UNANIMOUS WRITTEN CONSENT OF DIRECTORS OF THE CANYONS AT CARDINAL HILLS HOMEOWNERS ASSOCATION, INC.

Section 22.220 of the Texas Business Organizations Code provides that as authorized by the Certificate of Formation or Bylaws, any action required or permitted to be taken at any meeting of the Board of Directors may be taken without a meeting of the Board of Directors if a consent, in writing, setting forth the action so taken is signed by all members of the Board of Directors. Accordingly, pursuant to such statutory authority, the undersigned, being all of the Members of the Board of Directors of the The Canyons at Cardinal Hills Homeowners Association, Inc.(the "Association"), hereby consent to the adoption of the following resolutions by consent of all Members of the Board of Directors as of effective date of this unanimous consent:

RESOLUTION

WHEREAS, by virtue of Article 5.4 (A) of The Canyons at Cardinal Hills Master Declaration of Covenants, Conditions and Restrictions (the "Declaration") the Board of Directors of The Canyons at Cardinal Hills Homeowners' Association, Inc. is given the duty and responsibility to "...make, establish and promulgate ... such Rules and Bylaws...as it deems proper covering any and all aspects of its functions"; and

WHEREAS, by virtue of Article 5.4 (E) of the Declaration, the Board of Directors of the Association is given the duty and responsibility to enforce the provisions of the Declaration and Restrictions and to "...take all such actions as it may deem necessary or expedient to enforce the Restrictions..."; and

WHEREAS, the Board recognizes that enforcement of the Covenants, Conditions and Restrictions is consistent with its' responsibilities and in the best interests of all property owners within the subdivision; and

WHEREAS, by virtue of Article 5.4 (F) of the Declaration, the Board of Directors of the Association is given the authority "...To levy fines against Members who violate one or more of the Restrictions; and

WHEREAS, the Board finds that the adoption of a schedule of monetary fines for violation of the requirements of the Declaration and the Restrictions, and to provide an

opportunity for a hearing before the Board of Directors as required by the Texas Property Code if a Lot Owner wishes to contest the validity or imposition of fines in accordance with the fine schedule, is in the best interest of the Association and its Members.

NOW THEREFORE, BE IT RESOLVED by the Board of Directors that the schedule of fines and procedures for imposition of fines as set out on Attachment "A" hereto is hereby adopted by the Board of Directors of the Association as a part of the Rules applicable to all Lot Owners within the Subdivision. Written notice of the adoption of these rules shall be given to al. Lot Owners within the subdivision and these rules shall become effective five (5) days after the date on which said notice is sent by the Manager of the Association.

ADOPTED this 11th day of april, 2013

BOARD OF DIRECTORS

THE CANYONS AT CARDINAD HILLS

HOMEOWNERS ASSOCIATION, INC.

Director Amber

Director Mary Ann Carmichael

Director Grover C. Lee ton

Attachment "A"

Attached to and a Part of a Resolution Adopted By the Board of Directors of The Canyons at Cardinal Hills Homeowners Association, Inc.

<u>Schedule of Fines</u> for Violations of The Canyons at cardinal Hills Restrictions

Fine for 1st violation of specified restriction

\$25.00 for each day of violation

Fine for 2nd violation of same restriction

\$50.00 for each day of violation

Fine for 3rd and subsequent violations \$100.00 for each day of violation

Procedure for Imposition of Fines

- The Association Manager shall give written notice of specific violation to Lot Owner in the manner provided by Texas Property Code Chapter 209.. This notice shall identify the specific violation, note the necessary action to cure such violation and shall designate a date of no less than five or more than ten days from the date of the notice by which such violation shall be cured. No penalty shall be imposed if the violation is cured within the designated time period.
- 2) The notice shall also provide that failure to cure the violation within the time designated will result in the imposition of fines for each day that the violation continues beyond the date of cure set out in the letter. The amount of the daily fine will vary depending on whether the violation has occurred previously.
- The notice shall also provide that the Lot Owner shall have the opportunity to contest the existence of a violation or the imposition of fines by providing to the Association Manager a written request for hearing before the Board of Directors. This request for hearing must be postmarked or delivered to the Association Manager within thirty (30) days of the date of the notice of violation. Failure to do so shall result in waiver of the right to contest the violation or the fine.
- 4) The giving of the notice of violation and the procedure for the hearing before the Board shall be in performed in a manner which provides for a full, fair and adequate airing of the alleged violations of the Association's Declaration.
- 5) A notice of violation in substantially the following form shall be used:

| | Dear: | |
|---|--|--|
| | You are in violation of [e.g. Article of The Canyons at Cardinal Hills Master Declaration of Covenants, Conditions and Restrictions] in that you have done [or failed to do] the following: You have until [date is set out] to cure this violation. Your failure to do so on or before [the date set out] will result in the imposition of fines in the amount of \$ for each day in which the violation continues and such other penalties as the Board may determine. No penalty will result if you cure the violation within the time required. | |
| | If you do not do so, the Board, after giving you an opportunity for a hearing before the Board (or those to whom the Board has delegated such responsibility), shall have the right to impose the above-referenced fines and/or any other penalty authorized by the Declaration or the Bylaws. | |
| You have the right to a Hearing before the Board of Directors of the Associa or those persons to whom the Board delegates such responsibility in writing. | | |
| | You must request this Hearing within thirty (30) days of your receipt of this Letter by mailing or delivering a written request for hearing to the Board of Directors at the following address: | |
| | | |
| withou of this fail to attorne | In the event of your failure to request such a hearing in a timely manner, the Board may impose any authorized penalty and take any lawful action to enforce the Declaration to further notice to you except as may be required by law. Such action may include referral matter to the Association's attorney for further enforcement action. Please note that if you address this violation as set out herein and the matter is referred to the Association's try for further action, you will be responsible for all attorney's fees and associated trees incurred in connection with enforcement of the provisions of the Declaration. Please | |
| | t at if you have any questions concerning this matter. | |

CERTIFICATION OF BOARD RESOLUTION FOR THE CANYONS AT CARDINAL HILLS HOMEOWNERS ASSOCIATION, INC.

I, the undersigned, do hereby certify:

| ASSOCIATION, INC., a Texas non-profit corpora access to the records of the Association. The record | YONS AT CARDINAL HILLS HOMEOWNERS tion (the "Association") and, in such capacity, I have ds reflect that the attached Resolution of the Board of by the Board of Directors on the |
|--|---|
| of | subscribed my name thisday day |
| | Rosalyn Peterson |
| ACKNOWI | LEDGEMENT |
| ACKNOWI | MEDGENIER I |
| STATE OF TEXAS | |
| COUNTY OF TRAVIS) | |
| | me on this the day of, for THE CANYONS AT CARDINAL HILLS non-profit corporation, on behalf of said corporation. |
| | |
| | Notary Dublic State of Toyon |
| | Notary Public, State of Texas |

AFTER RECORDING, RETURN TO:

The Law Offices of Glenn K. Weichert, P.C. 3821 Juniper Trace, Suite 106 Austin, Texas 78738