

**PROPERTY OWNERS' ASSOCIATION OF HILLTOP LAKES, INC.**  
**BOARD RULES RELATING TO CONFIDENTIALITY**

In compliance with the Bylaws of the Property Owners Association of Hilltop Lakes, Inc. (the "Association"), the Board of Directors desires to establish confidentiality rules necessary for the orderly and secure operation of the Association.

The Association hereby adopts the following Board Rules Relating to Confidentiality (the "Rules"):

**Confidentiality Rules**

"Confidential Information" means all information related to deed restriction violation issues pertaining to individual Lots and properties, past due assessments, anticipated or ongoing litigation involving the Association, privileged communications with counsel, matters discussed in executive session, and individual / private Homeowners' information deemed privileged.

Confidential Information will also include any information that has been disclosed by a third party to the Association and governed by a non-disclosure agreement entered into between the third party and the Association. Confidential Information shall not include information that:

- i. is generally known as public record;
- ii. is now or subsequently becomes generally available to the public through no wrongful act of any member of the Board of Directors, nor any Committee; or
- iii. is independently created by the Board/ Committee member(s) without use of the Confidential Information.

*1. Confidentiality Obligations*

Except as otherwise provided in these Rules, Board / Committee members must keep the Confidential Information confidential, and shall not disclose any such information unless expressly mandated by law.

Except as otherwise provided in these Rules, the Confidential Information will remain the exclusive property of the Association and will only be used by the Board/Committee in furtherance of Association business and administration. The Board / Committee members shall not use any Confidential Information for any purpose that might be directly or indirectly detrimental to the Association or any of its members.

The obligations to ensure and protect the confidentiality of the Confidential Information imposed on the Board/ Committee in these Rules and any obligations to provide notice under these Rules shall last indefinitely, and shall survive the tenure (period of service on the Board and/or Committee) of the respective Board/ Committee members.

The Board / Committee members may disclose any of the Confidential Information:

- a. to Association employees, agents, representatives and advisors that have a need to know the information to conduct business of the Association provided that:
  - i. such personnel have been properly notified of the confidential nature of the Confidential Information; and
  - ii. the respective Board/ Committee member agrees to take all necessary steps to ensure that the terms of these Rules are not violated by such personnel.
- b. to a third party where the Association has consented in writing to such disclosure; and
- c. to the extent required by law or requirement of any judicial, legislative, administrative or other governmental body.

## *2. Remedies*

Confidential Information is of a proprietary and confidential nature. Any failure to maintain the confidentiality of the Confidential Information in breach of these Rules cannot be reasonably or adequately compensated for in money damages and would cause irreparable injury to the Association. Accordingly, the Association is entitled to, in addition to all other rights and remedies available to it at law or in equity, an injunction restraining the Board / Committee members and their agents, from directly or indirectly committing or engaging in any act restricted by these Rules in relation to the Confidential Information. Further, the Board / Committee members agree that a violation of these Rules may be grounds for removal from the Board and/or Committee in accordance with the governing documents of the Association.


## *3. Return of Confidential Information*

The Board/Committee members shall keep track of all Confidential Information provided to them and the location of such information. The Association may at any time request the return of all Confidential Information. Upon receipt of such request, or in the event that the Board /Committee member ceases to require use of the Confidential Information, the Board / Committee members shall return all Confidential Information to the Association and will not retain any copies of this information and, shall destroy or have destroyed all memoranda, notes, reports and other works based on or derived from the Board/Committee member's review of the Confidential Information.

**CERTIFICATE**

"I, the undersigned, being Secretary of Property Owners Association of Hilltop Lakes, Inc. (the "Association") hereby certify that the foregoing resolution to adopt Board Rules Relating to Confidentiality was approved on the 23 day of April, 2024, by at least a majority of the Association's Board of Directors, at a duly held meeting of the directors at which a quorum was present."

**Property Owners Association of Hilltop Lakes,  
Inc.**

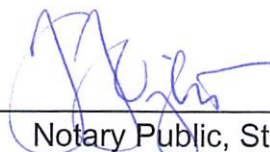
  
\_\_\_\_\_  
Jon DRUCKHAMMER, Secretary

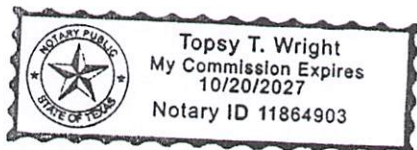
STATE OF TEXAS

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§  
§

COUNTY OF LEON

This instrument was acknowledged before me on the 24 day of April, 2024, by JON DRUCKHAMMER, Secretary of Property Owners Association of Hilltop Lakes, Inc., a Texas non-profit corporation, on behalf of said corporation.

  
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Notary Public, State of Texas



Leon County  
Christie Wakefield  
Leon County Clerk  
Centerville, Texas 75833



70 2024 00468203

Instrument Number: 2024- 00468203

Recorded On: April 24, 2024

As  
Recordings

Parties: PROPERTY OWNERS OF HILLTOP LAKES INC

To  
TO THE PUBLIC

Recorded By: PROPERTY OWNERS ASSOC HILLTOP

Billable Pages: 3

Comment: BOARD RULES HOA

Num Of Pages: 4

**\*\* Examined and Charged as Follows: \*\***

Recordings	23.00
Recording Charge:	23.00

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

I hereby certify that the within and foregoing was recorded in the Clerk's Office For: Leon County, TX

**File Information:**

**Record and Return To:**

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PROPERTY OWNERS ASSOC HILLTOP  
HAND DEL  
4/24/2024  
CENTERVILLE TX 75833