

BOARD MEETING NOTICE PROCEDURE POLICY

FOR

VILLAGE OF SAGE MEADOWS (TEMPLE) HOMEOWNERS ASSOCIATION, INC.

Pursuant to the provisions of new Texas Property Code Section 209.005 (e), the Board of Directors of the Association adopts this Policy to be effective the 1st day of September 2011. This Policy shall be recorded in the Official Public Records of Bell County, Texas and shall continue in effect until superseded or revoked by subsequent written instrument filed of record.

The purpose of this Policy is to establish the Association's procedures for providing notice to Members of the meetings of the Association's Board of Directors.

Notices of all meetings of the Association's Board of Directors, including a general agenda of items which may be addressed at the meeting, will be:

- 1) Mailed to each property owner not later than the 10th day or earlier than the 60th day before the date of the meeting; OR
- 2) Provided at least 72 hours before the start of the meeting by:
 - (A) (i) Posting the notice in a conspicuous manner reasonably designed to provide notice to property owners in a place on the Association's common property; or (ii) Posting the notice on an internet website maintained by the Association or other internet media; and
 - (B) Sending the notice by email to each owner who has registered an email address with the Association.

Members are advised that Texas Property Code Section 209.0051 (f) requires them to register their email address with the Association and to update it as may be required. Failure to do so may result in the Member not receiving an email notice of the Board meeting.

ELECTIONS POLICY AND PROCEDURES

FOR

VILLAGE OF SAGE MEADOWS (TEMPLE) HOMEOWNERS ASSOCIATION, INC.

Pursuant to the provisions of amendments to the Texas Property Code, the Board of Directors of the Association adopts this Policy to be effective the 1st day of September 2011. This Policy shall be recorded in the Official Public Records of Bell County, Texas and shall continue in effect until superseded or revoked by subsequent written instrument filed of record.

The Legislature has amended the requirements for the holding of elections by Property Owners Associations and the procedures for voting on issues presented to the members of such Associations. The purpose of this policy is to clarify the requirements for such election and voting. In the event of conflict between this Policy and applicable law, it is the intent of the Association that applicable law shall control.

Qualifications of Board Members

Any member of the Association may run for a place on the Board of Directors or serve as Director *except a person who has been convicted of a felony or crime involving moral turpitude who shall be permanently ineligible to serve as a Director. Evidence of such a conviction must be established by written, documented evidence from records maintained by a governmental law enforcement authority.*

The fact that a person is delinquent in the payment of monies owed to the Association or is currently in violation of a restrictive covenant applicable to members of the Association *shall not be a bar to running for or service on the Board of Directors of the Association.*

Voting Procedures

The fact that any Member of the Association is delinquent in the payment of monies owed to the Association or is currently in violation of a restrictive covenant applicable to members of the Association *shall not disqualify the Member from voting on any matter submitted to the Members of the Association*

Voting rights of a Member of the Association may be exercised in the following ways:

- (1) In person or by proxy at a meeting of the POA;
- (2) By absentee ballot in the manner provided by applicable law. The Association shall provide an absentee ballot which contains each proposed action and provides for a vote for or against each proposed action. The casting of an absentee ballot may be limited because if there are amendments to a proposed ballot item the absentee ballot will not be counted on the final vote on the measure;
- (3) By "electronic ballot". The casting of an electronic ballot may be limited because if there are amendments to a proposed ballot item the electronic ballot will not be counted on the final vote on the measure. An electronic ballot means a ballot given by email, facsimile or posting on an internet website established for that purpose *when the identity of the owner casting the ballot can be confirmed and the owner can receive a receipt of the electronic transmission*

and receipt of the owner's ballot. The Association shall send a notice of the posting of an electronic ballot to each Owner containing instructions on the procedure for obtaining access to the ballot.

Ballots must be written and signed by the Member voting. Electronic ballots shall be deemed written and signed.

Written and signed ballots are not required for uncontested races.

Declaration Amendments

Amendments to the Declaration shall be approved by the lower of (1) a vote of 67 percent of the total votes allocated to property owners in the Association or (2) by vote of the percentage approval required by the Declaration.

FLAG DISPLAY REVIEW AND APPROVAL POLICY

FOR

VILLAGE OF SAGE MEADOWS (TEMPLE) HOMEOWNERS ASSOCIATION, INC.

Pursuant to the provisions of new Texas Property Code Section 209.011, the Board of Directors of the Association adopts this Policy to be effective the 20th day of June 2011. This Policy shall be recorded in the Official Public Records of Bell County, Texas and shall continue in effect until superseded or revoked by subsequent written instrument filed of record.

The purpose of this policy is to provide for the timely and efficient review by the Association of applications for installation of certain "Flags" as defined herein, within Village of Sage Meadows subdivision and to establish guidelines for review and approval of applications to ensure compliance with the provisions of state law.

For the purpose of this Policy, "Flag" or "Flags" shall mean the following:

- (1) The flag of the United States of America;
- (2) The flag of the State of Texas;
- (3) An official or replica flag of any branch of the United States armed forces;
- (4) Any other flag specifically referenced and allowed in restrictive covenants applicable to the subdivision.

Any flag approved as provided by applicable law and this policy shall be displayed in accordance with the following requirements:

- (1) The flag of the United States shall be displayed in accordance with 4 U.S.C. Sections 5-10;
- (2) The flag of the State of Texas shall be displayed in accordance with Chapter 3100, Texas Government Code;
- (3) Any other flag allowed by restrictive covenants applicable to the subdivision shall be appropriately displayed in a manner similar to the United States and/or Texas flag;
- (4) A flag pole attached to a dwelling (which may not exceed six feet (6') in length) or any freestanding flagpole shall be constructed of durable, long-lasting materials, with a finish appropriate to the materials and harmonious with the dwelling. The Association may establish reasonable rules which provide that a specified finish or finishes of a specified type or color shall be deemed to be allowed in all circumstances;
- (5) The display of any allowed flag and the location and construction of the associated flagpole must comply with any applicable zoning ordinances, easements and setbacks of record;
- (6) All displayed flags and the flagpole on which they are flown must be maintained in good condition and repair;
- (7) There may be no more than one flagpole per property upon which one or more allowed flags may be displayed;
- (8) The individual flags may not exceed 3 by 5 feet in size;
- (9) The single allowed flagpole shall not exceed twenty feet in height (if a freestanding flagpole) or six feet in length if the flagpole is attached to a dwelling;

Applications for approval of the installation and display of all flags subject to this Policy shall be submitted to the Association's Architectural Control Committee (the "Committee") in the same manner as applications for approval of other Improvements within the subdivision.

An application which meets all of the requirements set out herein shall be deemed approved by the Committee thirty (30) days from the date the Owner's application is received by the Association, unless the Committee notifies the Owner in writing within the thirty-day period that additional information is required or that one or more standards have, in the opinion of the Committee, not been properly established in the application.

The Committee may deny an application for, or impose reasonable restrictions on, the installation and display of flags that do not meet one or more of the required standards. The Association's Architectural Control Committee (the "Committee") may impose reasonable additional restrictions on the placement or display of a flag in order to minimize any adverse impact on adjacent property owners, to abate noise caused by an external halyard and to regulate the size, location and intensity of any lights used to illuminate a displayed flag.

All Committee findings shall be in writing.

PAYMENT PLAN GUIDELINE POLICY

FOR

VILLAGE OF SAGE MEADOWS (TEMPLE) HOMEOWNERS ASSOCIATION, INC.

Pursuant to the provisions of new Texas Property Code Section 209.0062, the Board of Directors of the Association adopts this Policy to be effective the 1st day of January 2012. This Policy shall be recorded in the Official Public Records of Bell County, Texas and shall continue in effect until superseded or revoked by subsequent written instrument filed of record.

In order to properly provide for the timely and efficient collection of Assessments levied by the Association, the Board shall levy regular and/or special assessments in the manner required by the Association's governing documents, including its Articles of Incorporation/Certificate of Formation and Bylaws, and the restrictive covenants applicable to Village of Sage Meadows subdivision, all of which are duly recorded in the Official Public Records of Bell County, Texas.

The Board shall establish a due date for the payment of all assessments levied by the Association.

The Association shall send written notice of the amount of the Assessment and the due date for payment of the Assessment to all persons responsible for payment of the same.

Payment Plans

The notice of assessment shall include information on the availability of Payment Plans as an alternative method of payment for the Assessments.

The Payment Plans shall include the following elements:

The minimum term of a payment plan is three months.

The maximum term of a payment plan shall be 18 months from the date of the owner's request for a payment plan.

All payment plans must be in writing, signed by one or more owners of the property subject to the assessments, be approved and signed by an officer or agent of the Association and shall provide that the owner pay all future assessments when due in addition to meeting the terms of the payment plan.

No monetary penalties shall accrue on balances while a payment plan is in good standing, but reasonable costs for administering the plan and interest on the account shall continue to accrue.

Any qualified owner who owes a delinquent balance of \$300.00 or less shall be allowed to pay that balance in three equal consecutive monthly installments without the need for Board approval. The first payment shall be due within thirty (30) days of the owner's request for a payment plan.

Any qualified owner who owes a delinquent balance of \$300.00 or more shall be allowed to pay that balance in five equal consecutive monthly installments without the need for Board approval. The first payment shall be due within thirty (30) days of the owner's request for a payment plan.

Any qualified owner who wishes payment plan terms other than those set out above shall submit a request for such a plan with information supporting the need for alternate plan and the Board may deny or approve such a plan in the board's discretion.

The Association is not required to enter into a payment plan with an owner who failed to honor the terms of a previous payment plan within two years of the owner's original payment plan default.

The Board may, in its sole discretion, enter into a payment plan with an owner who has previously defaulted.

PRIORITY OF PAYMENTS POLICY

FOR

VILLAGE OF SAGE MEADOWS (TEMPLE) HOMEOWNERS ASSOCIATION, INC.

Pursuant to the provisions of new Texas Property Code Section 209.0063, the Board of Directors of the Association adopts this Policy to be effective the 1st day of January 2012. This Policy shall be recorded in the Official Public Records of Bell County, Texas and shall continue in effect until superseded or revoked by subsequent written instrument filed of record.

The purpose of this Policy is to establish the Association's procedures for applying payments received by the Association from an owner in full or partial satisfaction of the owner's debt to the Association.

All such payments shall be applied to the owner's debt with the following priority:

- (i) Any delinquent assessment;
- (ii) Any current assessment;
- (iii) Any attorney's fees or third party collection costs incurred by the association in connection with assessments or any other charge that could provide the basis for foreclosure of the association's lien against the owner's property;
- (iv) Any attorneys fees that are not incurred in connection with paragraph (iii) above;
- (v) Any fines assessed by the Association; and
- (vi) Any other amount owed to the association.

If at the time that a payment is received by the Association the owner is in default of a payment plan with the association, *the association is not required to apply the payment in accordance with the priority set out above, except that, in applying the payment, a fine assessed by the association may not be given priority over any other amount owed to the association.*

RAINWATER COLLECTION SYSTEM REVIEW AND APPROVAL POLICY

FOR

VILLAGE OF SAGE MEADOWS (TEMPLE) HOMEOWNERS ASSOCIATION, INC.

Pursuant to the provisions of amended Texas Property Code Section 202.007, the Board of Directors of the Association adopts this Policy to be effective the 1st day of September 2011. This Policy shall be recorded in the Official Public Records of Bell County, Texas and shall continue in effect until superseded or revoked by subsequent written instrument filed of record.

The purpose of this policy is to provide for the timely and efficient review by the Association of applications for installation of a "Rainwater Collection System" ("System") within Village of Sage Meadows subdivision and to establish guidelines for review and approval of applications to ensure compliance with the provisions of state law.

For the purpose of this Policy, "Rainwater Collection System" shall mean a system or series of mechanisms designed primarily to collect rainwater for subsequent use by the Owner on the Owner's property.

Applications for installation of any Rainwater Collection System shall be submitted to the Association's Architectural Control Committee (the "Committee") in the same manner as applications for approval of any other Improvement.

The System shall be reviewed by the Committee within thirty (30) days from the date of the Committee's receipt of the Owner's application unless the ACC notifies the Owner in writing within the thirty day period that additional information is required or that one or more standards have, in the opinion of the Committee, not been established.

The Committee may deny an application for, or impose reasonable restrictions on, the installation of a System that does not meet one or more of the required standards established by the Association. All committee findings shall be in writing.

An Owner shall be entitled to submit an application to the Association seeking approval for the installation of a rain barrel or rainwater harvesting system.

Any such system shall:

- (1) be of a color consistent, in the reasonable opinion of the ACC, with the color scheme of the property owner's home;
- (2) not display any language or other content that is not typically displayed on such barrel or system as it is manufactured;
- (3) shall not be located on property owned by the Association or on property owned in common by the members of the Association or located between the front of the property owners' home and an adjoining or adjacent street;
- (4) to the greatest extent reasonably possible, be located and/or shielded so as to minimize the visual impact of the installation on adjacent properties, lots and common areas;

- (5) shall be constructed of a non-reflective material; and
- (6) shall not exceed eight feet in height.

The Committee may deny an application for, or impose reasonable restrictions on, the installation of a system which does not meet one or more of the foregoing standards.

RECORD PRODUCTION AND COPYING POLICY

FOR

VILLAGE OF SAGE MEADOWS (TEMPLE) HOMEOWNERS ASSOCIATION, INC.

Pursuant to the provisions of Texas Property Code Section 209.005, the Board of Directors of the Association duly adopts this Record Production and Copying Policy to be effective the 1st day of January 2012. This Policy shall be recorded in the Official Public Records of Bell County, Texas and shall continue in effect until superseded or revoked by subsequent written instrument filed of record.

Requests for Production of or Access to Books and Records

Books and Records of the Association shall be made available to the extent and in the manner provided by Texas Property Code Section 209.005. Certain Books and Records of the Association shall be confidential and are not subject to disclosure or production as provided by Texas Property Code Section 209.005 (k).

The Association shall make the books and records of the Association reasonably available for inspection (1) by an owner or (2) a person designated by the owner as the owner's agent, attorney or certified public accountant.

The books and records of the Association do not include an attorney's files related to the property owner's association except in the limited manner provided by Texas Property Code Section 209.005 (d).

An owner or owner's agent must submit a written request for access or information by certified mail to the Association at the mailing address of the Association or authorized representative found in the most current management certificate filed in the Official Public Records of the County. The written request must identify with sufficient detail the association books and records requested and the requestor must elect to either (1) inspect the books and records before obtaining copies or (2) have the association forward copies of the requested books and records.

The Association shall allow access to or provide copies of its books and records required by law to the extent that the requested books and records are in the possession, custody or control of the Association.

If access to the records is requested, the Association shall reply to the requestor within ten business days from the date that the written request is received by the Association. In its reply the Association shall give the requestor dates during normal business hours when the records may be reviewed.

If copies of identified books and records are requested, the Association shall produce the requested books and records within ten business days of the Association's receipt of the written request unless, on or before the tenth business day, the Association informs the requestor that the Association is unable to provide the requested books and records before the deadline and informs the requestor of a date when the books and records will be sent or made available for inspection. The date shall not be more than fifteen business days after the date that the notice to the requestor is sent.

All inspections shall take place at a mutually agreed upon time during normal business hours.

The Association may produce records in hard copy, electronic or other format reasonably available to the Association.

Costs for Production of Records

(a) Copy charge.

(1) Standard paper copy. The charge for standard paper copies reproduced by means of an office machine copier or a computer printer is \$.10 per page or part of a page. Each side that has recorded information is considered a page.

(2) Nonstandard copy. The charges in this subsection are to cover the materials onto which information is copied and do not reflect any additional charges, including labor, that may be associated with a particular request. The charges for nonstandard copies are:

- (A) Diskette--\$1.00;
- (B) Magnetic tape--actual cost
- (C) Data cartridge--actual cost;
- (D) Tape cartridge--actual cost;
- (E) Rewritable CD (CD-RW)--\$1.00;
- (F) Non-rewritable CD (CD-R)--\$1.00;
- (G) Digital video disc (DVD)--\$3.00;
- (H) JAZ drive--actual cost;
- (I) Other electronic media--actual cost;
- (J) VHS video cassette--\$2.50;
- (K) Audio cassette--\$1.00;

(L) Oversize paper copy (e.g.: 11 inches by 17 inches, greenbar, bluebar, not including maps and photographs using specialty paper--See also §70.9 of this title)--\$.50;

(M) Specialty paper (e.g.: Mylar, blueprint, blueprint, map, photographic--actual cost.

(b) Labor charge for locating, compiling, manipulating data, and reproducing information.

(1) The charge for labor costs incurred in processing a request for public information is \$15 an hour. The labor charge includes the actual time to locate, compile, manipulate data, and reproduce the requested information.

(2) A labor charge shall not be billed in connection with complying with requests that are for 50 or fewer pages of paper records, unless the documents to be copied are located in:

(A) Two or more separate buildings that are not physically connected with each other;

or

(B) A remote storage facility.

(3) A labor charge shall not be recovered for any time spent by an attorney, legal assistant, or any other person who reviews the requested information:

(4) When confidential information is mixed with public information in the same page, a labor charge may be recovered for time spent to redact, blackout, or otherwise obscure confidential information in order to release the non-confidential information. A labor charge shall not be made for redacting confidential information for requests of 50 or fewer pages, unless the documents to be copied are located in:

(A) Two or more separate buildings that are not physically connected with each other;

or

(B) A remote storage facility.

(5) For purposes of paragraph (2)(A) of this subsection, two buildings connected by a covered or open sidewalk, an elevated or underground passageway, or a similar facility, are not considered to be separate buildings.

(c) Overhead charge.

(1) Whenever any labor charge is applicable to a request, the Association may include in the charges direct and indirect costs, in addition to the specific labor charge. This overhead charge would cover such costs as depreciation of capital assets, rent, maintenance and repair, utilities, and administrative overhead. If the Association chooses to recover such costs, a charge shall be made in accordance with the methodology described in paragraph (3) of this subsection. Although an exact calculation of costs will vary, the use of a standard charge will avoid complication in calculating such costs and will provide uniformity for charges made statewide.

(2) An overhead charge shall not be made for requests for copies of 50 or fewer pages of standard paper records unless the request also qualifies for a labor charge.

(3) The overhead charge shall be computed at 20% of the charge made to cover any labor costs associated with a particular request. Example: if one hour of labor is used for a particular request, the formula would be as follows: Labor charge for locating, compiling, and reproducing, \$15.00 x .20 = \$3.00.

(d) Remote document retrieval charge.

(1) To the extent that the retrieval of documents results in a charge to comply with a request, it is permissible to recover costs of such services for requests that qualify for labor charges under current law.

(e) Miscellaneous supplies. The actual cost of miscellaneous supplies, such as labels, boxes, and other supplies used to produce the requested information, may be added to the total charge for public information.

(f) Postal and shipping charges. The Association may add any related postal or shipping expenses which are necessary to transmit the reproduced information to the requesting party.

(g) Miscellaneous charges: The Association that accepts payment by credit card for copies of public information and that is charged a "transaction fee" by the credit card company may recover that fee.

(h) The Association shall have the right to require advance payment of the estimated costs of compilation, production and reproduction of the requested information. If the estimated costs are greater or lesser than the actual costs the Association shall submit a final invoice to the requestor within 30 business days of the date that the information is delivered. If the estimated costs exceed the actual costs the Association shall refund the excess funds to the requestor not later than 30 business days after the final invoice is sent to the owner. If the actual costs exceed the estimated costs, the requestor shall pay the amount due to the Association before the 30th business day from the date that the invoice is sent to the requestor/owner. If not timely paid, the charges may be added to the owner's account as an assessment.

RECORDS RETENTION POLICY

FOR

VILLAGE OF SAGE MEADOWS (TEMPLE) HOMEOWNERS ASSOCIATION, INC.

Pursuant to the provisions of Texas Property Code Section 209.005(m), the Board of Directors of the Association duly adopts this Record Retention Policy to be effective the 1st day of January 2012. This Policy shall be recorded in the Official Public Records of Bell County, Texas and shall continue in effect until superseded or revoked by subsequent written instrument filed of record.

- (1) Certificates of Formation/Articles of Incorporation, bylaws, restrictive covenants and all amendments to any of the same shall be retained permanently;
- (2) Financial books and records of the Association shall be retained for five years;
- (3) Account records of current owners shall be retained for five years;
- (4) Contracts to which the Association is a party shall be retained for four years after the expiration of the contract term;
- (5) Minutes of meetings of owners and the Board of Directors of the Association shall be retained for seven years;
- (6) Tax returns and audit records shall be retained for seven years;

RELIGIOUS ITEM DISPLAY REVIEW AND APPROVAL POLICY

FOR

VILLAGE OF SAGE MEADOWS (TEMPLE) HOMEOWNERS ASSOCIATION, INC.

Pursuant to the provisions of new Texas Property Code Section 202.018, the Board of Directors of the Association adopts this Policy to be effective the 20th day of June 2011. This Policy shall be recorded in the Official Public Records of Bell County, Texas and shall continue in effect until superseded or revoked by subsequent written instrument filed of record.

The purpose of this policy is to provide for the timely and efficient review by the Association of applications for installation and display of one or more "Religious Items" ("Item") on the entry to the owner's or resident's dwelling within Village of Sage Meadows subdivision and to establish guidelines for review and approval of applications to ensure compliance with the provisions of state law.

For the purpose of this Policy, "Religious Item" shall mean an item, on the entry to the owner's or resident's dwelling, *the display of which is motivated by the owner's or resident's sincere religious belief.*

Applications for installation of any Religious Item shall be submitted to the Association's Architectural Control Committee (the "Committee") in the same manner as applications for approval of any other Improvement.

In considering applications for the installation and display of such items, the members of the Association's Architectural Control Committee (the "Committee") shall reasonably accept that all such applications are motivated by the sincere religious belief of the applicant.

The Committee may deny an application for approval which:

- (1) Threatens the public health or safety; or
- (2) Violates a law; or
- (3) Contains language, graphics, or any display that is patently offensive to a passerby of reasonable sensitivities; or
- (4) Is in a location other than the entry door or door frame or extends past the outer edge of the door frame of the owner's or resident's dwelling; or
- (5) Individually or in combination with other religious items displayed or to be displayed on the entry door or door frame has a total size of greater than 25 square inches

An application for display of a Religious Item shall be deemed approved by the Committee thirty (30) days from the date of the Committee's receipt of the Owner's application unless the Committee notifies the Owner in writing within the thirty day period that additional information is required or that one or more standards have, in the opinion of the Committee, not been established.

The Committee may deny an application for, or impose reasonable restrictions on, the installation of Religious Items that do not meet one or more of the required standards. All committee findings shall be in writing.

ROOFING MATERIALS REVIEW AND APPROVAL POLICY

FOR

VILLAGE OF SAGE MEADOWS (TEMPLE) HOMEOWNERS ASSOCIATION, INC.

Pursuant to the provisions of new Texas Property Code Section 202.011, the Board of Directors of the Association adopts this Policy to be effective the 20th day of June 2011. This Policy shall be recorded in the Official Public Records of Bell County, Texas and shall continue in effect until superseded or revoked by subsequent written instrument filed of record.

The purpose of this policy is to provide for the timely and efficient review by the Association of applications for installation of certain Roofing Materials, as defined herein, within Village of Sage Meadows subdivision and to establish guidelines for review and approval of applications to ensure compliance with the provisions of state law.

For the purpose of this Policy, "roofing materials" shall mean shingles proposed to be installed on the roof of the Owner's home or authorized outbuilding located on the Owner's property within the subdivision, when the shingles meet the following standards:

- (1) They are designed primarily to:
 - (A) be wind and hail resistant;
 - (B) provide heating and cooling efficiencies greater than those provided by customary composite shingles; or
 - (C) provide solar generation capabilities; and
- (2) when installed:
 - (A) resemble the shingles used or otherwise authorized for use on property within the subdivision;
 - (B) are more durable than and are of equal or superior quality to the shingles provided in Paragraph (A); and
 - (C) match the aesthetics of the property surrounding the owner's property.

Applications for installation of such Roofing Materials shall be submitted to the Association's Architectural Control Committee (the "Committee") in the same manner as applications for approval of any other Improvement. The Committee may require that the Owner/applicant provide supporting documentation from the manufacturer of the shingle which establishes that the proposed installation meets the above described standards.

An application which meets all of the following conditions shall be deemed approved by the Committee thirty (30) days from the date of the Committee's receipt of the Owner's application unless the ACC notifies the Owner in writing within the thirty day period that additional information is required or that one or more standards have, in the opinion of the Committee, not been established.

The Committee may deny an application for, or impose reasonable restrictions on, the installation of roofing materials that do not meet one or more of the required standards. All committee findings shall be in writing.

SOLAR ENERGY DEVICE REVIEW AND APPROVAL POLICY

FOR

VILLAGE OF SAGE MEADOWS (TEMPLE) HOMEOWNERS ASSOCIATION, INC.

Pursuant to the provisions of new Texas Property Code Section 202.010, the Board of Directors of the Association adopts this Policy to be effective the 20th day of June 2011. This Policy shall be recorded in the Official Public Records of Bell County, Texas and shall continue in effect until superseded or revoked by subsequent written instrument filed of record.

The purpose of this policy is to provide for the timely and efficient review by the Association of applications for installation of a "Solar Energy Device" ("SED") within Village of Sage Meadows subdivision and to establish guidelines for review and approval of applications to ensure compliance with the provisions of state law.

For the purpose of this Policy, "Solar Energy Device" shall mean a system or series of mechanisms designed primarily to provide heating or cooling or to produce electrical or mechanical power by collecting and transferring solar-generated energy. The term includes a mechanical or chemical device that has the ability to store solar-generated energy for use in heating or cooling or in the production of power.

Applications for installation of any Solar Energy Device shall be submitted to the Association's Architectural Control Committee (the "Committee") in the same manner as applications for approval of any other Improvement.

An application which meets all of the requirements set out below shall be deemed approved by the Committee thirty (30) days from the date the Owner's application is received by the Association, unless the Committee notifies the Owner in writing within the thirty-day period that additional information is required or that one or more standards have, in the opinion of the Committee, not been properly established in the application.

If installed on the roof of the Owner's home, the SED, as installed is (1) located on the roof of the Owner's home, (2) the SED does not extend higher than or beyond the roofline, (3) the SED conforms to the slope of the roof, (4) the SED has a top edge that is parallel to the roofline, and (5) the SED has a frame, support bracket or visible wiring or piping that is in a silver, bronze or black tone commonly available in the marketplace

If installed in a fenced yard or patio owned and maintained by the Owner, the SED as installed may not exceed the height of a fence which meets applicable height requirements in the governing documents of the Association or restrictive covenants applicable to the subdivision.

The Committee may deny an application for, or impose reasonable restrictions on, the installation of an SED that:

- (1) As adjudicated by a Court, threatens the public health or safety or violates a law;

- (2) Is located on property owned or maintained by the Association;
- (3) Is located on property owned in common by the members of the Association;
- (4) Is located in an area on the Owner's property other than the roof of the home or in a fenced yard or patio owned and maintained by the Owner;
- (5) Does not meet all requirements for installation of the SED on a roof or in a fenced yard or patio owned and maintained by the Owner as set out above;
- (6) Was installed without prior approval of the ACC;
- (7) The ACC finds that placement of the SED as proposed will substantially interfere with the use and enjoyment of land by causing unreasonable discomfort or annoyance to persons of ordinary sensibilities. The finding may not be made if the written approval of the proposed placement of the device by all property owners of adjoining property is provided by the Owner/applicant.

