AFFIDAVIT IN COMPLIANCE WITH TEX. PROP. CODE § 202.006

THE STATE OF TEXAS §
§
COUNTY OF BEXAR §

BEFORE ME, the undersigned authority, on this day personally appeared CHRISTOPHER A. PRITCHARD, who, being by me duly sworn according to law, stated the following under oath:

"My name is CHRISTOPHER A. PRITCHARD. I am the President of Stone Oak Communities of Mutual Amenities, Incorporated, (aka SOCOMA, Inc.), and I have been authorized by the Association's Board of Directors to sign this Affidavit. I am fully competent to make this Affidavit. I have personal knowledge of the facts stated herein, and they are all true and correct.

The Association is a "property owners' association" as that term is defined in *TEX. PROP. CODE § 202.001.* The Association's jurisdiction includes, but may not be limited to, the property subject to:

Those certain subdivisions known as Hills of Stone Oak Unit I, Hills of Stone Oak Unit II, Stone Canyon Unit I, The Glen at Stone Oak Unit I, and The Glen at Stone Oak Unit II, each subject to their respective declaration: the Declaration of Covenants, Conditions, and Restrictions for Hills of Stone Oak Unit I, recorded in Volume 3329, Page 2073 of the Official Public Records of Real Property of Bexar County, Texas; the Declaration of Covenants, Conditions, and Restrictions for Hills of Stone Oak Unit II, recorded in Volume 3437, Page 293 of the Official Public Records of Real Property of Bexar County, Texas; the Declaration of Covenants, Conditions, and Restrictions for Stone Canyon Unit I, recorded in Volume 3320, Page 2051 of the Official Public Records of Real Property of Bexar County, Texas; the Declaration of Covenants, Conditions, and Restrictions for The Glen in Stone Oak Unit I, recorded in Volume 7381, Page 510 of the Official Public Records of Real Property of Bexar County, Texas; and, the Declaration of Covenants, Conditions, and Restrictions for The Glen in Stone Oak Unit II, recorded in Volume 8450, Page 490 of the Official Public Records of Real Property of Bexar County, Texas; subject to all amendments, annexations and supplements thereto (collectively, the "Declaration"); and the By-Laws of Stone Oak Communities of Mutual Amenities, Inc., recorded in Volume 3330, Page 1 of the Official Public Records of Real Property of Bexar County, Texas.

Attached hereto are the originals of, or true and correct copies of, the following dedicatory instruments, including known amendments or supplements thereto, governing the Association, which instruments have not previously been recorded:

Stone Oak Communities of Mutual Amenities, Incorporated
Resolution Adopting:
Collection and Payment Plan Policy, and Association Contracts and Solicitation of Bids Policy

The documents attached hereto are subject to being supplemented, amended or changed by the Association. Any questions regarding the dedicatory instruments of the Association may be directed to the Association at:

SOCOMA, Inc.
1000 Knights Cross,
San Antonio, TX 78258
(520) 204-6566

SIGNED on this the 30 day of August, 2021.

CHRISTOPHER A. PRITCHARD
President

VERIFICATION

THE STATE OF TEXAS §
§
COUNTY OF BEXAR §

BEFORE ME, the undersigned authority, on this day personally appeared CHRISTOPHER A. PRITCHARD, President of Stone Oak Communities of Mutual Amenities, Incorporated, who, after being duly sworn, acknowledged and stated under oath that he has read the above and foregoing Affidavit and that every factual statement contained therein is within his personal knowledge and is true and correct.

ACKNOWLEDGED, SUBSCRIBED AND SWORN TO BEFORE ME, a Notary Public, on this the 30 day of August, 2021.

NOTARY PUBLIC, STATE OF TEXAS

NOTARY PUBLIC • STATE OF TEXAS
Erika Jane Johnson
My Commission Expires
06/29/2024
ID No. 3190111

After Recording, Return To:
Michael B. Thurman
THURMAN & PHILLIPS, P.C.
4093 De Zavala Road
Shavano Park, Texas 78249
(210) 341-2020

STONE OAK COMMUNITIES OF MUTUAL AMENITIES, INCORPORATED
RESOLUTION ADOPTING STATEMENT OF POLICIES

STATE OF TEXAS	§	
	§	**KNOW ALL MEN BY THESE PRESENTS:**
COUNTY OF BEXAR	§	

WHEREAS, the Board of Directors of Stone Oak Communities of Mutual Amenities, Incorporated, (aka SOCOMA, Inc.) ("Association") is the established governing body of the properties known as: Hills of Stone Oak Unit I, subject to the Declaration of Covenants, Conditions, and Restrictions for Hills of Stone Oak Unit I, recorded in Volume 3329, Page 2073 of the Official Public Records of Real Property of Bexar County, Texas; Hills of Stone Oak Unit II, subject to the Declaration of Covenants, Conditions, and Restrictions for Hills of Stone Oak Unit II, recorded in Volume 3437, Page 293 of the Official Public Records of Real Property of Bexar County, Texas; Stone Canyon Unit I, subject to the Declaration of Covenants, Conditions, and Restrictions for Stone Canyon Unit I, recorded in Volume 3320, Page 2051 of the Official Public Records of Real Property of Bexar County, Texas; The Glen in Stone Oak Unit I, subject to the Declaration of Covenants, Conditions, and Restrictions for The Glen in Stone Oak Unit I, recorded in Volume 7381, Page 510 of the Official Public Records of Real Property of Bexar County, Texas; and, The Glen in Stone Oak Unit II, subject to the Declaration of Covenants, Conditions, and Restrictions for The Glen in Stone Oak Unit II, recorded in Volume 8450, Page 490 of the Official Public Records of Real Property of Bexar County, Texas; subject to all amendments, annexations, or supplements thereto (collectively the "Declaration"), and the By-Laws of Stone Oak Communities of Mutual Amenities, Inc., recorded in Volume 3330, Page 1 of the Official Public Records of Real Property of Bexar County, Texas; and

WHEREAS, in accordance with the duties and responsibilities imposed by the Declaration, the By-Laws of the Association and all policies, rules and regulations duly adopted by the Association (collectively, "Governing Documents"), the Board of Directors of the Association is charged with the duty of making, establishing and promulgating, in its discretion, policies, rules and regulations for the interpretation and enforcement of the Governing Documents for the use and enjoyment of properties in Hills of Stone Oak, Units I & II, Stone Canyon Unit I, and The Glen at Stone Oak, Units I & II, including but not limited to, the common facilities owned by the Association; and

WHEREAS, it has been determined by the Board of Directors that it is necessary to revise or adopt the policies attached hereto as Exhibit "A".

THEREFORE, BE IT RESOLVED:

The Collection and Payment Plan Policy, and Association Contracts and Solicitation of Bids Policy attached hereto as Exhibit "A", by unanimous vote of the Board of Directors, were approved as to form and content and adopted for use by the Association.

This Resolution Adopting Policies is adopted this 30 day of August, 2021, by the Board of Directors of the Association and shall be effective when filed for record in the Official Public Records of Bexar County, Texas.

STONE OAK COMMUNITIES OF MUTUAL AMENITIES, INCORPORATED

By: _____
Name: CHRISTOPHER A. PRITCHARD
Title: PRESIDENT
Member of the Board of Directors

STONE OAK COMMUNITIES OF MUTUAL AMENITIES, INCORPORATED
COLLECTION AND PAYMENT PLAN POLICY

This Collection and Payment Plan Policy ("Collection Policy") of Stone Oak Communities of Mutual Amenities, Incorporated, aka SOCOMA, Inc. (the "Association") was duly adopted on the 30 day of August, 2021, setting forth certain policies of the Association in connection with the management of the Association and the properties known as Hills of Stone Oak Unit I, Hills of Stone Oak Unit II, Stone Canyon Unit I, The Glen at Stone Oak Unit I, and The Glen at Stone Oak Unit II, each subject to their respective declaration: the Declaration of Covenants, Conditions, and Restrictions for Hills of Stone Oak Unit I, recorded in Volume 3329, Page 2073 of the Official Public Records of Real Property of Bexar County, Texas; the Declaration of Covenants, Conditions, and Restrictions for Hills of Stone Oak Unit II, recorded in Volume 3437, Page 293 of the Official Public Records of Real Property of Bexar County, Texas; the Declaration of Covenants, Conditions, and Restrictions for Stone Canyon Unit I, recorded in Volume 3320, Page 2051 of the Official Public Records of Real Property of Bexar County, Texas; the Declaration of Covenants, Conditions, and Restrictions for The Glen in Stone Oak Unit I, recorded in Volume 7381, Page 510 of the Official Public Records of Real Property of Bexar County, Texas; and, the Declaration of Covenants, Conditions, and Restrictions for The Glen in Stone Oak Unit II, recorded in Volume 8450, Page 490 of the Official Public Records of Real Property of Bexar County, Texas; and all amendments, annexations and supplements thereto (collectively, "Declaration"), the Bylaws of the Association, and all policies, rules, and regulations duly adopted by the Association from time to time (collectively, "Governing Documents").

This Collection Policy is adopted under the requirements of the TEX. PROP. CODE § 209.0062 for the adoption of an alternative payment schedule by which an Owner may make partial payments to the Association for assessments or any other amount owed to the Association without accruing additional monetary penalties. Any previously adopted collection or payment policies are of no further force or effect.

The adoption of this Collection Policy for the purposes stated herein is in compliance with the TEX. PROP. CODE § 202.006, requiring all property owners' associations to file all Governing Documents in the real property records of each county in which the Property to which the Governing Documents relate is located. This Collection Policy shall become effective as of the date the Collection Policy is filed in the Official Public Records of Bexar County, Texas.

Capitalized terms contained herein shall have the definitions as set forth in the Declaration.

1. Due Date of Assessments

A. Annual assessments shall be due and payable as of January 1st of each year and shall be collected quarterly in advance on the first (1st) day of January, April, July, and October of each year until amended by the Board of Directors. The quarterly assessment payments shall be due and payable on the first (1st) day of each quarter ("Due Date"). If payments are not received within ten (10) days of the Due Date, the payment is considered late and a Past Due Notice will be sent. If not paid within thirty (30) days of the Due Date, a delinquent account shall commence on the first (1st) day of the month following the Due Date, accruing late fees (if applicable), interest, and administrative fees, as permitted by the Governing Documents of the Association.

B. Special Assessments: Special Assessments shall be billed pursuant to the terms adopted by the Board of Directors in accordance with the Declaration.

C. Other Assessments and Charges: Other Assessments, Charges, and fees, if applicable, shall be due and payable per the due date contained in the invoice from the Association to the Owner.

D. Receipt of Billing: It is the duty and obligation of each Owner to notify the Association by the 10th of the month in which the Assessment is due if no bill is received. It shall be no defense to the Owner's obligation to pay any amount due because of the Owner not receiving a bill.

2. Account Fees

A. Interest and Fees: For any account balance not paid in full within thirty (30) days of the specified Due Date, beginning on the date following the Due Date, the account shall become delinquent (i.e., a "Delinquent Account"). A Delinquent Account, including all late fees (if applicable), administrative costs, collection costs, penalties, and expenses, including reasonable attorney's fees, shall bear interest monthly at a rate of twelve percent (12%) per annum or the maximum rate of interest allowed by law, whichever is less.

B. Lien and Filing Fees: For any Delinquent Account for which an affidavit of non-payment is filed, the Owner shall be charged the costs incurred by the Association for preparing and filing in the county records.

C. Return Payment Fee: If an Owner's payment is returned and/or dishonored for any reason, the Owner will be charged the lesser of $30.00 or the maximum amount allowed by law per occurrence for the dishonored payment.

D. Costs: All collection costs, administrative fees and expenses, including reasonable attorney's fees, shall be charged to the account of the delinquent Owner.

E. Administrative Fees: If the delinquent Owner requests a Payment Plan, in addition to the monthly Assessment payment required, the delinquent Owner shall be charged an amount equal to any administrative fee by the Association and/or Association's management company, if applicable, or attorney.

3. Assessment Lien. All Assessments, interest, charges, late fees (if applicable), and other expenses, including reasonable attorney's fees, incurred by the Association in collecting unpaid amounts or enforcing the Declaration, Bylaws, rules, regulations, and/or policies of the Association, payable by an Owner shall be a charge on an Owner's Property and secured by a continuing lien as per the Governing Documents, subject to applicable limitations imposed by the TEX. PROP. CODE Chapter 209.

4. Account Information. It is the sole responsibility and obligation of the Owner to provide the Association current billing information. If no information is provided, it shall be the presumption the billing address is the Property address of the Lot for which the Assessment is due. Otherwise, the Association shall use the Owner's last known mailing address as reflected in the records of the Association.

5. Third-Party Collection Costs. An Owner who has a Delinquent Account shall be held liable for fees of a collection agent retained by the Association provided the Association complies with TEX. PROP. CODE § 209.0064, as amended, and provides written notice to the Owner by certified mail, return receipt requested, at the Owner's address on record with the Association that:

A. Specifies each delinquent amount and the total amount of the payment required to make the account current;

B. 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;

C. Provides a period of at least forty-five (45) days for the Owner to cure the delinquency before further collection action is taken; and

D. Provides notice that attorney's and/or collection agent's fees and costs will be charged to the Owner if the delinquency continues after a certain date.

6. Priority of Payments.

A. Except as provided by Paragraph 6(B), payment received by the Association from an Owner shall be applied to the Owner's debt in the following order of priority:

(i) Any delinquent Assessment;

(ii) Any current Assessment;

(iii) Any reasonable attorney's fees or reasonable third-party collection costs incurred by the Association associated solely with the Assessments or any other charge that could provide the basis for foreclosure;

(iv) Any reasonable attorney's fees incurred by the Association that are not subject to 6(A)(iii);

(v) Any reasonable fines assessed by the Association; and

(vi) Any other reasonable amount owed to the Association.

B. If, at the time the Association receives a payment from an Owner, 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 by Paragraph 6(A) above.

7. Delinquency Notification. The Association may cause to be sent the following notification(s) to delinquent Owners:

A. Past Due Notice. In the event any Assessment payment balance remains unpaid thirty (30) days from the Due Date, the account will be considered delinquent and a Past Due Notice may be sent via regular mail to each Owner with a Delinquent Account setting forth all Assessment(s), interest and other amounts due. The Past Due Notice will contain a statement that the full unpaid Assessment is due and that the Owner is entitled to a Payment Plan as required by the TEX. PROP. CODE § 209.0062. In the event any Owner is unable to pay the Assessment payment when due, as specified in the Assessment billing, an Owner may enter into a Payment Plan as required by TEX. PROP. CODE § 209.0062 if eligible as per the Payment Guidelines contained herein. In the event an Owner chooses to enter a Payment Plan with the Association prior to turning the file over to a third-party collection firm, a charge of Ten and No/100 Dollars ($10.00) per month will be added to each delinquent Owner's account balance for administrative costs related to the

Payment Plan, and such additional administrative costs will continue until the entire balance is paid in full. In the event the file has been turned over to a third-party collection firm, the administrative fee will be equivalent to the fee charged to the Association by the third-party collection firm.

B. Statutory Notice. If, after a Past Due Notice has been sent, the delinquent Assessment amount due (i.e., not to include unbilled Assessments) is not paid in full, the Owner has not entered into a Payment Plan within sixty (60) days of the Due Date, or there is a default on the Payment Plan, a Statutory Notice required by TEX. PROP. CODE § 209.0064 or, alternatively, if the Association intends to suspend the Owner's privileges, a Statutory Notice compliant with TEX. PROP. CODE § 209.006, shall be sent via certified mail, return receipt requested, to each delinquent Owner. The Statutory Notice will set forth the following information and results of failure to pay, including explanation of:

(i) Amounts Due: All delinquent Assessments and the total amount of the payment required to make the account current, including interest and other amounts due;

(ii) Payment Plan: Advise the Owner, if eligible, to enter into a payment plan and options available to the Owner;

(iii) Period to Cure: Advise the Owner has at least forty-five (45) days to cure the delinquency before further collection action is taken;

(iv) Hearing: If the Board of Directors elects to suspend an Owner's rights or privileges, prior to doing so, Owners shall be given notice and opportunity for a hearing before the Board of Directors. If the Board of Directors intends to only pursue the collection of the Delinquent Account, the Owner is not entitled to a hearing. If applicable, a hearing shall be granted if a written request for a hearing is received by the Association not more than thirty (30) days of the date of the Statutory Notice sent to Owner;

If a hearing is requested within thirty (30) days of the date of the Statutory Notice, further collection procedures are suspended until the hearing process is completed. The Board of Directors shall set a hearing date not later than thirty (30) days after receipt of Owner's request for a hearing. Either party may request a postponement, which shall be granted for a period of not more than ten (10) days. Additional postponements may be granted by agreement of both parties. Further collection steps will be determined by the action of the Board of Directors.

Not later than ten (10) days before the Association holds a hearing under TEX. PROP. CODE § 209.007, the Association shall provide to an Owner a packet containing all documents, photographs, and communications relating to the matter the Association intends to introduce at the hearing. If the Association does not provide a packet within the period described, an Owner is entitled to an automatic fifteen (15) day postponement of the hearing. During the hearing, a member of the Board of Directors or the Association's designated representative shall first present the Association's case against the Owner. An Owner or the Owner's designated representative is entitled to present the Owner's information and issues relevant to the appeal or dispute.

(v) Referral of Account: Advise that in the event the Delinquent Account is not paid in accordance with the demand, the Delinquent Account will be referred to an attorney and all collection costs will be charged to the delinquent Owner's account.

8. Referral of Account to Association Attorney. Upon referral of the account to the Association's attorney, the attorney is authorized to take whatever action is necessary in consultation with the Board of Directors including, but not limited to: sending demand letters; filing a lawsuit against the delinquent Owner for a monetary judgment, and foreclosure; instituting an expedited foreclosure action or judicial foreclosure proceeding; and, filing necessary claims, objections, and motions in the bankruptcy court and monitoring the bankruptcy case in order to protect the Association's interests.

In the event the Association has determined to foreclose its lien provided in the Declaration and to exercise the power of sale thereby granted, if applicable, such foreclosure shall be accomplished pursuant to the requirements of TEX. PROP. CODE § 209.0092 by first obtaining a court order in an application for expedited foreclosure under the rules adopted by the Supreme Court of Texas. Alternatively, the Association may commence an action for a monetary judgment and judicial foreclosure of the lien permitted by TEX. R. CIV. P. 735.3, which provides "any lien that may be foreclosed using Rule 736 procedures may also be foreclosed by judgment foreclosure in an action for judicial foreclosure."

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

10. Payment Plan Guidelines. The Association's payment plan guidelines ("Payment Plan") are as follows:

A. Unless otherwise ineligible as hereinafter stated, prior to any account being turned over to an attorney or third-party collection agent for collection, an Owner shall be permitted to make payments to the Association for delinquent Assessments or any other amount owed to the Association.

B. The minimum term of a Payment Plan offered by the Association shall be three (3) months. The Association will consider specific facts and circumstances for each delinquent Owner and may extend the Payment Plan for a longer period not to exceed twelve (12) months.

C. All requests for a Payment Plan must be submitted by the delinquent Owner in writing and in a form provided by the Association.

D. So long as the Owner is paying under, and in accordance with, the Payment Plan, no additional monetary penalties shall accrue other than permitted monthly administrative fees as provided for herein.

E. The Payment Plan becomes effective upon the Association's receipt of:

(i) a Payment Plan prepared by the Association and signed by all titled Owners and the Association or its designated representative; and

(ii) the first payment delivered in accordance with the Payment Plan.

F. The Payment Plan is voided automatically without notice if the Owner:

(i) fails to return an executed Payment Plan and the initial payment;

(ii) fails to timely make any of the scheduled payments;

(iii) tenders a payment for less than the amount agreed upon in the Payment Plan; or

(iv) has any tendered payment dishonored for any reason.

G. The Association shall have no obligation to enter into a Payment Plan with an Owner for a period of two (2) years after an Owner has failed to comply with the terms of a previous Payment Plan.

H. All new Assessments which accrue during the period of a Payment Plan shall be included in the total amount to be paid by the Owner according to the Payment Plan.

11. Enforcement. The Association has a duty to diligently collect all amounts due the Association from its Owners and shall exercise due diligence in collecting all Delinquent Accounts. In the event any delinquent Owner fails to pay their Delinquent Account after the file is forwarded to an attorney, suit is to be filed for collection of all amounts due and which accrue, including reasonable attorney's fees, and for the foreclosure of the lien against the Owner's Property for amounts permitted by law.

CERTIFICATE OF OFFICER

The undersigned certifies that the foregoing Collection and Payment Plan Policy was duly approved and adopted by the Board of Directors of STONE OAK COMMUNITIES OF MUTUAL AMENITIES, INCORPORATED, on the 30 day of August, 2021, and that the undersigned has been authorized by the Board of Directors to execute and record this instrument. The undersigned further certifies that the foregoing Collection and Payment Plan Policy constitutes a dedicatory instrument under TEX. PROP. CODE § 202.006 which applies to the operation of Hills of Stone Oak Unit I, Hills of Stone Oak Unit II, Stone Canyon Unit I, The Glen at Stone Oak Unit I, and The Glen at Stone Oak Unit II, subdivisions located in Bexar County, Texas, as hereinabove described.

Signed this 30 day of August, 2021.

STONE OAK COMMUNITIES OF MUTUAL AMENITIES, INCORPORATED

By: _____
Name: CHRISTOPHER A. PRITCHARD
Title: PRESIDENT

STONE OAK COMMUNITIES OF MUTUAL AMENITIES, INCORPORATED ASSOCIATION CONTRACTS AND SOLICITATION OF BIDS POLICY

This Association Contracts and Solicitation of Bids Policy of Stone Oak Communities of Mutual Amenities, Incorporated, aka SOCOMA, Inc. (the "Association") was duly adopted on the 30 day of August, 2021, setting forth certain policies of the Association in connection with the management of the Association and the properties known as Hills of Stone Oak Unit I, Hills of Stone Oak Unit II, Stone Canyon Unit I, The Glen at Stone Oak Unit I, and The Glen at Stone Oak Unit II, each subject to their respective declaration: the Declaration of Covenants, Conditions, and Restrictions for Hills of Stone Oak Unit I, recorded in Volume 3329, Page 2073 of the Official Public Records of Real Property of Bexar County, Texas; the Declaration of Covenants, Conditions, and Restrictions for Hills of Stone Oak Unit II, recorded in Volume 3437, Page 293 of the Official Public Records of Real Property of Bexar County, Texas; the Declaration of Covenants, Conditions, and Restrictions for Stone Canyon Unit I, recorded in Volume 3320, Page 2051 of the Official Public Records of Real Property of Bexar County, Texas; the Declaration of Covenants, Conditions, and Restrictions for The Glen in Stone Oak Unit I, recorded in Volume 7381, Page 510 of the Official Public Records of Real Property of Bexar County, Texas; and, the Declaration of Covenants, Conditions, and Restrictions for The Glen in Stone Oak Unit II, recorded in Volume 8450, Page 490 of the Official Public Records of Real Property of Bexar County, Texas; and all amendments, annexations and supplements thereto (collectively, "Declaration"), the Bylaws of the Association, and all policies, rules, and regulations duly adopted by the Association from time to time (collectively, "Governing Documents").

This Association Contracts and Solicitation of Bids Policy is adopted under the requirements of the TEX. PROP. CODE § 209.0052 governing Association contracts and for the adoption of a bid solicitation process for use by the Association in contracting for services over $50,000. Any previously adopted policies or other Governing Documents setting forth requirements for Association contracts or a bid solicitation process are of no further force or effect.

The adoption of this Association Contracts and Solicitation of Bids Policy for the purposes stated herein is in compliance with the TEX. PROP. CODE § 202.006, requiring all property owners' associations to file all Governing Documents in the real property records of each county in which the Property to which the Governing Documents relate is located. This Association Contracts and Solicitation of Bids Policy shall become effective as of the date the Association Contracts and Solicitation of Bids Policy is filed in the Official Public Records of Bexar County, Texas.

Capitalized terms contained herein shall have the definitions as set forth in the Declaration, as applicable.

1. Association Contracts.

A. The Association may enter into an enforceable contract with a current Association Board member, a person related to a current Association Board member within the third degree by consanguinity or affinity, as determined under Chapter 573, Government Code, a company in which a current Association Board member has a financial interest in at least 51 percent of the profits, or a company in which a person related to a current Association Board member within the third degree by consanguinity or affinity, as determined under Chapter 573, Government Code, has a financial interest in at least 51 percent of profits only if the following conditions are satisfied:

i. the Board member, relative, or company bids on the proposed contract and the Association receives at least two other bids for the contract from persons

not associated with the Board member, relative, or company, if reasonably available in the community;

ii. the Board member:

a. is not given access to the other bids;

b. does not participate in any Board discussion regarding the contract; and

c. does not vote on the award of the contract;

iii. the material facts regarding the relationship or interest with respect to the proposed contract are disclosed to or known by the Association Board and the Board, in good faith and with ordinary care, authorizes the contract by an affirmative vote of the majority of the Board members who do not have an interest governed by this Section 1; and

iv. the Association Board certifies that the other requirements of this Section 1 have been satisfied by a resolution approved by an affirmative vote of the majority of the Board members who do not have an interest governed by this subsection.

B. Should the Association propose to contract for services that will, based on the Board of Directors' reasonable and anticipated projections, cost more than $50,000, the Association shall use the bid solicitation procedure as outlined in Section 2 herein. The Board of Directors may, but is not obligated, to abide by this Association Contracts and Solicitation of Bids Policy when engaging in contracts for services which cost $50,000 or less. For multi-phased project services comprised of dependent and related phases, the total estimated cost of all phases of the project shall be used to determine whether a contract will exceed $50,000. For multi-phased projects comprised of independent but related phases, each phase shall be considered individually when determining whether Section 2 applies. For recurring contracted services, the cost shall be based on the annual cost for such service.

C. Regardless of the amount of a contract for goods or services, the Association shall comply with the standard of conduct and ethical principles as outlined in Section 1(A) and all applicable state and federal laws governing nonprofit and charitable organization contracts.

2. Bid Solicitation Procedure.

A. Prior to contracting for services in which the cost will exceed $50,000, the Board of Directors of the Association, or its authorized agent, shall send out a request for proposals (RFPs) or solicitation document to prospective vendors that includes at least:

i. a description of the service(s) sought;

ii. the criteria that a vendor's submission must address in order to be considered by the Association;

iii. the requirements to qualify, if any;

iv. a list of required documents, if any;

v. any restrictions on performance, if any;

vi. a deadline for submission;

vii. instructions on how and/or where to submit proposals; and

viii. contact information for the Association or its authorized agent.

The Board of Directors may, in its sole discretion, determine the solicitation materials that are appropriate for a procurement and the manner in which they are prepared and, therefore, may request additional information as it deems necessary.

B. The Board of Directors shall make every effort to obtain at least two proposals or bids. If the service sought is of a specialized nature or in a specialized industry where potentially qualified persons are difficult or burdensome to ascertain, the Board of Directors may recruit potential, qualified vendors and award such contract to a single vendor even though less than two proposals or bids may have been obtained. However, in such case, the Board of Directors shall include in their Board meeting minutes a description of the efforts to obtain competitive bids or the reason the Board of Directors could not obtain competitive bids. This subsection shall not apply to an Association contract subject to the requirements of Section 1 above.

C. Upon receipt of the requested proposals or bids, the Board of Directors shall review the proposals or bids; identify qualified applicants; engage in any written or oral discussions with qualified applicants, if needed; and request any additional information from qualified applicants. Any interested Board member, as described in Section 1(A), shall recuse himself/herself from discussions unless requested otherwise by other Board members and shall not vote on the contract. Any contract discussions occurring at a Board meeting may be done in executive session.

D. The Board of Directors shall, in its sole discretion and using its best judgment, determine the applicant or vendor that is best qualified to meet the Association's needs and need not necessarily award a contract to the lowest bidder. A contract shall be awarded by the affirmative vote of a majority of the Board members, excluding any member who has a direct or indirect financial interest in any business or entity or with any individual associated with such business or entity which shall benefit financially from the contemplated contract.

E. The Board of Directors shall notify the applicant or vendor in writing of its decision and intent to contract and shall proceed with contract negotiation and/or procurement.

[Signature page follows]

CERTIFICATE OF OFFICER

The undersigned certifies that the foregoing Association Contracts and Solicitation of Bids Policy was duly approved and adopted by the Board of Directors of STONE OAK COMMUNITIES OF MUTUAL AMENITIES, INCORPORATED on the 30 day of August, 2021, and that the undersigned has been authorized by the Board of Directors to execute and record this instrument. The undersigned further certifies that the foregoing Association Contracts and Solicitation of Bids Policy constitutes a dedicatory instrument under TEX. PROP. CODE § 202.006 which applies to the operation of Hills of Stone Oak Unit I, Hills of Stone Oak Unit II, Stone Canyon Unit I, The Glen at Stone Oak Unit I, and The Glen at Stone Oak Unit II, subdivisions located in Bexar County, Texas, as hereinabove described.

Signed this 30 day of August, 2021.

STONE OAK COMMUNITIES OF MUTUAL AMENITIES, INCORPORATED

By: _____
Name: CHRISTOPHER A. PRITCHARD
Title: PRESIDENT

File Information

eFILED IN THE OFFICIAL PUBLIC eRECORDS OF BEXAR COUNTY
LUCY ADAME-CLARK, BEXAR COUNTY CLERK

Document Number:	20210242269
Recorded Date:	August 31, 2021
Recorded Time:	4:42 PM
Total Pages:	15
Total Fees:	$78.00

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Any provision herein which restricts the sale or use of the described real property because of race is invalid and unenforceable under Federal law

STATE OF TEXAS, COUNTY OF BEXAR

I hereby Certify that this instrument was eFILED in File Number Sequence on this date and at the time stamped hereon by me and was duly eRECORDED in the Official Public Record of Bexar County, Texas on: 8/31/2021 4:42 PM



Lucy Adame-Clark
Lucy Adame-Clark
Bexar County Clerk