument was acknowledged before me on the 3<sup>rd</sup> day of August, 2022, by BRYAN P. FOWLER, Attorney for COMMUNITY IMPROVEMENT ASSOCIATION OF SHADOW BAY, INC., a Texas nonprofit corporation, on behalf of said corporation.



  
\_\_\_\_\_  
Notary Public - State of Texas

**AFTER RECORDING RETURN TO:**  
**BRYAN P. FOWLER**  
**The Fowler Law Firm**  
**505 West Davis**  
**Conroe, Texas 77301**

**COLLECTION POLICY OF  
COMMUNITY IMPROVEMENT ASSOCIATION OF SHADOW BAY, INC.**

**WHEREAS**, the property affected by this Collection Policy is subject to certain dedications, covenants and restrictions (the “Declaration”) set out in instruments recorded in the Official Public Records of Montgomery County, Texas, as follows:

- ***Corrected Amendment of Restrictions*** – Clerk's File No. 79-46156
  - ***Partial Revision of Restrictions*** – Clerk's File No. 81-11224 (collectively the “Declaration”);
- and

**WHEREAS**, pursuant to the authority vested in Community Improvement Association of Shadow Bay, Inc. (the “Association”) in the Declaration and as authorized by Chapter 204.010 of the TEXAS PROPERTY CODE, the Board of Directors of the Association (the “Board”) hereby promulgates the following Records Production Policy; and

**WHEREAS**, the Board desires to establish a collection policy for the Association; and

**NOW, THEREFORE, BE IT RESOLVED** that the following Collection Policy is hereby established by the Association:

**I. DUE DATE**

**A. MONTHLY MAINTENANCE CHARGE (SECTION 5.01 OF THE DECLARATION)**

The Monthly Maintenance Charge shall be due and payable monthly, in advance, on the first day of each calendar month (or such other day as the Board may designate by written notice to all Owners). Payment of the Monthly Maintenance Charge shall be in default if such Monthly Maintenance Charge is not paid to the Association on or before thirty (30) days from the due date for such payment. The Association shall be permitted to allow Owners to pay the Monthly Maintenance Charges, in advance, annually, or as otherwise authorized by the Board.

**B. DELINQUENCY**

If any Monthly Maintenance Charge, or other sum due the Association, is not paid in full and received by the Association by 5:00 p.m. on the date when due, then such Charge shall become delinquent.

**C. DISPUTED CHARGES**

Charges disputed by an Owner shall be verified by the Association and are considered delinquent until such time as they are paid in full.

**II. LATE CHARGE**

If any Monthly Maintenance Charge or other sum due the Association, or any part thereof, remains unpaid from and after the due date, a late charge may be assessed against the non-paying Owner(s) in an amount of \$10.00 per quarter. \_\_\_\_\_.

**III. COLLECTION COSTS**

The Association may charge an Owner for any administrative costs and fees related to the collection of the Monthly Maintenance Charge and other sums due the Association pursuant to the Declaration (“Collection Cost”).

**IV. SERVICE CHARGE**

An Owner will be assessed a service charge for any check that is returned or Automatic Clearing House (ACH) debit that is not paid for any reason, including but not limited to Non-Sufficient Funds (NSF) or stop payment order. The amount of the service charge shall be any actual costs or charges incurred by the Association, including bank charges or fees, plus an additional ten (\$10.00) administration fee to the Association.

**V. DELINQUENCY NOTIFICATION**

The Association may cause to be sent one or more of the following notification(s) to delinquent Owners:

A. PAST DUE NOTICE

In the event that a Monthly Maintenance Charge account balance remains unpaid thirty (30) days from the due date, a Past Due Notice may be sent via regular mail to each Owner with a delinquent account setting forth all Monthly Maintenance Charges, late charges and other amounts due. A charge of thirty dollars (\$30.00) will be added as collection costs to cover administrative and postage costs.

B. FINAL NOTICE

In the event that a Monthly Maintenance Charge account balance remains unpaid thirty (30) days from the due date, and regardless of whether a Past Due Notice has been sent to the Owner under Article V.A. of this policy, a Final Notice shall be sent via certified and regular mail to each delinquent Owner. A charge of thirty dollars (\$30.00) will be added to each delinquent Owner’s account balance as a Collection Cost to cover administrative and postage costs. The Final Notice shall comply with Chapter 209.006 of the Texas Property Code and shall set forth the following information and results of failure to pay, including an explanation of:

- i. Amounts Due: All delinquent Monthly Maintenance Charges, late charges and other amounts due;

2. **Attorney Fees:** Explanation that the delinquent account will be turned over to legal counsel for collection and that the Association will incur reasonable attorney's fees, for which reimbursement from the Owner(s) will be sought.
3. **Payment Plan:** Offer of a payment plan which describes the options the Owner has to avoid having the account turned over to a collection agent, including information regarding availability of a payment plan through the Association, subject to the terms and conditions of the Association's Payment Plan Policy previously adopted.
4. **Period in Which to Cure:** Provide a period of at least forty-five (45) days for the Owner to cure the delinquency before further collection action is taken.

If at the time the Association receives a payment from an Owner and the Owner is in default under a payment plan entered into with the Association, the Association is not required to apply the payment in the order of priority specified herein.

C. **DELINQUENCY NOTICE RECORDED**

The Association may execute and record a document setting forth as to any Lot the amount of delinquent sums due the Association at the time of such document is executed and the fact that a lien exists to secure payment thereof.

**VI. APPLICATION OF PAYMENTS**

All payments received shall be applied in the following order: (1) any delinquent charge; (2) any current charge; (3) any attorney's fees or third party collection costs incurred by the Association associated solely with charges or any other charge that could not provide the basis for foreclosure; (4) any attorney's fees incurred by the Association that are not subject to subdivision (3) herein; (5) any fines, if applicable, assessed by the Association; and (6) any other amount owed to the Association. The acceptance of a partial payment on an Owner's account does not constitute a waiver of the Association's right to collect the full outstanding balance due on said Owner's account.

**VII. REFERRAL OF ACCOUNT TO ASSOCIATION ATTORNEY**

Upon referral of the account to the Association attorney, the attorney is authorized to take whatever action is necessary, in consultation with the Board, including, but not limited to, sending demand letters, filing a lawsuit against the delinquent Owner(s) for a money judgment (instituting a foreclosure action); and, filing necessary claims, objections and motions in the bankruptcy court and monitoring the bankruptcy case in order to protect the Association's interests.

**VIII. BANKRUPTCIES**

Upon receipt of any notice of a bankruptcy of an Owner, the account shall be turned over to the Association's attorney so that the Association's interests may be protected.

**IX. WAIVER/MODIFICATION OF POLICY**

The Board, in its sole and absolute discretion, may grant a waiver of any provision or otherwise modify any of the procedures contained herein upon a petition of an Owner showing a personal hardship or just cause. Granting a waiver, or modifying the procedure contained herein by the Association, shall not be relied on by any Owner, or any other person or entity, as a precedent in requesting or assuming waivers or modifications as to any other Owner or matter. Action by the Board in granting or denying a waiver or modification is a decision based expressly on one unique set of circumstances and need not be duplicated for any other request by any Owner(s) or the same Owner(s) for any reason whatsoever.

**X. REQUIRED ACTION**

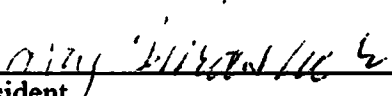
Nothing contained herein, not otherwise required by the Declaration, shall require the Association to take any of the specific actions contained herein. The Board of the Association shall have the right, but not the obligation, to evaluate each delinquency on a case-by-case basis as in its best judgment deems reasonable.

This is to certify that the foregoing Collection Policy was adopted by the Board of Directors by unanimous consent, effective as of May 12, 2022, until such date as it may be modified, rescinded or revoked.

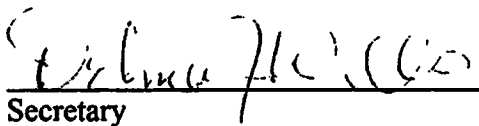
The Board of Directors hereby approves and authorizes the above Collection Policy.

Signed this 12<sup>th</sup> day of May, 2022.

**COMMUNITY IMPROVEMENT ASSOCIATION  
OF SHADOW BAY, INC.**

  
\_\_\_\_\_  
President

ATTEST:

  
\_\_\_\_\_  
Secretary

**E-FILED FOR RECORD**

08/03/2022 10:38AM



COUNTY CLERK  
MONTGOMERY COUNTY, TEXAS

STATE OF TEXAS,  
COUNTY OF MONTGOMERY

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

**08/03/2022**



County Clerk  
Montgomery County, Texas