

Cottonwood Creek Property Owners, Inc. (CCPOI)

POLICIES AND PROCEDURES

In accordance with the Articles of Incorporation and CCPOI Bylaws, the Board of Directors ("Board") is responsible for the management of CCPOI for the benefit of its members. To this end, the Board has implemented the following policies and procedures to ensure the proper management of CCPOI and its common areas. The common areas include all real property (i.e., the streets, buildings, grounds, golf course, swimming pool, hot tub, recreational vehicle (RV) storage area and maintenance area.)

1. CCPOI COMMITTEE APPOINTMENTS
2. CLUBHOUSE/HALL
3. DUE DATES
4. EMPLOYEE DISCRIMINATION AND SEXUAL HARASSMENT POLICIES
5. EXERCISE ROOM
6. EXPENDITURES BY THE BOARD ON BEHALF OF CCPOI
7. GOLF COURSE
8. GUESTS
9. LIBRARY AND POOL ROOM
10. OFFICE EQUIPMENT – PERSONAL USE OF
11. PETS
12. POOL AND HOT TUB
13. PRIVATE PROPERTY IMPROVEMENT AND MAINTENANCE
14. RENTAL OF PRIVATE HOMES
15. RV STORAGE AND MAINTENANCE
16. STREETS AND PARKING
17. TENNIS COURTS AND SHUFFLEBOARD
18. EMPLOYEES
19. BOARD TRANSITION

1. CCPOI COMMITTEE APPOINTMENTS

The CCPOI board shall approve all standing and special committees and the members of the committees.

2. CLUBHOUSE/HALL

The clubhouse is for the exclusive use of CCPOI property owners. It can be reserved by a property owner for their personal use (i.e., property owner's birthday or anniversary or a celebration of life).

No reservations will be accepted from renters.

Reservations for use of the clubhouse by Cottonwood Creek owners require completion of a request available at the CCPOI office

Residents may rent the hall for \$250, with a \$100 refund if the hall is left in good condition, as it was prior to the activity, and all trash is removed.

If a resident sponsors a party for a non-resident, the rental fee is \$500, with a \$100 refund if the hall is left in good condition, as it was prior to the activity, and all trash is removed.

Organizers of events in the clubhouse are responsible for obtaining prior instruction for turning off lights, fans, air conditioning and public address systems, which shall be done prior to leaving the building after the event.

In order to comply with the City of Harlingen fire code, only 300 seated persons are permitted in the clubhouse at any one time.

3. DUE DATES

CCPOI assessments are due on the first day of the month and if unpaid become delinquent on the last day of the month. Late fees of 10% per annum will be collected on delinquent assessments (beginning with any delinquent as of June 30, 2016.)

When a check is returned by the bank to CCPOI as unpayable for any reason, in addition to any penalty fee imposed by the bank being collected. CCPOI will collect a processing fee of \$50.00 from the payor.

Payroll taxes are filed for each payroll by CCPOI's accountant processing payroll when due.

Quarterly filings – IRS Form 941 and Texas Workforce (April 15, July 15, October 15 and January 15).

Annual filings – Sales tax, IROP Form 940 (January 15), Vendor's 1099, W2's (January 31).

Real Estate Taxes – October

Insurance - as required.

4. EMPLOYEE DISCRIMINATION AND SEXUAL HARASSMENT POLICIES

The CCPOI is an equal opportunity employer which shall not discriminate in any of its activities or operations based on race, color, religion, gender, gender expression, age, national origin, disability, marital status, sexual orientation, or military status. These activities include, but are not limited to, hiring and firing of staff, selection of volunteers and vendors, and provision of services.

The CCPOI is committed to providing a work environment that is free from harassment based on individual's sex, race, ethnicity, national origin, age, religion or any other legally protected characteristics. Any employees, including supervisors and other management personnel, are required to abide by this policy. No person will be adversely affected in employment with the CCPOI as a result of bringing complaints of unlawful harassment.

Sexual harassment will not be tolerated by CCPOI. Sexual harassment is: Unwelcome sexual advances, requests for sexual favors, and other verbal or physical conduct, of a sexual nature when (1) submission to or rejection of such conduct by is made either explicitly or implicitly a term or condition

of an individual's employment; (2) submission to or rejection of such conduct by an individual is used as the basis for decisions about employment, promotion, transfer, selection for training, performance evaluations, benefits, or other terms and conditions of employment; or (3) such conduct has the purpose or effect of creating an intimidating, hostile, or offensive work environment or substantially interferes with an employee's work performance. Any employee who believes she/he is a victim of sexual harassment must immediately report any incident to the CCPOI president. If the CCPOI president is the alleged harasser, immediate reporting will be to a CCPOI board member of the employee's choice.

If a CCPOI employee feels she/he has been harassed on the basis of their sex, race, national origin, ethnic background, or any other legal protected characteristic, they should immediately report the matter in writing to the CCPOI president. If that person is not available, or if the employee feels it would be unproductive to inform that person, the employee should immediately contact the CCPOI board member of the employee's choice. Once the matter has been

reported, it will be promptly investigated and corrective action taken, if appropriate. All complaints of unlawful harassment will be handled in a discreet and confidential manner as possible under the circumstances.

Any CCPOI employee engaging in improper harassing behavior will be subject to disciplinary action, including the possible termination of employment.

The CCPOI will not tolerate retaliation against any employee who complains of harassment, including sexual harassment, or provides information in connection with any such complaints.

5. EXERCISE ROOM

Guests under 18 years of age must be accompanied by a resident adult when using the exercise room.

To avoid injury and for their own safety and welfare, anyone using the exercise equipment is responsible for knowing their own limitations and knowing how to operate the equipment.

The equipment located in the exercise room must be utilized in the manner in which it was intended.

6. EXPENDITURES BY THE BOARD OF DIRECTORS ON BEHALF OF CCPOI

The Board shall attempt to obtain three bids for all expenditures by the board over \$5,000.00.

All expenditures over \$5,000.00 require a majority vote of the CCPOI board.

Two CCPOI board member signatures are required on all checks issued.

No one, including directors, committee members, or property owners, has the authority to bind CCPOI by written or verbal contract, to render it liable monetarily, or to incur any expense on behalf of CCPOI for any purpose without prior majority approval by the board which is recorded in the minutes.

7. GOLF COURSE

Golf tournaments require proper Board approval and are subject to outside players paying appropriate green, cart and equipment rental fees.

Cottonwood Creek guests are required to pay cart and equipment rental fees for each round of golf prior to beginning play.

Golf cart rental fees apply to CCPOI owners, residents and guests.

Green fees and equipment rental fees shall be reviewed by the Golf

Committee prior to the start of each league season. Any fee changes recommended by the golf committee shall be approved by the Board prior to their implementation. Only golf course appropriate vehicles are permitted on the golf course.

Everyone on the golf course is required to wear appropriate clothing, including shirts, at all times. Appropriate golf shoes should be worn on the golf course.

Riding golf carts are to be kept on the cart paths when teeing off and at least 15 feet from the greens, when possible and practical.

Golfers are not to trespass upon private property at any time except to retrieve stray golf balls. Stray golf ball shall NOT be hit from private property.

Golfers are responsible for replacing divots on tee boxes and the fairways and for repairing ball marks on the greens.

Signs will be posted in front of the Pro Shop and on the first tee when the golf course is closed, or riding carts are NOT permitted.

8. GUESTS

A guest is defined as one who resides outside a 150-mile radius of Cottonwood Creek as stated in the Cottonwood Creek Covenants. Such temporary guests include those staying with the owner of a residence within Cottonwood Creek. This guest is limited to use of the common area facilities for no more than two (2) consecutive weeks per year.

9. LIBRARY AND POOL TABLE ROOM

Guests under 18 years of age must be accompanied by a resident when using the library/pool room.

10. PERSONAL USE OF CCPOI OFFICE EQUIPMENT

Only CCPOI staff and board members may use CCPOI office machinery, including computers, copy machines and fax machine.

11. PETS

Pets MUST be controlled by the owner or responsible adult at ALL times, so they are not a nuisance. Pet owners are responsible immediately for any damage caused by their pets. When not on the owner's property, all pets must be kept on a leash as required by the CC&R's and City of Harlingen and Cameron County regulations.

At no time may pets be allowed to enter another person's private property without their express permission.

PET OWNERS ARE RESPONSIBLE FOR IMMEDIATELY CLEANING UP AFTER THEIR PETS.

Pets are not allowed on the golf course or in the swimming pool area.

12. POOL AND HOT TUB AREA

Rules and procedures posted in the pool are enforced at all times.

Use of the pool and hot tub is limited to CCPOI residents and their GUESTS.

Children 12 years or younger are not allowed in the hot tub. If guests are using the pool or hot tub are under 18 years of age, they must at all times have a resident supervising them, be kept under control, and not permitted to interfere with the quiet enjoyment of the pool and hot tub by other residents.

Anyone displaying rowdy or rude behavior may be asked to leave the pool area at any time by any CCPOI owner.

The following activities are not permitted:

- Diving into the pool or hot tub
- Running in the pool area
- Throwing objects into the pool or in the pool area
- Bicycles, skates or skateboards in the pool area
- Bringing or allowing pets in the pool area

13. PRIVATE PROPERTY IMPROVEMENT AND MAINTENANCE

Owners wishing to make additions and exterior improvements to their property must complete and submit a CCPOI proposal form for Architectural Control Committee (ACC) approval. Any addition/improvement may not commence until the necessary approval is obtained from the ACC and the City of Harlingen (if required).

All storage buildings and their location must be approved by the ACC prior to the installation.

Owners making additions or changes to their property without prior ACC approval may be subject to consequences.

Each private property shall be maintained in a sanitary and attractive manner without excess overgrowth of vegetation or accumulated garbage, trash or

rubbish. If vegetation overgrowth is permitted by the owner/resident, CCPOI will charge the owner \$50.00 for each occurrence mowing and/or trimming at the owner's expense. In the event you are unable to remove large debris as a result of wind damage, CCPOI personnel upon request will remove such items for \$25.00 payable to CCPOI for each occurrence.

14. RENTAL OF PRIVATE HOMES

Property owners shall complete and submit a CCPOI rental property information form prior to renting the Cottonwood Creek property

15. RV STORAGE AND MAINTENANCE AREAS

Access to the RV storage area is limited to CCPOI members/residents, and its employees while performing their duties at CCPOI.

The RV rental storage spaces shall be procured upon written request of the renter for full months rental (\$30.00 per month). If paid by the year the cost is \$300.00. Refunds of less than full month's rental shall not be made

16. STREETS AND PARKING

The speed limit on all streets within CCPOI is 15 miles per hour.

CCPOI residents are permitted to use streets at all times for walking, driving, and bicycling. Lights and reflective clothing should be used when walking and bicycling at night.

No vehicle may be used, at any time, for the purpose of residence or living space when parked within Cottonwood Creek.

Parking for periods in excess of those outlined in the CCPOI covenants if not permitted without prior CCPOI approval. Parking on the streets is not allowed from 10:00 p.m. through 7:00 a.m.

Failure to comply with parking restrictions may result in the vehicle being tagged, showing the date, time and violation. CCPOI may have a commercial towing service remove, at the owner's expense, any vehicle of a nonresident in violation of the CC&R's no less than 24 hours after posting notice of noncompliance on such vehicle.

Guests under 16 years of age must be accompanied by a resident while driving golf carts within Cottonwood Creek. Residents are responsible for ensuring their guests comply with this requirement.

Vehicles and other items displaying for sale signs shall not be parked or placed within CCPOI parking lots unless approved by the Board.

Property owners shall request parking permits for themselves or their guests to park on CCPOI property longer than overnight from the CCPOI office. The permit is to be displayed as instructed while parked on CCPOI property. Parking permits will be issued for up to two weeks after which time the vehicle must be removed or moved to fee based long term storage.

17. TENNIS COURTS AND SHUFFLEBOARD

Use of the tennis courts and shuffleboard courts is limited to CCPOI members and residents and their eligible guests.

Proper footwear is to be worn at all times on the tennis courts. Shoes with abrasive soles or any kind of black shoes may not be worn.

Shufflers should walk on the concrete area between the courts when changing ends. The green court area is covered in a very specialized material and may be damaged just by walking. Do not use the courts as a short cut.

18. EMPLOYEES

As the Bylaws provide, decisions to hire, discipline, or terminate an employee, requires a majority vote of the board.

Employees are at-will and hourly unless otherwise appropriate as determined by the board in compliance with Federal and State employment laws.

Employees are permitted time off, with pay for the following holidays,

January 1

Memorial Day

July 4

Labor Day

Thanksgiving (day only)

Christmas (day only)

If the holiday falls on a Saturday or Sunday the employ will be given the Friday before or the Monday after off.

Employees shall earn 80 hours personal leave posted on January 1 each year following one year of fulltime employment with CCPOI. The personal leave shall

be used before January 1, the following year. Use of the personal leave shall be approved by the CCPOI President. Or, in the absence of the President, the Vice President.

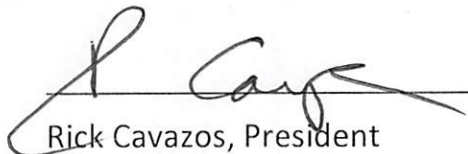
Employees who have been employed by CCPOI more than 10 YEAR shall get an additional 5 days' vacation. Use of the personal leave shall be approved by the CCPOI President. Or in the absence of the President, the Vice President.

Background checks of prospective employees shall be conducted. Such background check shall include no less than criminal history and past employment verification.

Employees who are requested by the board to use their personal vehicles for CCPOI business shall be reimbursed for the required miles driven in accordance with Internal Revenue Service rates. Reimbursement shall be made once per month.

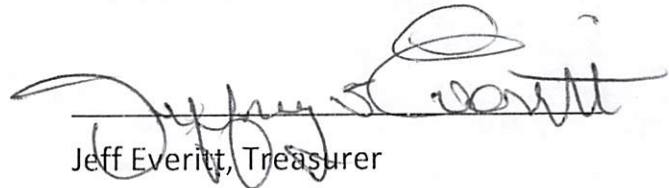
Hourly employees must use the time clock.

Approved and signed September 1, 2026


Rick Cavazos, President


Ray Statler, Vice President


Carolyn Teer, Secretary


Jeff Everitt, Treasurer


Jim Livingston, Member at Large