

Memorandum for Recording of Dedicatory Instruments

(Policies, Requirements, Rules and Regulations)

The Shores Subdivision of South Padre Island, Texas

STATE OF TEXAS §
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COUNTY OF CAMERON §

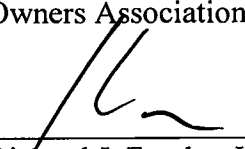
The undersigned officer for **The Shores Owners Association**, for the purpose of providing public notice of the following dedicatory instruments affecting the owners of all lots, tracts and parcels of real property within The Shores Subdivision, Cameron County, South Padre Island, Texas subject to that certain Second Amended and Restated Declaration of Covenants, Conditions, Restrictions, and Other Matters for The Shores Subdivision was recorded under Clerk's File No. 2026-20617 of the Official Records of Cameron County, Texas, as amended or supplemented (said lots, tracts and parcels hereinafter referred to as the "Shores Property"), hereby states that the instruments attached hereto are true and correct copies of the following:

- **Access, Production and Copying Policy**
- **Collection and Payment Plan Policy**
- **Common Area Usage Policy**
- **Document Retention Policy**
- **Residential Dedicatory Instrument Enforcement, Board Hearing, and Fine Policy**
- **Flag Display Policy**
- **Religious Item Display Policy**
- **Contractor Requirements**
- **Marina Rules and Regulations**

All persons or entities holding an interest in and to any portion of the Shores Property are subject to the foregoing instruments.

IN WITNESS WHEREOF, the undersigned has caused this Certificate and Memorandum of Recording of Dedicatory Instruments for the Shores Owners Association to be filed of record in the Office of the County Clerk of Cameron County, Texas.

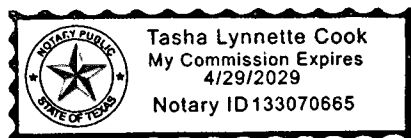
Shores Owners Association

By: 
Richard J. Franke, Jr.
President

STATE OF TEXAS §
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COUNTY OF CAMERON §

BEFORE ME, the undersigned Notary Public, on this day personally appeared Richard J. Franke, Jr., President for the Shores Owners Association, known to me to be the person whose name is subscribed on the foregoing instrument and acknowledged to me that he executed the same for the purposes therein expressed and in capacity therein stated.

GIVEN UNDER MY HAND AND AFFIRMED SEAL OF OFFICE on this 14 day of October, 2026.



Tasha Lynnette Cook
Notary Public, State of Texas

AFTER RECORDING, PLEASE RETURN TO:

THE FRANKE LAW FIRM, P.C.
8605 Padre Blvd.
South Padre Island, Texas 78597

THE SHORES OWNERS ASSOCIATION
ACCESS, PRODUCTION, AND COPYING POLICY

STATE OF TEXAS §
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 COUNTY OF CAMERON §

I. PURPOSE

The purpose of this Access, Production, and Copying Policy (this “***Policy***”) is to prescribe (i) accessibility to books and records of The Shores Owners Association, a Texas nonprofit corporation (the “***Association***”) and (ii) the costs the Association will charge for the compilation, production, and reproduction of information requested under Section 209.005 of the Texas Property Code. The Board of Directors of the Association (the “***Board***”) has determined that it is in the best interest of the Association to establish this Policy concerning the production and copying of information, books, and records of the Association.

II. APPLICABILITY AND AUTHORITY

The property encumbered by this Policy is that property restricted by the Second Amended and Restated Declaration of Covenants, Conditions, Restrictions, and Other Matters for The Shores Subdivision, recorded under Clerk’s File Number 2026-20617 in the Official Public Records of Cameron County, Texas, as same has been and may be amended from time to time (the “***Declaration***”), and any other property which has been and may be subsequently annexed into The Shores and made subject to the authority of the Association.

Reference is made to the Declaration for all purposes. Unless otherwise set forth in this Policy, the capitalized terms used in this Policy are defined in the same manner as set forth in the Declaration and the interpretation provision set forth in the Declaration applies to this Policy, which definitions and interpretation provision are incorporated in this Policy for all purposes by this reference.

Pursuant to the Dedicatory Instruments governing the Property, the Board is vested with the authority to adopt policies, rules, and guidelines.

The Board adopts this Policy, which runs with the land and is binding on all Owners and Lots within the Properties. The provisions of this Policy are in addition to any other applicable guidelines, rules, or policies. This Policy is effective upon the recording of same. After the effective date, in the event of a conflict between the terms of this Policy and any previously adopted guidelines, rules, or policies addressing the subjects contained in this Policy, this Policy will control.

Invalidation of any one or more of the covenants, conditions, restrictions, or provisions contained in this Policy will in no way affect any one of the other covenants, conditions, restrictions, or provisions of this Policy, which remain in full force and effect.

III. ACCESS, PRODUCTION, AND COPYING POLICY

1. Access

The books and records of the Association, including financial records, must be open to and reasonably available for examination by an Owner, or a person designated in writing signed by the Owner as the Owner's agent, attorney, or certified public accountant. An Owner is entitled to obtain from the Association copies of information contained in the books and records. An Owner, or the Owner's authorized representative, must submit a written request for access or information by certified mail, with sufficient detail describing the books and records requested, to the mailing address of the Association as reflected on the Association's most current management certificate. The request must contain an election either to inspect the books and records before obtaining copies or to have the Association forward copies of the requested books and records.

An attorney's files and records relating to the Association, excluding invoices requested by an Owner under Section 209.008(d) of the Texas Property Code, are not records of the Association and are not subject to inspection by the Owner or to production in a legal proceeding. If a document in an attorney's files and records relating to the Association would be responsive to a legally authorized request to inspect or copy Association documents, the document must be produced by using the copy from the attorney's files and records if the Association has not maintained a separate copy of the document. Any document that constitutes attorney work product or that is privileged as an attorney-client privileged communication is not required to be produced.

The Association is not required to release or to allow inspection of any books or records that identify (a) the Dedicatory Instrument violation history of an Owner, (b) an Owner's personal financial information, including records of payment or nonpayment of amounts due the Association, (c) an Owner's contact information other than the Owner's address, or (d) information related to an employee of the Association, including personnel files. These records may be made available only (i) with the express written approval of the Owner whose records are the subject of the request or (ii) if a court of competent jurisdiction orders the release of the records. Information may be released in an aggregate or summary manner that would not identify an individual Owner.

If inspection is requested, the Association, on or before the 10th business day after the date the Association receives the request, must send written notice of dates that the Owner may inspect the requested records to the extent the records are in the possession or control of the Association. The inspection will take place at a mutually agreed upon time during normal business hours.

If copies are requested, the Association must produce the requested records for the Owner on or before the 10th business day after the date the Association receives the request, except as otherwise provided in this Policy. The Association may produce the requested records in hard copy, electronic, or other format reasonably available to the Association.

If the Association is unable to produce the records on or before the 10th business day after the date the Association receives the request, the Association must give the Owner notice that it is unable to produce the records within 10 business days and state a date by which the information will be sent or made available for inspection, on a date not more than 15 business days after the date the notice is given.

Notwithstanding anything contained in this Policy to the contrary, all records must be produced subject to the terms of this Policy as set out below. The Association may require advance payment of estimated costs per its adopted policy.

2. Custodian of Records

The Secretary of the Board or other person designated by the Board is the designated Custodian of the Records of Association. As such, the Secretary of the Board or other person designated by the Board, as applicable, is responsible for overseeing compliance with this Policy. Any questions regarding this Policy must be directed to the Custodian of the Records of the Association.

3. Procedures for Responding to Requests for Information

All requests for information must comply with the requirements set forth above. The dated and signed, written request must state the specific information being requested.

Requests for information will **NOT** be approved when the information (1) regards pending legal issues, unless specifically required by law; (2) regards personnel matters, such as individual salaries; (3) regards other Members; or (4) is privileged or confidential.

4. Cost of Compiling Information and Making Copies of Records

The costs of compiling information and making copies may not exceed those set forth in 1 TAC §70.3. The following fee schedules and explanations comply with this code section.

The following are the costs of materials, labor, and overhead which will be charged to the requesting Owner. The Association may require advance payment of the estimated costs of compilation, production, and reproduction of the requested information. If the estimated costs are lesser or greater than the actual costs, the Association must submit a final invoice to the Owner on or before the 30th business day after the date the information is delivered. If the final invoice includes additional amounts due from the Owner, the additional amounts, if not reimbursed to the Association before the 30th business day after the date the invoice is sent to the Owner, may be added to the Owner's account as an Assessment. If the estimated costs exceed the final invoice amount, the Owner is entitled to a refund, and the refund must be issued to the Owner not later than the 30th business day after the date the invoice is sent to the Owner.

4.1 Copy Charge:

(1) Standard paper copy: The charge for paper copies reproduced by means of an office machine copier or a computer printer is \$0.10 per page or part of a page. Each side that has recorded information is considered a page.

(2) Nonstandard copy: These charges cover 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 and non-rewritable CD – \$1.00
- (F) Digital video disc – \$3.00
- (G) JAZ drive – actual cost
- (H) Other electronic media – actual cost
- (I) VHS video cassette – \$2.50
- (J) Audio cassette – \$1.00

(3) Oversize paper copy (e.g. 11 x 17, green bar, blue bar, not including maps and photographs using specialty paper): \$0.50

(4) Specialty paper (e.g. Mylar, blueprint, blueline, map, or photographic): actual cost

4.2 Labor Charge:

For locating, compiling, manipulating data, and reproducing public information, the following charges apply:

(1) Labor charge – \$15.00/hour. This charge includes the actual time to locate, compile, manipulate data, and reproduce the requested information.

(2) When confidential information is mixed with public information on the same page, a labor charge may be recovered for time spent by an attorney, legal assistant, or any other person who reviews the requested information to redact, blackout, or otherwise obscure confidential information in order to release the public information.

(3) No labor charge may be billed for requests that are 50 or fewer pages of paper records, unless the documents to be copied are located in:

- (A) 2 or more separate buildings that are not physically connected with each other; or

(B) A remote storage facility.

4.3 Overhead Charge:

Whenever a labor charge is applicable to a request, the Association may include in the charges direct and indirect charges, in addition to the specific labor charge. This overhead charge covers such costs as depreciation of capital assets, rent, maintenance and repair, utilities, and administrative overhead. If the Association chooses to recover such costs, the charge will be made in accordance with the methodology described below:

(1) The overhead charge may 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;

(2) The overhead charge is computed at 20% of the charge made to cover any labor costs associated with a particular request.

4.4 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. Related postal or shipping expenses which are necessary to transmit the reproduced information may be added to the total charge. If payment by credit card is accepted and a transaction fee is charged by the credit card company, that fee may be added to the total charge.

5. Denial of Requested Information

If it is decided that a request for information is inappropriate or unapproved, the Board, or its designee, will notify the requesting Member of that decision and the reason for it in a timely manner. The Board, or its designee, will inform the Owner in writing of their right to appeal to the Board.

[SIGNATURE PAGE FOLLOWS]

CERTIFICATION

I certify that, as President of The Shores Owners Association, a Texas nonprofit corporation, the foregoing Access, Production, and Copying Policy was approved on the 7th day of October, 2026, at a meeting of the Board of Directors at which a quorum was present.

DATED this the 14 day of October, 2026.

The Shores Owners Association,
a Texas nonprofit corporation

By: _____

Print Name: Richard J. Franke, Jr.

Title: President

STATE OF TEXAS

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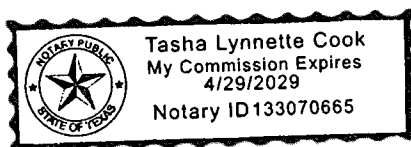
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COUNTY OF CAMERON

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BEFORE ME, on this day personally appeared Richard J. Franke, Jr., the President of The Shores Owners Association, a Texas nonprofit corporation, known by me to be the person whose name is subscribed to this instrument, and acknowledged to me that s/he executed the same for the purposes and in the capacity stated in this instrument, and as the act and deed of said corporation.

Given under my hand and seal of office, this 14 day of October, 2026.



TASHA LYNNETTE COOK

Notary Public – State of Texas

After Recording Return To:

Jane W. Janeczek

Roberts Markel Weinberg Butler Hailey PC

2800 Post Oak Blvd., 57th Floor

Houston, Texas 77056

THE SHORES OWNERS ASSOCIATION
COLLECTION, BOARD HEARING, AND PAYMENT PLAN POLICY

STATE OF TEXAS §
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 COUNTY OF CAMERON §

I. PURPOSE

The purpose of this Collection, Board Hearing, and Payment Plan Policy (the “***Policy***”) is to establish a systematic procedure for (a) the collection of Assessments and other charges of The Shores Owners Association, a Texas nonprofit corporation. (the “***Association***”), and (b) Board hearings related to same, and for the purpose of identifying the guidelines under which Owners may request an alternative payment schedule for certain Assessments. The Board of Directors of the Association (the “***Board***”) has determined that it is in the best interest of the Association to establish this Policy for property subject to its jurisdiction.

II. APPLICABILITY AND AUTHORITY

The property encumbered by this Policy is that property restricted by the Second Amended and Restated Declaration of Covenants, Conditions, Restrictions, and Other Matters for The Shores Subdivision, recorded under Clerk’s File No. 2026-20617 in the Official Public Records of Cameron County, Texas, as same has been and may be amended from time to time (the “***Declaration***”), and any other property which has been and may be subsequently annexed into The Shores and made subject to the authority of the Association.

Reference is made to the Declaration for all purposes. Unless otherwise set forth in this Policy, the capitalized terms used in this Policy are defined in the same manner as set forth in the Declaration and the interpretation provision set forth in the Declaration applies to this Policy, which definitions and interpretation provision are incorporated in this Policy for all purposes by this reference.

Pursuant to the Dedicatory Instruments, the Board is vested with the authority to adopt policies, rules, and guidelines.

The Board adopts this Policy, which runs with the land and is binding on all Owners and Lots within the Properties. The provisions of this Policy are in addition to any other applicable guidelines, rules, or policies. This Policy is effective upon the recording of same. After the effective date, in the event of a conflict between the terms of this Policy and any previously adopted guidelines, rules, or policies addressing the subjects contained in this Policy, this Policy will control.

Invalidation of any one or more of the covenants, conditions, restrictions, or provisions contained in this Policy will in no way affect any one of the other covenants, conditions, restrictions, or provisions of this Policy, which remain in full force and effect.

III. COLLECTION, BOARD HEARING, AND PAYMENT PLAN POLICY

A. Collection Policy and Board Hearings

1. ASSESSMENT PERIOD

The Board has the duty of establishing and adopting an annual budget, in advance, for each calendar year of the Association covering the estimated costs of operation of the Association during each year.

2. NOTICE

The Board must fix the amount of the Regular Assessment against each Lot for the following year and must, at that time, prepare a roster of the Lots and Assessments applicable thereto, which roster will be kept in the office of the Association and made open to inspection by any Owner. Upon completion of the roster, written notice of the Assessment due may be sent to every Owner subject to the Assessment. An Owner may not escape liability or be entitled to a deferral of interest, fines, or collection costs with regard to delinquent Assessments on the basis of such Owner's failure to receive notice if such notice was sent via regular mail or via certified mail return receipt requested to the most recent address of the Owner according to the records of Association. Each Owner has the obligation to notify the Association in writing of any change in address, which change becomes effective 5 days after written notice has been received.

3. DUE DATE

All Assessments are due and payable on the due dates set forth in the Dedicatory Instruments or as may be determined by the Board, as applicable. Any Assessment due the Association that is not paid in full on the due date is delinquent 30 days after the due date, unless otherwise provided for in the Dedicatory Instruments. Charges disputed by an Owner are considered delinquent until such time as they are paid in full.

Payments received after the due date are considered delinquent and the entire amount due may be transferred to a Payment Plan, as set forth in Section B of this Policy.

4. INTEREST

Unless otherwise provided for in the Dedicatory Instruments, if an Assessment is not paid within 30 days after the due date, the Assessment will bear interest from the due date at the rate set forth in the Declaration until the Assessment is paid in full.

5. DELINQUENCY NOTIFICATION

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

- a. **PAST DUE NOTICE:** In the event that an Assessment account balance remains unpaid after the due date (or there is a default on a Payment Plan entered

into prior to the Past Due Notice), a Past Due Notice may be sent via regular mail to each Owner with a delinquent account setting forth all Assessments, interest, and other amounts due, including any late fees that may be charged by the Association. The Past Due Notice will contain a statement that the entire remaining unpaid balance of the Assessment is due, including any previously imposed late fees, and that the Owner is entitled to a Payment Plan as set forth in Section B of this Policy. **In the event an Owner chooses to enter a Payment Plan, a monthly charge may 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.**

b. **FINAL NOTICE:** In the event an Assessment account balance remains unpaid after the due date (or there is a default on a Payment Plan entered into prior to the Final Notice), a Final Notice may be sent via certified mail to each delinquent Owner. The Final Notice may also be sent by any method of mailing for which evidence of mailing is provided by the United States Postal Service or a common carrier to the Owner's last known address as shown on the Association's records, as well as by any other method that the Board determines that the Final Notice may be received by the Owner. The Final Notice must set forth the following information and the result of failure to pay, including an explanation of:

- 1) **Amounts Due:** All delinquent Assessments, interest, and other amounts due, including any late fees that may be charged by the Association, and the total amount of the payment required to make the account current;
- 2) **Options:** If the Owner has a right to a Payment Plan, as set forth below, the options the Owner has to avoid having the account turned over to a collection agent or legal counsel, including information regarding availability of a Payment Plan through the Association;
- 3) **Period to Cure:** A period of at least 45 days for the Owner to cure the delinquency before further collection action is taken;
- 4) **Hearing:** Owners must be given notice and an opportunity for a hearing before the Board. A hearing must be granted if a written request for a hearing is received by the Association not more than 30 days from the date the Final Notice is mailed to the Owner.

If a hearing is requested within 30 days from the date the Final Notice is mailed to the Owner, further collection procedures are suspended until the hearing process is completed and the period to cure has expired;

- 5) **Payment Plan:** The Final Notice must contain a statement that the entire remaining unpaid balance of the Assessment, including any

previously imposed late fees, is due and that the Owner is entitled to a Payment Plan as set forth in Section B of this Policy. **In the event an Owner chooses to enter into a Payment Plan, a monthly charge may 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;**

- 6) **Common Area Rights Suspension:** If a hearing is not requested within 30 days from the date the Final Notice is mailed to the Owner, the Owner's use of recreational facilities and common properties may be suspended once the Owner's period to cure has expired; and
 - 7) **Military Notice:** If the Owner is serving on active military duty, the Owner may have special rights or relief related to the enforcement action under federal law, including the Servicemembers Civil Relief Act.
- c. **TURNOVER TO COLLECTION AGENT/ATTORNEY:** If a Final Notice is sent to an Owner and a hearing is not requested within 30 days from the date the Final Notice is mailed to the Owner, Member privileges may be suspended, the account may be sent to a collection agent or the Association's attorney for collection, and any fees and expenses may be charged to the Owner's Assessment account once the Owner's period to cure has expired.
6. **NOTICE OF ASSESSMENT LIEN:** Prior to the filing in the Official Public Records of Cameron County, Texas of a lien, lien affidavit, or other lien instrument evidencing nonpayment of Assessments or other charges owed to the Association by an Owner ("***Assessment Lien***"), the Association must provide the Owner with notices of delinquency as provided below; provided, however, that this Section does not apply in the event the Association is providing an Owner covered by the Servicemembers Civil Relief Act the protections to which the Owner is entitled under the Servicemembers Civil Relief Act.
- a. **FIRST NOTICE:** The first notice of the delinquency ("***First Notice***") must be provided:
 - 1) by first class mail to the Owner's last known address, as reflected in the records maintained by the Association; or
 - 2) by email to an email address the Owner has provided to the Association.
 - b. **SECOND NOTICE:** The second notice of delinquency ("***Second Notice***") must be provided (i) not earlier than the 30th day after the First Notice is given and (ii) by certified mail, return receipt requested, to the Owner's last

known mailing address, as reflected in the records maintained by the Association.

- c. The Association may not file an Assessment Lien before the 90th day after the date the Second Notice was sent to the Owner.

7. BOARD HEARING

In the event an Owner requests a Board hearing pursuant to this Policy, the following rules apply:

- a. TIMING OF BOARD HEARING: The Board hearing must be held no later than the 30th day after the date the Board receives the Owner's request for a Board hearing. The Board or the Owner may request a postponement and, if requested, a postponement must be granted for a period of not more than 10 days. Notwithstanding the foregoing, the Board hearing may be scheduled outside of these parameters by agreement of the parties.
- b. NOTICE OF BOARD HEARING: The Board must provide notice of the date, time, and place of the Board hearing to the Owner not later than 10 days before the date of the Board hearing (the "*Notice*"). The Board hearing may be held by virtual or telephonic means, in which case the access information for the virtual or telephonic Board hearing is the "place" of the Board hearing for purposes of the Notice.
 - 1) The Board must include with the Notice a packet containing all documents, photographs, and communications relating to the matter which the Board intends to introduce at the Board hearing (the "*Hearing Packet*").
 - 2) If the Board fails to provide the Hearing Packet to the Owner at least 10 days before the Board hearing, the Owner is entitled to an automatic 15-day postponement of the Board hearing.
- c. OWNER'S EVIDENCE: Owners are expected to provide copies of any documentary evidence the Owner intends to introduce at the Board hearing to the Board no later than 5 days before the Board hearing.
- d. HEARING PROCEDURE:
 - 1) During the Board hearing, a member of the Board or the Association's designated representative will first present the Association's case against the Owner. An Owner or an Owner's designated representative is then entitled to present the Owner's information and issues relevant to the dispute. The Board may ask questions of the Owner or the Owner's designated representative.

- 2) Either party may make an audio recording of the hearing.
- 3) All parties participating in the Board hearing are expected to treat each other professionally and respectfully. The Board reserves the right to terminate a Board hearing if the Board, in its sole and absolute discretion, determines the Board hearing has become unproductive or contentious. The Board, in its sole and absolute discretion, reserves the right to reconvene any Board hearing that is terminated pursuant to this Section.

e. RULING: The Board is not required to deliberate or to reach a determination during the Board hearing; rather, all information gleaned from the Board hearing may be taken under advisement by the Board. The Association or its managing agent may inform the Owner of the Board's decision in writing within 30 days of the date of the hearing. If there is no written communication from the Association or its managing agent within this timeframe, the violation will remain standing.

f. TIME LIMIT: The Board may set a time limitation for the Board hearing, to be determined at the Board's sole discretion. The Board may communicate the time limitation in any manner to the Owner and will make every effort to communicate the time limitation to the Owner in advance of the date of the hearing. The time limitation will be strictly adhered to and is intended to strike a balance between (i) allowing the Association ample time to present its case; (ii) allowing the Owner ample time to present the Owner's response; and (iii) the Board's finite amount of time available to consider such issues.

g. NUMBER OF HEARINGS: Upon receipt of a Final Notice as set forth in Section 5 of this Policy, Owners are entitled to request only 1 Board hearing as it relates to the violations set forth in the Final Notice unless the Board, in its sole and absolute discretion, agrees to allow additional hearings.

h. ALTERNATIVE DISPUTE RESOLUTION: In accordance with Section 209.007(e) of the Texas Property Code, an Owner or the Board may use alternative dispute resolution services.

8. CREDIT REPORTING SERVICES

a. PENDING DISPUTE: The Association or the Association's collection agent may not report any delinquent fines, fees, or Assessments to a credit reporting service that are the subject of a pending dispute between the Owner and the Association.

b. REPORTING TO A CREDIT REPORTING SERVICE: The Association may report the delinquent payment history of Assessments, fines, and fees of Owners to a credit reporting service only if:

- 1) at least 30 business days before reporting to a credit reporting service, the Association sends to the Owner, via certified mail, hand delivery, electronic delivery, or by other delivery means acceptable between the parties, a detailed report of all delinquent charges owed; and
- 2) the Owner has been given the opportunity to enter into a Payment Plan.

The Association may not charge a fee to the Owner for the reporting of the delinquent payment history of Assessments, fines, and fees to a credit reporting service pursuant to this section.

9. REFERRAL OF ACCOUNT TO ASSOCIATION'S 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, to protect the Association's interests, including, but not limited to, sending demand letters; filing a lawsuit against the delinquent Owner for a money judgment; instituting an expedited foreclosure action; and filing necessary claims, objections, and motions in the bankruptcy court and monitoring the bankruptcy case.

As a prerequisite to foreclosure of the Association's lien, either the Association's attorney or the Association must send a notification via certified mail to any holder of a lien of record on the Owner's property whose lien is inferior or subordinate to the Association's lien, as evidenced by a deed of trust. The notification may also be sent by any method of mailing for which evidence of mailing is provided by the United States Postal Service or a common carrier, as well as by any other method that the Board determines that the notification may be received by such lien holder(s). Said notice will provide such lien holder with the total amount of the delinquency giving rise to the foreclosure and an opportunity to cure before the 61st day after the day the notice is mailed.

In the event the Association has determined to foreclose its lien as provided in the Declaration and to exercise the power of sale thereby granted, such foreclosure must be accomplished pursuant to the requirements of Sections 209.0091 and 209.0092 of the Texas Property Code.

10. 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.

11. REQUIRED ACTION

Nothing contained in this Policy, not otherwise required by the Declaration or by law, requires the Association to take any of the specific actions contained in this Policy. The Board has the right, but not the obligation, to evaluate each delinquency on a case-by-case basis as it, in its best judgment, deems reasonable.

12. PAYMENTS RETURNED NON-SUFFICIENT FUNDS

An Owner will be assessed a service charge for any check that is returned or Automatic Clearing House (ACH) debit that is not paid for any reason, including, but not limited to, Non-Sufficient Funds (NSF) or stop payment order (the “*Unpaid Amounts*”). The amount of the service charge assessed by the Association is equal to the amount charged by the financial institution related to any such Unpaid Amounts plus any administrative costs incurred by the Association as a result of such Unpaid Amounts.

B. Payment Plan

The Association establishes a Payment Plan schedule by which an Owner may make partial payments to the Association for delinquent Assessments, or any other amount owed to the Association, without accruing additional monetary penalties. Monetary penalties do not include interest or reasonable costs associated with administering the Payment Plan. Any late fees imposed prior to a request for a Payment Plan may be made part of such Payment Plan at the discretion of the Board. The Payment Plan Schedule is as follows:

1. The term for the Payment Plan is determined at the discretion of the Board but must be no less than 3 months;
2. A Payment Plan may require equal monthly payments based on the number of months for such Payment Plan, with each payment due on the first day of each month;
3. Failure to pay the first monthly payment of the delinquent amount is considered a default of the Payment Plan;
4. An Owner, upon written request, may request a longer period of time;
5. 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 during the 2 years following the Owner’s default under a previous Payment Plan;
6. If an Owner requests a Payment Plan that extends into the next Assessment cycle, the Owner is required to pay future Assessments by the due date in addition to the payments specified in the Payment Plan;
7. The Association is not required to offer a Payment Plan to an Owner after the 30-day period to cure the delinquency has expired;
8. The Association is not required to allow an Owner to enter into a Payment Plan more than once in any 12 month period.

C. Application of Payments

1. Except as provided in subsection 2 immediately below, a payment received by the Association must be applied in the following order of priority:
 - a. Any delinquent Assessment;
 - b. Any current Assessment;
 - c. Reasonable attorney's fees or reasonable third-party collection costs incurred by the Association associated solely with Assessments or other charges that can be the basis of foreclosure;
 - d. Reasonable attorney's fees not subject to "c" above;
 - e. Reasonable fines; and
 - f. Any other reasonable amount owed to the Association.
2. If/when an Owner defaults on a Payment Plan, the remaining delinquent amount will become due in full and the Association may begin further collection action as set out above. Any payment(s) received by the Association after such default of a Payment Plan must be applied in the following order of priority:
 - a. Reasonable costs;
 - b. Reasonable attorney's fees;
 - c. Interest;
 - d. Late fees;
 - e. Delinquent Assessments;
 - f. Current Assessments; and
 - g. Reasonable fines.

As to each category identified in this subsection C, payment must be applied to the most-aged charge first. The acceptance of a partial payment on an Owner's account does not constitute a waiver of the Association's right to collect the full outstanding balance due on said Owner's account.

[SIGNATURE PAGE FOLLOWS]

CERTIFICATION

I certify that, as President of The Shores Owners Association, a Texas nonprofit corporation, the foregoing Collection, Board Hearing, and Payment Plan Policy was approved on the 7th day of October, 2026, at a meeting of the Board of Directors at which a quorum was present.

DATED, this the ___ day of October, 2026.

The Shores Owners Association,
a Texas nonprofit corporation

By: _____
Print Name: Richard J. Franke, Jr.
Title: President

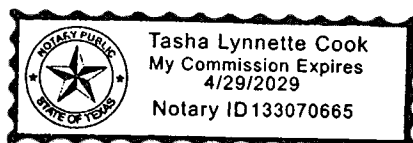
STATE OF TEXAS

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COUNTY OF CAMERON

BEFORE ME, on this day personally appeared Richard J. Franke, Jr., the President of The Shores Owners Association, a Texas nonprofit corporation, known by me to be the person whose name is subscribed to this instrument, and acknowledged to me that s/he executed the same for the purposes and in the capacity stated in this instrument, and as the act and deed of said corporation.

Given under my hand and seal this the 14 day of October, 2026.



Tasha Lynnette Cook
Notary Public – State of Texas

After Recording Please Return To:

Jane Janecek
Isabella L. Vickers
Roberts Markel Weinberg Butler Hailey PC
2800 Post Oak Blvd., 57th Floor
Houston, Texas 77056

THE SHORES OWNERS ASSOCIATION
COMMON AREA USAGE POLICY

STATE OF TEXAS §
 §
COUNTY OF CAMERON §

I. PURPOSE

The purpose of this Common Areas Usage Policy (this “***Policy***”) is to prescribe the purposes for which Owners and Occupants of The Shores may utilize the Common Areas within The Shores. The Board of Directors (the “***Board***”) of The Shores Owners Association, a Texas nonprofit corporation (the “***Association***”), has determined that it is in the best interest of the Association to establish this Policy concerning the usage of the Common Areas subject to its jurisdiction.

II. APPLICABILITY AND AUTHORITY

The property encumbered by this Policy is that property restricted by the Second Amended and Restated Declaration of Covenants, Conditions, Restrictions, and Other Matters for The Shores Subdivision, recorded under Clerk’s File No. 2026-20617 in the Official Public Records of Cameron County, Texas, as same has been and may be amended from time to time (the “***Declaration***”), and any other property which has been and may be subsequently annexed into The Shores and made subject to the authority of the Association.

Reference is made to the Declaration for all purposes. Unless otherwise set forth in this Policy, the capitalized terms used in this Policy are defined in the same manner as set forth in the Declaration and the interpretation provision set forth in the Declaration applies to this Policy, which definitions and interpretation provision are incorporated in this Policy for all purposes by this reference.

Pursuant to the Dedicatory Instruments governing the Property, the Board is vested with the authority to adopt policies, rules, and guidelines.

Pursuant to the authority set forth in the Dedicatory Instruments and Texas Property Code 202.013, the Board adopts this Policy, which runs with the land and is binding on all Owners and Lots within the Properties. The provisions of this Policy are in addition to any other applicable guidelines, rules, or policies. This Policy is effective upon the recording of same. After the effective date, in the event of a conflict between the terms of this Policy and any previously adopted guidelines, rules, or policies addressing the subjects contained in this Policy, this Policy will control.

Invalidation of any one or more of the covenants, conditions, restrictions, or provisions contained in this Policy will in no way affect any one of the other covenants, conditions, restrictions, or provisions of this Policy, which remain in full force and effect.

III. COMMON AREA USAGE POLICY

A. Common Area Usage in General

1. Permitted Use

Except as otherwise provided in this Policy or as set forth in other Dedicatory Instruments encumbering the Property, Owners and Occupants may only utilize the Common Areas within the Property for purposes consistent with the purposes for which the Association was formed, as set forth in the Dedicatory Instruments and Texas law (the "*Permitted Use*").

Owners (save and except Declarant and its designees) and Occupants may not utilize any portion of the Common Area for any commercial events or purposes or for events or purposes which produce revenue or which are intended to produce revenue (regardless of whether or not any revenue is actually produced), unless otherwise approved by the Board in writing prior to the commencement of such use.

In addition, Owners and Occupants may not utilize any portion of the Common Area for any religious or anti-religious event, activity, use, or purpose. Furthermore, in no case may an Owner or Occupant utilize the Common Area within the Properties for any use or purpose which is illegal or which is otherwise not in keeping with the Community Wide Standard established and existing throughout the Properties.

The Board, in its sole and absolute discretion, may determine (i) whether any use of the Common Area constitutes a Permitted Use, (ii) whether any use of the Common Area constitutes a religious or anti-religious event, activity, use, or purpose, and (iii) whether any use of the Common Area is in keeping with the Community Wide Standard. Furthermore, the Board, in its sole and absolute discretion, may approve or disapprove of the use of the Common Area by an Owner or Occupant for a commercial event or purpose or for an event or purpose which produces or is intended to produce revenue.

2. Policies, Rules, and Regulations

The Board may promulgate and amend policies, rules, and regulations pertaining to the usage of the Common Area by Owners and Occupants of the Properties, including policies, rules, and regulations pertaining to the rental or reservation of various portions of the Common Area and the usage of any facilities located in the Common Area. Each Owner and Occupant present at and utilizing the Common Area must abide by the restrictions set forth in the Dedicatory Instruments, including this Policy and any policies, rules, and regulations adopted by the Board pertaining to usage of the Common Area. Failure of the Owner or Occupant to abide by such policies, rules, and regulations constitutes a Deed Restriction Violation for which the Association may pursue enforcement action, as set forth in the Dedicatory Instruments and Texas law.

3. Rentals and Reservations

The Board reserves the right, in its sole and absolute discretion, to designate portions of the Common Area as areas which require a reservation or rental prior to use by an Owner or Occupant. Furthermore, the Board reserves the right, in its sole and absolute discretion, to alter any designation previously made for a portion of the Common Area. Any such designation or redesignation may be set forth in a Dedicatory Instrument or may be made by Board resolution from time to time. In the event of a designation of a portion of the Common Area as an area which requires rental prior to use by an Owner or Occupant, the Owner or Occupant must enter into a facilities rental agreement with the Association prior to such use. In the event of a designation of a portion of the Common Area as an area which requires reservation without rental, the Board has the sole and absolute discretion to determine whether such Owner or Occupant must enter into a facilities usage agreement with the Association prior to such use.

Each Owner or Occupant who enters into a facilities usage agreement or a facilities rental agreement, as applicable, with the Association must abide by the terms set forth in such agreement, in addition to the provisions of all Dedicatory Instruments governing the Property. Failure to abide by the terms of any such agreement or failure to enter into such agreement with the Association prior the use of the Common Area constitutes a Deed Restriction Violation for which the Association may pursue enforcement action, as set forth in the Dedicatory Instruments and Texas law.

4. Compliance with Applicable Law

The provisions in this Section A. are not intended to prohibit the use of the Common Area for any Political Event (as defined below) that is authorized by state or federal law. If it is found that any provision in this Section A. is in violation of any such laws, then the remaining provisions within Section A. must be interpreted to be as restrictive as possible to preserve as much of the original provisions as allowed by law.

B. Political Events

1. Political Events in General

Notwithstanding anything contained in this Policy to the contrary, Owners and Occupants who reside within the Properties ("**Residents**") may utilize the Common Area within the Property for Political Events. For purposes of this Policy, a "**Political Event**" means the extension of an invitation by an Owner or a Resident to (i) a governmental official or (ii) a candidate who has been qualified in an appropriate election to run for public governmental office (a "**Candidate**"), to address or to meet with Owners and Occupants at the Common Area.

The Board has the sole and absolute discretion to determine what kinds of events constitute Political Events and whether any proposed action on or use of the Common Area falls outside of the scope of a Political Event.

2. Policies, Rules, and Regulations Pertaining to Political Events

All Political Events hosted within the Property are subject to policies, rules, and regulations adopted by the Board pertaining to gatherings and events held on the Common Area by Owners and Occupants of the Properties. Such policies, rules, and regulations may include, by way of illustration and not in limitation, the following:

- (a) A requirement that an Owner or Occupant enter into a rental agreement or facilities usage agreement with the Association prior to the rental or use of the Common Area;
- (b) A requirement that an Owner or Occupant issue payment to the Association of a rental or usage fee, security deposit, and other related fees in connection with any rental or reservation of the Common Area;
- (c) A requirement that each Owner and Occupant comply, and cause all guests, invitees, and licensees of such Owner or Occupant to comply, with all Dedicatory Instruments encumbering the Property at all times while the Owner or Occupant, or any guest, licensee, or invitee of an Owner or Occupant is present at or using the Common Area;
- (d) A limitation on the maximum occupancy of the Common Area or any facility located in the Common Area;
- (e) A restriction on the dates and times during which the Common Area or a facility located in the Common Area may be used; and
- (f) A restriction specifying those portions of the Common Area that are available for use.

Each Owner or Resident hosting a Political Event within the Property must abide, and must cause all guests, licensees, and invitees of such Owner or Resident to abide, by the applicable restrictions set forth in the Dedicatory Instruments, including this Policy, any policies, rules, and regulations adopted by the Board pertaining to gatherings and events on the Common Area, and the provisions of any rental or facilities usage agreement entered into by and between the Owner or Resident and the Association pursuant to such policies, rules, and regulations. Failure of the Owner or Resident or any guest, licensee, or invitee of such Owner or Resident to abide by the Dedicatory Instruments constitutes a Deed Restriction Violation for which the Association may pursue enforcement action, as set forth in the Dedicatory Instruments and Texas law.

3. Disclaimer; Limitation of Liability

The use of a Common Area for the purpose of hosting a Political Event in no way constitutes (i) the participation or intervention of the Association in any political campaign on behalf of any governmental official or Candidate, (ii) the endorsement by the

Association of the governmental official or Candidate participating in the Political Event, or (iii) the endorsement by the Association of any ballot measure supported by such governmental official or Candidate or discussed during or in connection with the Political Event. The Association does not control or endorse the content, messages, or information discussed or transmitted during or in connection with any Political Event. As such, the Association disclaims any liability in connection with any Owner's or Occupant's presence at the Common Area during a Political Event. The Association specifically disclaims any liability for any offensive, inappropriate, obscene, unlawful, untruthful, or otherwise objectionable information an Owner or Occupant may encounter during or in connection with a Political Event, and the Association disclaims any liability in connection with the proliferation of any information associated with a Political Event.

The Association, its management company, and Declarant, including their respective past, present, and future directors, officers, members (of a for-profit entity), employees, agents, or affiliated entities (collectively, the "*Indemnified Parties*") do not assume or authorize any other person to assume for it any liability in connection with a Political Event or with any information discussed or transmitted during or in connection with a Political Event, and the Indemnified Parties are not liable in damages or otherwise arising out of or in connection with a Political Event or with any information discussed or transmitted during or in connection with a Political Event (the "*Released Matters*").

EACH OWNER AND RESIDENT HOSTING A POLITICAL EVENT ON THE COMMON AREA WITHIN THE PROPERTIES AGREES TO DEFEND (IMMEDIATELY UPON DEMAND), INDEMNIFY, HOLD HARMLESS, AND RELEASE THE INDEMNIFIED PARTIES FROM ALL LIABILITY, CLAIMS, AND CAUSES OF ACTION OF ANY KIND WHATSOEVER, AT COMMON LAW, STATUTORY, OR OTHERWISE, IN CONNECTION WITH THE RELEASED MATTERS. THE OBLIGATION TO DEFEND AND INDEMNIFY THE INDEMNIFIED PARTIES IS OWED EVEN FOR CLAIMS ALLEGED OR PROVEN TO BE CAUSED, IN WHOLE OR IN PART, BY THE NEGLIGENCE OF THE INDEMNIFIED PARTIES.

4. Applicability

The provisions set forth in Section B. of this Policy do not apply to (i) any portion of the Common Area that is unavailable for meetings of the Association due to seasonal use, or (ii) any portion of the Common Area that is only available for meetings of the Members, the Board, or any committee of the Board.

[SIGNATURE PAGE FOLLOWS]

CERTIFICATION

I certify that, as President of The Shores Owners Association, a Texas nonprofit corporation, the foregoing Common Area Usage Policy was approved on the 7th day of October, 2026, at a meeting of the Board of Directors at which a quorum was present.

DATED, this the 14 day of October, 2026.

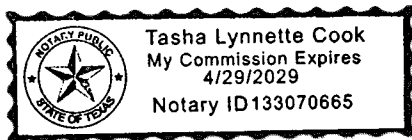
The Shores Owners Association,
a Texas nonprofit corporation

By: _____
Print Name: Richard J. Franke, Jr.
Title: President

STATE OF TEXAS §
 §
COUNTY OF CAMERON §

BEFORE ME, on this day personally appeared Richard J. Franke, Jr., the President of The Shores Owners Association, a Texas nonprofit corporation, known by me to be the person whose name is subscribed to this instrument, and acknowledged to me that s/he executed the same for the purposes and in the capacity stated in this instrument, and as the act and deed of said corporation.

Given under my hand and seal this the 14 day of October, 2026.



Tasha Lynnette Cook
Notary Public – State of Texas

After Recording Return To:

Jane W. Janeczek
Roberts Markel Weinberg Butler Hailey PC
2800 Post Oak Boulevard, 57th Floor
Houston, Texas 77056

THE SHORES OWNERS ASSOCIATION
DOCUMENT RETENTION POLICY

STATE OF TEXAS §
 §
 COUNTY OF CAMERON §

I. PURPOSE

The purpose of this Document Retention Policy (this “***Policy***”) is to prescribe the document retention policy pursuant to Section 209.005 of the Texas Property Code. The Board of Directors (the “***Board***”) of The Shores Owners Association, a Texas nonprofit corporation (the “***Association***”) has determined that it is in the best interest of the Association to establish this Policy concerning the retention of records of the Association.

II. APPLICABILITY AND AUTHORITY

The property encumbered by this Policy is that property restricted by the Second Amended and Restated Declaration of Covenants, Conditions, Restrictions, and Other Matters for The Shores, recorded under Clerk’s File No. 2026-20617 in the Official Public Records of Cameron County, Texas, as same has been and may be amended from time to time (the “***Declaration***”), and any other property which has been and may be subsequently annexed into The Shores and made subject to the authority of the Association.

Reference is made to the Declaration for all purposes. Unless otherwise set forth in this Policy, the capitalized terms used in this Policy are defined in the same manner as set forth in the Declaration and the interpretation provision set forth in the Declaration applies to this Policy, which definitions and interpretation provision are incorporated in this Policy for all purposes by this reference.

Pursuant to the Dedicatory Instruments governing the Property, the Board is vested with the authority to adopt policies, rules, and guidelines.

The Board adopts this Policy, which runs with the land and is binding on all Owners and Lots within the Properties. The provisions of this Policy are in addition to any other applicable guidelines, rules, or policies. This Policy is effective upon the recording of same. After the effective date, in the event of a conflict between the terms of this Policy and any previously adopted guidelines, rules, or policies addressing the subjects contained in this Policy, this Policy will control.

Invalidation of any one or more of the covenants, conditions, restrictions, or provisions contained in this Policy will in no way affect any one of the other covenants, conditions, restrictions, or provisions of this Policy, which remain in full force and effect.

III. DOCUMENT RETENTION POLICY

This Policy provides for the future systematic review, retention, and destruction of documents received or created by the Association in connection with the transaction of the

Association's business. This Policy covers all records and documents, regardless of physical form, and contains guidelines for how long certain documents should be kept and how records should be destroyed.

The Association retains specific documents for the time periods outlined in the attached **Exhibit A**. Documents that may not be specifically listed will be retained for the time period of the documents most closely related to them as listed in the schedule. Electronic documents will be retained as if they were paper documents. Therefore, any electronic files that fall into one of the document types on the attached **Exhibit A** will be maintained for the identified time period.

The Custodian of Records of the Association is responsible for the ongoing process of identifying the Association's records which have met the required retention period and overseeing their destruction. Destruction of any physical documents will be accomplished via shredding. Destruction of any electronic records of the Association will be accomplished via a reasonable attempt to remove the electronic records from all known electronic locations or repositories.

[SIGNATURE PAGE FOLLOWS]

CERTIFICATION

I certify that, as President of The Shores Owners Association, a Texas nonprofit corporation, the foregoing Document Retention Policy was approved on the 7th day of October, 2026, at a meeting of the Board of Directors at which a quorum was present.

DATED this the 14 day of October, 2026.

The Shores Owners Association,
a Texas nonprofit corporation

By: _____
Print Name: Richard J. Franke, Jr.
Title: President

STATE OF TEXAS §
 §
COUNTY OF CAMERON §

BEFORE ME, on this day personally appeared Richard J. Franke, Jr., the President of The Shores Owners Association, a Texas nonprofit corporation, known by me to be the person whose name is subscribed to this instrument, and acknowledged to me that s/he executed the same for the purposes and in the capacity stated in this instrument, and as the act and deed of said corporation.

Given under my hand and seal of office, this 14 day of October, 2026.



Tasha Lynnette Cook
Notary Public – State of Texas

After Recording Return To:
Jane W. Janecek
Roberts Markel Weinberg Butler Hailey PC
2800 Post Oak Blvd., 57th Floor
Houston, Texas 77056

EXHIBIT A DOCUMENT RETENTION POLICY			
DOCUMENT TYPE	DEFINED	TIME PERIOD	EXCEPTION
Account Records of Current Owners	Member Assessment records	5 years	Unless period of ownership exceeds 5 years, then retain last 5 years.
Audit Records	Independent Audit Records	7 years	
Bylaws	And all amendments	Permanently	
Certificate of Formation	And all amendments	Permanently	
Contracts	Final contracts between the Association and another entity	Later of completion of performance or expiration of the contract term plus 4 years	
Financial Books & Records	Year End Financial Records and supporting documents	7 years	
Minutes of Board & Owners Meetings	Board minutes and written consents in lieu of a meeting; Annual member meetings	7 years	
Restrictive Covenants	And all amendments	Permanently	
Tax Returns	Federal and State Income and Franchise Tax Returns and supporting documentation	7 years	

THE SHORES OWNERS ASSOCIATION.
RESIDENTIAL DEDICATORY INSTRUMENT
ENFORCEMENT, BOARD HEARING, AND FINE POLICY

STATE OF TEXAS §
 §
 COUNTY OF CAMERON §

I. PURPOSE

The purpose of this Residential Dedicatory Instrument Enforcement, Board Hearing, and Fine Policy (this “***Policy***”) is to provide Owners with a better understanding of the process of Dedicatory Instrument enforcement, Board hearings, and fines. The Board of Directors (the “***Board***”) of The Shores Owners Association, a Texas nonprofit corporation (the “***Association***”), has determined that it is in the best interest of the Association to establish this Policy for the property subject to its jurisdiction.

II. APPLICABILITY AND AUTHORITY

The property encumbered by this Policy is that property restricted by the Second Amended and Restated Declaration of Covenants, Conditions, Restrictions, and Other Matters for The Shores Subdivision, recorded under Clerk’s File No. 2026-20617 in the Official Public Records of Cameron County, Texas, as same has been and may be amended from time to time (the “***Declaration***”), and any other property which has been and may be annexed into The Shores and made subject to the authority of the Association.

Reference is made to the Declaration for all purposes. Unless otherwise set forth in this Policy, the capitalized terms used in this Policy are defined in the same manner as set forth in the Declaration and the interpretation provision set forth in the Declaration applies to this Policy, which definitions and interpretation provision are incorporated in this Policy for all purposes by this reference.

Pursuant to the Dedicatory Instruments governing the Properties, the Board is vested with the authority to suspend Owners’ use of the Common Areas and to impose reasonable fines against Owners for violations of restrictive covenants contained in the Dedicatory Instruments.

Pursuant to the Dedicatory Instruments governing the Properties, the Board is vested with the authority to adopt policies, rules, and guidelines.

The Board adopts this Policy, which runs with the land and is binding on all Owners and Lots within the Properties. The provisions of this Policy are in addition to any other applicable guidelines, rules, or policies. This Policy is effective upon the recording of same. After the effective date, in the event of a conflict between the terms of this Policy and any previously adopted guidelines, rules, or policies addressing the subjects contained in this Policy, this Policy will control.

Invalidation of any one or more of the covenants, conditions, restrictions, or provisions contained in this Policy will in no way affect any one of the other covenants, conditions, restrictions, or provisions of this Policy, which remain in full force and effect.

III. DEDICATORY INSTRUMENT ENFORCEMENT METHODS

A. **209 Notice Required.** Before the Association may suspend an Owner's right to use the Common Areas, file a suit against an Owner for violation of a Dedicatory Instrument, charge an Owner for property damage, or levy a fine for a violation of the Dedicatory Instruments, the Association or its agent must give written notice to the Owner as set forth below:

1. **Types of Violations.** Section 209.006 of the Texas Property Code (the "**Code**") refers to curable violations, uncurable violations, and violations which are considered a threat to public health or safety. The types of violations are addressed below. In the event of a Dedicatory Instrument violation, the enforcement procedure to be followed by the Association depends upon whether a violation is curable *and* does not pose a threat to public health or safety or whether the violation is uncurable *or* poses a threat to public health or safety.

a. **Curable Violations** – By way of example and not in limitation, the Code lists the following as examples of curable violations:

- i. a parking violation;
- ii. a maintenance violation;
- iii. the failure to construct improvements or modifications in accordance with approved plans and specifications; and
- iv. an ongoing noise violation, such as a barking dog.

b. **Uncurable Violation** – The Code defines an uncurable violation as a violation that has occurred but is not a continuous action or a condition capable of being remedied by affirmative action. By way of example and not in limitation, the Code lists the following as examples of uncurable violations:

- i. an act constituting a threat to health or safety;
- ii. discharging fireworks;
- iii. a noise violation that is not ongoing; and
- iv. holding a garage sale or other event prohibited by the Dedicatory Instruments.

c. **Violation that is a Threat to Public Health or Safety** – The Code defines a violation that is a threat to public health or safety as a violation that could

materially affect the physical health or safety of an ordinary resident.

If there is reasonable uncertainty as to whether a violation is curable or incurable or a threat to public health or safety, the Board has the authority to make the determination and, therefore, to decide which enforcement procedure will be followed. Provided however, this Policy may not be construed to impose an obligation on the Board to pursue enforcement action with respect to a violation or alleged violation if the Board, in its sole discretion, decides that enforcement action is not warranted or necessary.

2. **Enforcement – Violations that are Curable and Do Not Pose a Threat to Public Health or Safety.** If a violation is curable and does not pose a threat to public health or safety, the Owner will be given a reasonable period to cure the violation, as provided below. The time period given to cure the violation may vary depending upon the violation and the difficulty involved or the effort required to cure the violation. The Board may, but is not obligated to, consider any special circumstance relating to the violation and the cost to cure the violation when determining the applicable period to cure. The enforcement procedure for this type of violation is as follows:

- a. Courtesy Letter (Optional) – Upon verification of a curable violation, a courtesy letter may be sent to the Owner describing the violation and requesting that the Owner cure the violation within a stated time period. The Association is not required to send a courtesy letter.
- b. Violation Letter (Optional) – After the expiration of the time set forth in the courtesy letter, if sent, or as an initial notice, a violation letter may be sent to the Owner. Depending on the severity of the violation or the history of prior violations on the Owner's Lot, the violation letter may be the first letter sent to the Owner, as determined in the sole discretion of the Board. The Association is not required to send a violation letter. If sent, the violation letter will include:
 - i. a description of the violation;
 - ii. the action required to correct the violation;
 - iii. the time by which the violation must be corrected; and
 - iv. notice that, if the violation is not corrected within the time provided or if there is a subsequent similar violation, a fine may be imposed or other enforcement action may be initiated.

- c. Demand Letter – Either upon initial verification of a curable violation, or after the expiration of the time period stated in the courtesy letter or violation letter, if sent, a demand letter may be sent to the Owner. The demand letter must be sent by certified mail or by any method of mailing for which evidence of mailing is provided by the United States Postal Service or a common carrier, as well as by any other method that the Board determines will cause the demand letter to be received by the Owner. The demand letter must be sent to the Owner's last known address as shown in the records of the Association. Depending on the severity of the violation or the history of prior violations on the Owner's Lot, the demand letter may be the first letter sent (rather than a courtesy letter or a violation letter), as determined by the Board in its sole discretion.
- d. Content of the Demand Letter – The demand letter must include the following:
 - i. Violation: a description of the violation that is the basis for the enforcement action, suspension action, charge, or fine;
 - ii. Fines and Amounts Due: the amount of the proposed fine and any amount due to the Association;
 - iii. Right to Cure: notice that the Owner is entitled to a reasonable period to cure the violation and avoid the enforcement action, suspension, charge, or fine;
 - iv. Time to Cure: a specific date, which must be a reasonable period given the nature of the violation, by which the Owner must cure the violation. If the Owner cures the violation before the date specified, a fine may not be assessed for the violation;
 - v. Right to Request a Hearing: a notice that the Owner may request a hearing before the Board, such request to be made in writing on or before the 30th day after the date the notice was mailed to the Owner; and
 - vi. Active Military Duty: notice that the Owner may have special rights or relief related to the enforcement action under federal law, including the Servicemembers Civil Relief Act (50 U.S.C. App. Section 501 et seq.), if the Owner is serving on active military duty.
- e. Hearing Not Requested – If a hearing is not properly requested by the Owner, the violation must be cured within the time frame set forth in the demand letter.
- f. Remedies – Fines, suspension of the right to use the Common Area, the

filing of a lawsuit for a violation of a Dedicatory Instrument, or charging an Owner for property damage may be implemented by the Association after the expiration of the 30-day time frame provided to the Owner to request a hearing. The Owner is liable for, and the Association may collect reimbursement of, reasonable attorney's fees and other reasonable costs incurred by the Association after the conclusion of a hearing, or, if a hearing is not requested, after the date by which the Owner must request a hearing. A notice of violation may also be recorded in the real property records if the violation is not cured within the specified time frame.

3. **Enforcement – Uncurable Violations and Violations that Pose a Threat to Public Health or Safety.** Upon initial verification of an uncurable violation or a violation that constitutes a threat to public health or safety, a demand letter may be sent to the Owner. The demand letter must be sent by certified mail or by any method of mailing for which evidence of mailing is provided by the United States Postal Service or a common carrier, as well as by any other method that the Board determines will cause the demand letter to be received by the Owner. The demand letter must be sent to the Owner's last known address as shown in the Association's records.

- a. Content of the Demand Letter – The demand letter must include the following:
 - i. Violation: a description of the violation that is the basis for the enforcement action, suspension action, charge, or fine;
 - ii. Fines and Amounts Due: the amount of any fine and any amount due to the Association;
 - iii. Right to Request Hearing: notice that the Owner may request a hearing before the Board, such request to be made in writing on or before the 30th day after the date the notice was mailed to the Owner; and
 - iv. Active Military Duty: notice that Owner may have special rights or relief related to the enforcement action under federal law, including the Servicemembers Civil Relief Act (50 U.S.C. App. Section 501 et seq.), if the Owner is serving on active military duty.
- b. Remedies; Hearing not Requested – Regardless of whether the Owner chooses to request a hearing, fines, suspension of the right to use the Common Areas, the filing of a lawsuit for a violation of a Dedicatory Instrument, or charging an Owner for property damage may be implemented by the Association after the mailing of the demand letter. The Owner is liable for, and the Association may collect reimbursement of, reasonable attorney's fees and other reasonable costs incurred by the Association. A notice of violation may also be recorded in the real property

records.

4. **Subsequent Similar Violations.** If an Owner has been given notice in accordance with Article III, Section A of this Policy in the preceding 6-month period, notice is not required for the recurrence of the same or a similar violation. The Association may impose fines or suspend the Owner's right to use the Common Area without first sending another demand for compliance.

B. 209 Notice Not Required. The Association is entitled to exercise additional enforcement methods which do not require that a demand letter be sent or an opportunity to request a hearing be offered to the violating Owner as provided in Section A above. Such remedies include, but are not limited to, the following (collectively, the "***Additional Enforcement Methods***"):

1. The Association may exercise its Self Help remedy pursuant to the terms set forth in the Declaration, and any costs associated with the exercise of this remedy are the personal obligation of the Owner and are supported by the lien created in the Declaration.
2. The Association may file a suit for a temporary restraining order or temporary injunctive relief.
3. The Association may temporarily suspend a person's right to use the Common Areas due to a violation that occurred in the Common Areas that involved a significant and immediate risk of harm to others in the Properties; such temporary suspension is effective until the Board makes a final determination on the suspension action after following the procedures prescribed by Article III, Section A.3 of this Policy.

Although the Additional Enforcement Methods are not subject to the 209 notice requirements set forth in this Policy, they may be subject to certain notice requirements as provided for in the Dedicatory Instruments or by Texas law.

IV. BOARD HEARINGS

In the event an Owner requests a hearing pursuant to Article III, Section A. of this Policy, the following rules will apply.

- A. Hearing Requested** – If a hearing is properly requested by the Owner, the hearing will be held not later than the 30th day after the date the Association receives the Owner's written request for a hearing. If a postponement of the hearing is requested by either the Association or the Owner, a postponement must be granted for a period of not more than 10 days. The hearing may be scheduled outside of these parameters by agreement of the parties.
- B. Hearing Notice** – Notification of the date, time, and place of the hearing will be sent not later than the 10th day before the hearing. The hearing may be held by virtual or telephonic means, in which case the access information for the virtual or telephonic hearing is the

“place” of the hearing for purposes of the notice.

- C. **Hearing Packet** – The Board must include with the hearing notice a hearing packet containing all documents, photographs, and communications relating to the matter which the Board intends to introduce at the hearing. If the Board fails to provide the hearing packet to the Owner at least 10 days before the hearing, the Owner is entitled to an automatic 15-day postponement of the hearing.
- D. **Owner’s Evidence** – Owners are expected to provide copies of any documentary evidence the Owner intends to introduce at the Board hearing to the Board no later than 5 days before the Board hearing.
- E. **Ruling** – The Board is not required to deliberate or to reach a determination during the Board hearing; rather, all information gleaned from the Board hearing may be taken under advisement by the Board. The Association or its managing agent may inform the Owner of the Board’s decision in writing within 30 days of the date of the hearing. If there is no written communication from the Association or its managing agent within this timeframe, the violation will remain standing.
- F. **Time Limit** – The Board may set a time limitation for the Board hearing, to be determined at the Board’s sole discretion, taking into account factors including, but not limited to, the complexity of the issues, the number of exhibits, and whether witnesses will be presented. The Board may communicate the time limitation in any manner to the Owner and will make every effort to communicate the time limitation to the Owner in advance of the date of the hearing. The time limitation will be strictly adhered to and is intended to strike a balance between (i) allowing the Association ample time to present its case; (ii) allowing the Owner ample time to present the Owner’s response; and (iii) the Board’s finite amount of time available to consider such violations.
- G. **Conducting the Hearing** – During the hearing, a member of the Board or the Association’s designated representative will first present the Association’s case against the Owner. The Owner or the Owner’s designated representative is then entitled to present the Owner’s information and issues relevant to the dispute. The Board may ask questions of the Owner or the Owner’s designated representative.

All parties participating in the Board hearing are expected to treat each other professionally and respectfully. The Board reserves the right to terminate a Board hearing if the Board, in its sole and absolute discretion, determines the Board hearing has become unproductive or contentious. The Board, in its sole and absolute discretion, reserves the right to reconvene any Board hearing that is terminated pursuant to this Section.

Either party may make an audio recording of the hearing.

- H. **Number of Hearings** – Upon receipt of a demand letter as set forth in Article III, Owners are entitled to request only 1 Board hearing as it relates to the violations set forth in the demand letter, unless the Board, in its sole and absolute discretion, agrees to allow

additional hearings.

- I. Alternative Dispute Resolution** – In accordance with Section 209.007(e) of the Code, an Owner or the Board may use alternative dispute resolution services.

V. FINES

Subject to the notice provisions set forth in Article III, Section A. of this Policy, the Association may impose reasonable monetary fines against an Owner in accordance with the below schedule. For violations of the Dedicatory Instruments which are curable and which are not a threat to public health or safety, the Association may continue to assess fines, as set forth in the schedule below, until the violation is cured. Fines may be assessed for any violation of the Dedicatory Instruments, including, but not limited to, architectural violations, violations for using a Lot in a prohibited manner, failure to take required action, and failure to maintain a Lot or the structures thereon.

Pursuant to Section 202.008 of the Code, no fines may be levied against an Owner for a violation of an applicable Dedicatory Instrument that requires the Owner to plant or install grass or turf or to maintain green vegetation or turf or that prohibits discolored or brown vegetation on the Owner's Lot (i) during a period when the Owner's Lot is subject to a residential water restriction during which discolored or brown vegetation or turf could reasonably result; and (ii) before the 60th day after the date of an applicable residential water restriction. For purposes of this Policy, "residential water restriction" means a temporary restriction on the use of water to irrigate residential vegetation or turf that is mandated by a municipality, water utility, or other wholesale or retail water supplier as part of a strategy to conserve water during a period of drought.

Pursuant to Section 209.0061 of the Code, below is a schedule of fines for each general category of violation for which the Association may assess fines:

Curable Violations

Notice	Time to Cure (estimate)	Fine Amount if not Cured
Courtesy Notice (if sent)		No Charge
Violation Notice (if sent)		No Charge
Pre-Fine Notice (if sent)		No Charge
1 st Notice (Chapter 209 - Demand Letter)	30 days	\$50.00
2 nd Notice of Fine Letter	30 days	\$100.00
3 rd Notice of Fine Letter	30 days	\$200.00
Subsequent Notice of Fine Letters for the same or substantially similar violation	30 days	\$200.00

Uncurable Violations and Violations Posing a Threat to Public Health or Safety

Notice	Time to Cure (estimate)	Fine Amount
Fine Letter for Uncurable Violations or Violations that are a Threat to Public Health or Safety	N/A	\$200.00

Notwithstanding the foregoing and pursuant to Section 209.0061(c) of the Code, the Board reserves the right to levy a fine from the schedule of fines that varies on a case-by-case basis. Specifically, the Board has sole and absolute discretion to set the amount of the fine (if any) as it reasonably relates to the violation of the Dedicatory Instruments, taking into account factors including, but not limited to, the severity of the violation and the number of Owners affected by the violation. Any adjustment to this fine schedule by the Board may not be construed as a waiver of the fine schedule or the Dedicatory Instruments. Fines against an Owner will be assessed against the Owner's Lot. The Owner will be responsible for the actions of all residents, guests, and invitees of the Owner and any fines against such residents, guests, and invitees will also be assessed against the Owner's Lot.

[SIGNATURE PAGE FOLLOWS]

CERTIFICATION

I certify that as **President** _____ of The Shores Owners Association, a Texas nonprofit corporation, the foregoing Dedicatory Instrument Enforcement, Board Hearing, and Fine Policy was approved on the 7th day of October, 2026, at a meeting of the Board of Directors at which a quorum was present.

DATED this ____ day of October, 2026.

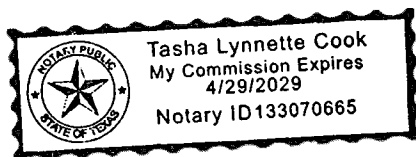
The Shores Owners Association,
a Texas nonprofit corporation

By: _____
Print Name: Richard J. Franke, Jr.
Title: President

THE STATE OF TEXAS §
 §
COUNTY OF CAMERON §

BEFORE ME, on this day personally appeared Richard J. Franke, Jr., the President _____ of The Shores Owners Association, a Texas nonprofit corporation, known by me to be the person whose name is subscribed to this instrument, and acknowledged to me that s/he executed the same for the purposes and in the capacity expressed in this instrument, and as the act and deed of said corporation.

Given under my hand and seal this the 14 day October, 2026.



Tasha Lynnette Cook
Notary Public – State of Texas

After Recording, Return To:
Jane W. Jancek
Roberts Markel Weinberg Butler Hailey PC
2800 Post Oak Blvd., 57th Floor
Houston, Texas 77056

THE SHORES OWNERS ASSOCIATION
FLAG DISPLAY POLICY

STATE OF TEXAS §
 §
 COUNTY OF CAMERON §

I. PURPOSE

The purpose of this Flag Display Policy (the “***Policy***”) is to provide guidance regarding the display of flags authorized by Texas Property Code 202.012. The Board of Directors (the “***Board***”) of The Shores Owners Association, a Texas nonprofit corporation (the “***Association***”) has determined that it is in the best interest of the Association to establish this Policy regarding the display of flags on property subject to its jurisdiction.

II. APPLICABILITY AND AUTHORITY

The property encumbered by this Policy is that property restricted by the Second Amended and Restated Declaration of Covenants, Conditions, Restrictions, and Other Matters for The Shores Subdivision, recorded under County Clerk’s File No. 2026-20617 in the Official Public Records of Cameron County, Texas, as same has been and may be amended from time to time (the “***Declaration***”), and any other property which has been and may be annexed into The Shores and made subject to the authority of the Association.

Reference is made to the Declaration for all purposes. Unless otherwise set forth in this Policy, the capitalized terms used in this Policy are defined in the same manner as set forth in the Declaration and the interpretation provision set forth in the Declaration applies to this Policy, which definitions and interpretation provision are incorporated in this Policy for all purposes by this reference.

Any reference made in this Policy to approval by the Design Review Board (the “***DRB***”) means prior written approval by the DRB.

Pursuant to the Dedicatory Instruments governing the Properties, the Board is vested with the authority to adopt rules, policies, and guidelines.

Pursuant to the authority granted in Section 202.012 of the Texas Property Code, the Board adopts this Policy, which runs with the land and is binding on all Owners and Lots within the Properties. The provisions of this Policy are in addition to any other applicable guidelines, rules, or policies. This Policy is effective upon the recording of same. After the effective date, in the event of a conflict between the terms of this Policy and any previously adopted guidelines, rules, or policies addressing the subjects contained in this Policy, this Policy will control.

Invalidation of any one or more of the covenants, conditions, restrictions, or provisions contained in this Policy will in no way affect any one of the other covenants, conditions, restrictions, or provisions of this Policy, which remain in full force and effect.

III. FLAG DISPLAY POLICY

The display of flags is permitted under the following parameters:

A. NUMBER OF FLAGPOLES

Owners may have a total of 1 flagpole per Lot.

B. TYPES OF FLAGS

The following flags may be displayed in accordance with this Policy:

1. United States flag
2. Texas flag
3. Official or replica flag of a branch of the United States armed forces

C. TYPE AND LOCATION OF FLAGPOLE

1. The flagpole may be either freestanding or mounted to the residential structure under the following parameters:
 - a. A freestanding flagpole:
 - (i) must not be taller than 20 feet when measured from ground level (including the pole ornamentation);
 - (ii) must be mounted on an appropriate footing;
 - (iii) is subject to DRB approval and all applicable zoning ordinances, easements, and setbacks of record; and
 - (iv) may be placed in either:
 - (a) the back yard (preferred location); or
 - (b) the front yard, if the Lot has a front building setback line with a setback of not less than 15 feet, extending the full width of the Lot between the front Lot line and the front building setback line. If front building setbacks of record are greater than 15 feet, then the greater setbacks will control.
 - b. A flagpole mounted to the residential structure:
 - (i) must be no greater than 5 feet in length; and
 - (ii) may be attached to the front or rear of the residential structure.

2. Owners are prohibited from placing a flagpole within an easement on an Owner's Lot or in a location that encroaches on a setback on an Owner's Lot.
3. Owners are prohibited from locating a flag or flagpole on property owned or maintained by the Association.
4. Owners are prohibited from locating a flag or flagpole on property owned in common by the Members of the Association.

D. MATERIALS, MAINTENANCE AND ETIQUETTE

1. All flagpoles must be constructed of permanent, long-lasting materials, with a finish appropriate to the materials used in the construction of the flagpole and harmonious with the dwelling.
2. All flagpoles must be installed per the manufacturer's guidelines.
3. All flags and flagpoles must be properly maintained at all times, including, but not limited to, immediate replacement of faded, frayed, or torn flags and replacement of poles that are scratched, bent, rusted, faded, leaning, or damaged in any way.
4. The size of the flag must be appropriate for the length of the flagpole, and the DRB has sole discretion as to this determination.
5. Flagpole halyards must be securely fastened at all times and may not make noise under any conditions.
6. Telescoping flagpoles may not make noise under any conditions.
7. The United States flag must be displayed in accordance with federal law. Additionally, if more than one flag is displayed along with the United States flag on a flagpole, the United States Flag must be flown above all other flags on such flagpole.
8. The Texas flag must be displayed in accordance with Texas state law.
9. If evening display of the flag is desired, the flag may be lit from the base of the flagpole (maximum of 2 bulbs) with a total of no more than 150 watts. The light must shine directly up at the flag and may not cause any type of light spillover onto adjoining properties. All exterior lighting must be submitted to the DRB for prior approval.
10. Flags must be attached to a flagpole in order to be displayed.
11. A flagpole mounted to the residential structure must be removed from view when no flag is displayed.

IV. DRB APPROVAL

A. MOUNTED FLAGPOLES

A flagpole mounted to a residential structure does not require approval from the DRB if it complies with the terms of this Policy.

B. FREESTANDING FLAGPOLES

1. Freestanding flagpoles require prior written approval from the DRB. Completed applications must be submitted to the DRB in accordance with the following:
 - a. If a back yard location is desired, an application must be submitted with a copy of the applicable plat or survey showing the proposed location of the freestanding flagpole, along with pictures showing the location of the improvement and the manufacturer's brochures or a sample of material, if applicable;
 - b. If a front yard location is desired, an application must be submitted with a copy of the applicable plat or survey indicating the front lot line, front building setback line, and proposed location of the freestanding flagpole, along with pictures showing the location of the improvement and the manufacturer's brochures or a sample of material, if applicable;
 - c. Locations closer to the dwelling are typically preferred; and
 - d. Regardless of desired location, the color of the materials being used in relation to house color, the location of the flagpole in relation to the dwelling, and any noise created are of specific concern.

Any installation not in compliance with this Policy is considered a violation of the Dedicatory Instruments governing the Properties.

This Policy does not apply (i) to property that is owned or maintained by the Association, or (ii) to Lots owned by Builders and used as model homes, but only for the period during which the Lot is used as a model home.

[SIGNATURE PAGE FOLLOWS]

CERTIFICATION

I certify that, as President of The Shores Owners Association, a Texas nonprofit corporation, the foregoing Flag Display Policy was approved on the 7th day of October, 2026, at a meeting of the Board of Directors at which a quorum was present.

DATED, this the 14 day of October, 2026.

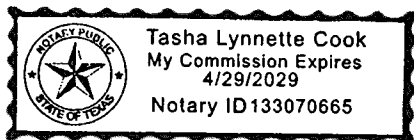
The Shores Owners Association,
a Texas nonprofit corporation

By: [Signature]
Print Name: Richard J. Franke, Jr.
Title: President

STATE OF TEXAS §
 §
COUNTY OF CAMERON §

BEFORE ME, on this day personally appeared Richard J. Franke, Jr., the President of The Shores Owners Association, a Texas nonprofit corporation, known by me to be the person whose name is subscribed to this instrument, and acknowledged to me that s/he executed the same for the purposes and in the capacity expressed in this instrument, and as the act and deed of said corporation.

Given under my hand and seal this the 14 day of October, 2026.



Tasha Lynnette Cook
Notary Public – State of Texas

After Recording, Return To:

Jane W. Jancek
Roberts Markel Weinberg Butler Hailey PC
2800 Post Oak Blvd., 57th Floor
Houston, Texas 77056

THE SHORES OWNERS ASSOCIATION
DISPLAY OF RELIGIOUS ITEMS POLICY

STATE OF TEXAS §
 §
COUNTY OF CAMERON §

I. PURPOSE

The purpose of this Display of Religious Items Policy (this “***Policy***”) is to provide guidance regarding the display of religious items authorized by Texas Property Code Section 202.018 (the “***Code***”). The Board of Directors (the “***Board***”) of The Shores Owners Association, a Texas nonprofit corporation (the “***Association***”) has determined that it is in the best interest of the Association to establish this Policy regarding the display of religious items on property subject to its jurisdiction.

II. APPLICABILITY AND AUTHORITY

The property encumbered by this Policy is that property restricted by the Second Amended and Restated Declaration of Covenants, Conditions, Restrictions, and Other Matters for The Shores Subdivision, recorded under Clerk’s File No. 2026-20617 in the Official Public Records of Cameron County, as same has been and may be amended from time to time (the “***Declaration***”), and any other property which has been and may be subsequently annexed into The Shores and made subject to the authority of the Association.

Reference is made to the Declaration for all purposes. Unless otherwise set forth in this Policy, the capitalized terms used in this Policy are defined in the same manner as set forth in the Declaration and the interpretation provision set forth in the Declaration applies to this Policy, which definitions and interpretation provision are incorporated in this Policy by this reference.

Any reference made in this Policy to approval by the Design Review Board (the “***DRB***”) means prior written approval by the DRB.

Pursuant to the Dedicatory Instruments governing the Properties, the Board is vested with the authority to adopt policies, rules, and guidelines.

Pursuant to the authority granted in the Code, the Board adopts this Policy, which runs with the land and is binding on all Owners and Lots within the Properties. The provisions of this Policy are in addition to any other applicable guidelines, rules, or policies. This Policy is effective upon the recording of same. After the effective date, in the event of a conflict between the terms of this Policy and any previously adopted guidelines, rules, or policies addressing the subjects contained in this Policy, this Policy will control.

Invalidation of any one or more of the covenants, conditions, restrictions, or provisions contained in this Policy will in no way affect any one of the other covenants, conditions, restrictions, or provisions of this Policy, which remain in full force and effect.

III. DISPLAY OF RELIGIOUS ITEMS POLICY

Owners and Occupants are generally permitted to display or affix one or more religious items on the Owner's or Occupant's Lot or dwelling, the display of which is motivated by the Owner's or Occupant's sincere religious belief.

DRB Application Required. Before a religious display contemplated by the Code is displayed or affixed on an Owner's or Occupant's Lot or dwelling, a DRB application must be submitted to the Association and approved in writing in accordance with the Declaration. The following information must be included with the application:

1. Type and description of the proposed religious display; and
2. Site plan indicating the location of the proposed religious display with respect to any applicable building line, right-of-way, setback, or easement on the Owner's or Occupant's Lot or dwelling.

Notwithstanding the foregoing, one or more religious items displayed or affixed on the entry of an Owner's or Occupant's dwelling and not exceeding 25 square inches do not require DRB approval. All other religious displays require DRB approval as set forth above.

The display or affixing of a religious item on the Owner's or Occupant's Lot or dwelling is prohibited under the following circumstances:

1. The item threatens public health or safety;
2. The item violates a law other than a law prohibiting the display of religious speech;
3. The item contains language, graphics, or any display that is patently offensive to a passerby for reasons other than its religious content;
4. The item is installed on property:
 - a. owned or maintained by the Association; or
 - b. owned in common by Members of the Association;
5. The item violates any building line, right-of-way, setback, or easement that applies to the religious item pursuant to a law or to the Association's Dedicatory Instruments; or
6. The item is attached to a traffic control device, streetlamp, fire hydrant, or utility sign, pole, or fixture.

The display of a religious item that is not in compliance with this Policy is considered a violation of the Dedicatory Instruments governing the Properties.

[SIGNATURE PAGE FOLLOWS]

CERTIFICATION

I certify that, as President of The Shores Owners Association, a Texas nonprofit corporation, the foregoing Display of Religious Items Policy was approved on the 7th day of October, 2026, at a meeting of the Board of Directors at which a quorum was present.

DATED, this the 14 day of October, 2026.

The Shores Owners Association, a Texas nonprofit corporation

By: _____
Print Name: Richard J. Franke, Jr.
Title: President

THE STATE OF TEXAS §
 §
COUNTY OF CAMERON §

BEFORE ME, on this day personally appeared Richard J. Franke, Jr., the President of The Shores Owners Association, a Texas nonprofit corporation, known by me to be the person whose name is subscribed to this instrument, and acknowledged to me that s/he executed the same for the purposes and in the capacity stated in this instrument, and as the act and deed of said corporation.

Given under my hand and seal this the 14 day of October, 2026.



Tasha Lynnette Cook
Notary Public – State of Texas

After Recording Please Return To:

Jane W. Jancek
Roberts Markel Weinberg Butler Hailey PC
2800 Post Oak Blvd., 57th Floor
Houston, Texas 77056

BOARD RESOLUTION
adopting
THE SHORES OWNERS ASSOCIATION
CONTRACTOR REQUIREMENTS

STATE OF TEXAS §
 §
COUNTY OF CAMERON §

I, Dennis A. Franke, Secretary of The Shores Owners Association (the "Association"), do hereby certify that, at a meeting of the Association's Board of Directors (the "Board") duly called and held on the 7th day of October, 2026, with at least a quorum of the members of the Board being present and remaining throughout, and being duly authorized to transact business, the following resolution was duly made and approved by a majority vote of the members of the Board:

Article X, Section A, of the Second Amended and Restated Declaration Covenants, Conditions, Restrictions, and Other Matters for The Shores Subdivision (the "Declaration") provides the Board has the authority, to adopt, promulgate, and amend rules, regulations, and policies regarding the administration of the Properties.

Article V, Section H, of the Declaration provides that Construction and Improvements on all Lots must meet with the requirements set forth in the Design Code for The Shores Subdivision (the "Design Code").

Section 2.14 of the Design Code provides for regulation of the construction process and contractors.

The Board believes it is in the best interest of the Association to adopt Contractor Requirements (the "Requirements") which shall be executed by a contractor prior to commencement of construction within The Shores Subdivision.

The Board hereby adopts the Requirements attached to this Board Resolution as **Exhibit A** and incorporated herein by this reference, which supersede and replace all other Contractor Requirements to be executed by contractors prior to the commencement of construction within The Shores Subdivision.

I hereby certify that I am the duly elected, qualified and acting Secretary of the Association and that the foregoing resolution was approved as set forth above and now appears in the books and records of the Association.

[SIGNATURE PAGE FOLLOWS]

TO CERTIFY which witness my hand this the 14 day of
October _____, 2026.

THE SHORES OWNERS ASSOCIATION

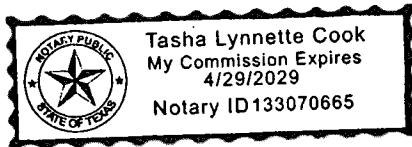
By: _____

Printed: Dennis A. Franke

Its: Secretary

THE STATE OF TEXAS §
 §
COUNTY OF CAMERON §

BEFORE ME, the undersigned notary public, on this 14 day of October,
2026 personally appeared Dennis A. Franke, Secretary of The Shores
Owners Association, known to me to be the person whose name is subscribed to the foregoing
instrument, and acknowledged to me that s/he executed the same for the purpose and in the
capacity therein expressed.



Tasha Lynnette Cook
Notary Public in and for the State of Texas

EXHIBIT A

Contractor Requirements

[Attached.]

THE SHORES OF SOUTH PADRE ISLAND
CONTRACTOR REQUIREMENTS

March 16, 2026

For good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the undersigned contractor (hereinafter "Contractor") agrees to abide by and be bound by the following requirements for construction within the Shores Subdivision on South Padre Island, Cameron County, Texas (hereinafter the Subdivision) and, to the extent applicable, Contractor further agrees to assure and be ultimately responsible for the compliance by any sub-contractor performing services under Contractor's direction:

- 1). At completion of the lot being filled - the foundation pilings installed and the slab poured, the front of the lot must be fenced with a 5' to 6' chain link fence. Gate must be closed and locked when construction is not occurring. Side yard fences should also be installed if necessary.
- 2). The contractor shall be responsible to ensure that the structural engineer has certified that windows, doors, roof and structure are rated for a minimum of 150 mph wind load and that they meet State Required Impact Resistance Tests. Additionally, Contractor shall ensure structural drawings for foundation are sealed by structural engineer and are based on soil boring for the lot being built on.
- 3). Work Hours – All construction work at the Shores shall occur only between the hours of 8:00 a.m. and 6:00 p.m. Monday thru Friday. No Construction work shall be permitted on Saturday, Sunday or Holidays, unless the work is being performed on the interior of the house and does not disturb the neighbors. All workers must promptly leave the job site and the Shores Subdivision by 6:00 p.m.
- 4). Work sites and surrounding areas shall be kept clean at all times, which means daily clean up. All trash must be hauled off by Contractor or Sub-contractor daily. Special clean-ups are required on Fridays to ensure the area looks good for the weekend.
- 5). If Styrofoam, paint or other material is used on exterior of building, the area must be screened so that no material is blown by the wind onto other properties or into the water.
- 6). Streets and sidewalks within the Subdivision must be kept clean at all times. Vehicles that leak oil or other fluids shall not be parked or driven on streets within the Subdivision. Contractor and Sub-Contractor shall not park their vehicles or equipment in front of other houses.
- 7). Mud, cement, oil and etc. from construction vehicles on streets or highway must be cleaned up by the contractor immediately. The contractor is responsible for his sub-contractors.
- 8). Construction vehicles may not be parked on streets or sidewalks overnight.
- 9). Only the number of vehicles that can be accommodated in front of the construction site will

be allowed to be parked in front of a construction site. All other vehicles can be parked during the hours of 8:00 a.m. and 6:00 p.m. in the parking lot located on the corner of Park. Road #100 and Wharf Street in The Shores. Please park only in the southeast section of parking area. Littering is Prohibited. Overnight Parking Not Allowed.

- 10). Construction equipment, supplies, port-o-cans or other construction items may not be placed or stored on streets, sidewalks or adjacent undeveloped lots. Use of adjacent lots require approval of The DRB. Construction dumpsters must be placed on the construction site only and must be emptied when full.
- 11). Contractor shall notify Shores Development, Inc. when construction is ready for required building inspections. See Design Code 2.14.4 / Inspections. At Completion. The contractor shall notify the DRB when the project is complete, including all landscaping. The DRB shall inspect the project for final approval and upon approval will issue a certificate of final approval to the property owner, city and contractor.
- 12). Contractor shall immediately notify Shores DRB of any deviation from Approved Plans.
- 13). Contractor must thoroughly review plans and specifications and ensure that all work conforms to Approved Plans.
- 14). If lot being developed is waterfront, Contractor shall add additional tiebacks if necessary to bulkhead to strengthen bulkhead and ensure that it does not fail in the future.
- 15). Contractor and all sub-contractors shall employ standard safety practices for the type of work being done and shall require their workers to wear hard hats while on construction site when appropriate.
- 16). The Subdivision requires that once construction has been started on a parcel of land within the Shores, construction shall continue on a daily basis until the building has been completed. If for any reason other than an act of God, construction stops for a period in excess of 15 calendar days, the contractor shall pay a fine to Shores Owner Association of \$100.00 per day for each day that construction has stopped. Said fine shall continue until construction has commenced again.
- 17). A "Contractor Sign" shall not be placed on a construction site until the actual start of the installation of the foundation piling and, then only after obtaining approval by the Shores Design Review Board.
- 18). The DRB is authorized to impose upon Contractor a fine of up to \$500.00 per violation for any violations of these "Contractor Requirements."
- 19). Contractor shall be responsible for any and all damages to the Shores Common Areas including, but not limited to, streets and sidewalks; if the damage will need to be remedied by Shores Owner's Association, Contractor shall immediately remit payment for all costs associated with such remedy, which shall include a 20% markup for administrative costs.

20. All fill material placed on a lot to increase the lots elevation must be leveled within seven (7) days of the date of placement on the lot and may not be placed on the street or sidewalk.
21. Shores Design Code Requires that all windows and doors must be recessed a minimum of 2½" from the exterior unfinished face of the structural wall to the exterior face of the window or door frame.
22. On waterfront lots, all boat docks and boatlifts must be approved by The Shores Design Review Board before construction.
23. Contractor is hereby NOTIFIED that building materials, including but not limited to caliche, dirt, cement blocks, framing materials, trash dumpsters and Port-O-Cans may not be placed on the brick paver streets, parking lanes or sidewalks at any time. These areas must be kept open for their intended use.

Contractor Name: _____

Owner Name: _____

By: _____ **Date** _____

Address: _____

Phone: _____

Fax: _____

E-mail: _____

Construction Site(s):

#1

Lot _____ **Block** _____

Street Address

#2

Lot _____ **Block** _____

Street Address

#3

Lot _____ **Block** _____

Street Address

BOARD RESOLUTION
adopting
THE SHORES OWNERS ASSOCIATION
MARINA RULES AND REGULATIONS

STATE OF TEXAS §
 §
COUNTY OF CAMERON §

I, Dennis A. Franke, Secretary of The Shores Owners Association (the "Association"), do hereby certify that, at a meeting of the Association's Board of Directors (the "Board") duly called and held on the 7th day of October, 2026, with at least a quorum of the members of the Board being present and remaining throughout, and being duly authorized to transact business, the following resolution was duly made and approved by a majority vote of the members of the Board:

Article X, Section A, of the Second Amended and Restated Declaration Covenants, Conditions, Restrictions, and Other Matters for The Shores Subdivision (the "Declaration") provides the Board has the authority, to adopt, promulgate, and amend rules, regulations, and policies regarding the administration of the Properties.

The Board believes it is in the best interest of the Association to adopt Marina Rules and Regulations (the "Rules") which shall be applicable to the marina within The Shores Subdivision.

The Board hereby adopts the Rules attached to this Board Resolution as **Exhibit A** and incorporated herein by this reference, which supersede and replace all other Marina Rules and Regulations applicable to The Shores Subdivision.

I hereby certify that I am the duly elected, qualified and acting Secretary of the Association and that the foregoing resolution was approved as set forth above and now appears in the books and records of the Association.

[SIGNATURE PAGE FOLLOWS]

TO CERTIFY which witness my hand this the 14 day of October, 2026.

THE SHORES OWNERS ASSOCIATION

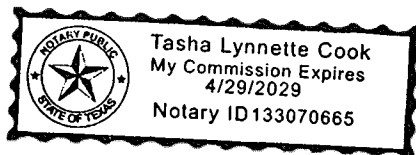
By: [Signature]

Printed: Dennis A. Franke

Its: Secretary

THE STATE OF TEXAS §
 §
COUNTY OF CAMERON §

BEFORE ME, the undersigned notary public, on this 14 day of October, 2026 personally appeared Dennis A. Franke, Secretary of The Shores Owners Association, known to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that s/he executed the same for the purpose and in the capacity therein expressed.



Tasha Lynnette Cook
Notary Public in and for the State of Texas

EXHIBIT A

Marina Rules and Regulations

[Attached.]

Rules & Regulations
for
THE MARINA BOAT DOCKS AT THE SHORES,
An Exclusive Use Limited Common Element Project of
The Shores Subdivision

- All boats and equipment shall be kept in good condition.
- Boats that are not being used for an extended period of time should be covered with a properly fitted boat cover.
- All boatlifts must be approved by The Shores Design Review Board.
- The maximum length of a boat kept in the Marina Boat Docks at The Shores is thirty feet (30').
- All equipment including, but not limited to: hoses, buckets, cleansing supplies, carts, fishing equipment, life preserves, coolers, clothes and other related items shall be kept off the common walkway at all times.
- Living, sleeping and partying in boats in the Marina Boat Docks at The Shores is prohibited.
- Loud music and unruly conduct is prohibited in the Marina Boat Docks at The Shores.
- People, equipment and supplies may be dropped off at walkways to Marina Boat Docks at The Shores but cars and other vehicles may not be parked on streets. All cars and vehicles must be returned to owner's residence.
- Fishing from the Marina Boat Docks at The Shores is prohibited.
- The Marina Basin and all channels at The Shores are a "No-Wake" Zone.
- The Marina Boat Docks at The Shores are for Exclusive Use of The Shores' Owners that purchased a Slip. Any leasing or rental of a Slip may only be conducted in accordance with the following:

1. **Rental tied to use of a Shores property.** A Slip Owner may rent or otherwise make the Owner's Slip available for use, provided that the Slip is rented or made available only to a person who is then using a residence or other property within The Shores Subdivision as a tenant or guest (a "Shores Property User"), and the Slip use remains tied to, and continues only for so long as, that person's use of a property within The Shores. For avoidance of doubt, the Slip Owner need not own the Shores property to which the rental is tied.
 2. **Owner-to-owner renting excluded.** Notwithstanding paragraph 1, a Slip may not be rented or leased to another Owner for that Owner's own use.
 3. **Guest use.** An Owner's guests and invitees may use the Slip while using or occupying an improved Shores Property with the Owner's permission. Guest use is an incident of the Owner's own use and is not a rental.
 4. **No stand-alone rental.** A Slip may not be rented or made available for use to any person who is not a Shores Property User, or otherwise apart from a person's use of a property within The Shores.
 5. **Rentals through the Exclusive Rental Agent.** Any rental under this rule must be arranged by and through Franke Rentals, the Exclusive Rental Agent for The Shores, and the customary commission must be paid to the Exclusive Rental Agent. No Slip may be rented through any other agent or by private arrangement.
 6. **Rules apply; Owner remains responsible.** Any person using a Slip under this rule is subject to these Rules and Regulations and all governing documents of The Shores. The Slip Owner remains responsible for all assessments, charges, and obligations associated with the Slip and for the conduct in the Marina of the Owner's tenants, guests, and invitees.
 7. **Information to the Association.** The Association may request the name and contact information of each person who will use the Slip and the commencement date and term of the rental. Nothing in this rule requires the Association to approve any user or requires submission of a consumer or credit report or rental application to the Association.
- All trash shall be placed in trash receptacles.
- Slip Owners shall be billed for exclusive use of water and electricity used in The Marina Boat Docks at The Shores.

**Cameron County
Sylvia Garza-Perez
Cameron County Clerk**

Instrument Number: 2026-37527

eRecording - Real Property

Recorded On: October 14, 2026 02:21 PM

Number of Pages: 59

" Examined and Charged as Follows: "

Total Recording: \$263.00

******* THIS PAGE IS PART OF THE INSTRUMENT *******

Any provision herein which restricts the Sale, Rental or use of the described REAL PROPERTY
because of color or race is invalid and unenforceable under federal law.

File Information:

Document Number: 37527
Receipt Number: 20261014000130
Recorded Date/Time: October 14, 2026 02:21 PM
User: Karla G
Station: CC-26-6744

Record and Return To:

EPN



**STATE OF TEXAS
COUNTY OF CAMERON**

I hereby certify that this Instrument was FILED In the File Number sequence on the date/time printed hereon, and was duly RECORDED in the Official Records of County, Texas.

Sylvia Garza-Perez
Cameron County Clerk
Cameron County, TX