

Quail Creek Homeowners Association
QCHOA INC.

CONTRACT POLICY

The following Contract Policy ("Policy") is established by the Board of Directors (the "Board") of QCHOA, Inc. (the "Association") in accordance with Section 209.0052 of the Texas Property Code.

A. The Association may enter into an enforceable contract with a current Board member, a person related to a current Board member within the third degree by consanguinity or affinity, as determined under Chapter 573, Government Code, a company in which a current Board member has a financial interest in at least 51 percent of profits, or a company in which a person related to a current Board member within the third degree by consanguinity or affinity, as determined under Chapter 573, Government Code, has a financial interest in at least 51 percent of profits only if the following conditions are satisfied:

(1) The Board member, relative, or company bids on the proposed contract and the Association has received at least two other bids for the contract from persons not associated with the Board member, relative, or company, if reasonably available in the community;

(2) the Board member:

(A) is not given access to the other bids;

(B) does not participate in any Board discussion regarding the contract; and

(C) does not vote on the award of the contract;

(3) the material facts regarding the relationship or interest with respect to the proposed contract are disclosed to or known by the Board and the Board, in good faith and with ordinary care, authorizes the contract by an affirmative vote of the majority of the Board members who do not have an interest governed by this Policy; and

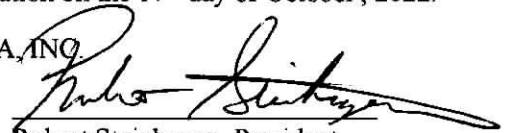
(4) the Board certifies that the other requirements of this Policy have been satisfied by a resolution approved by an affirmative vote of the majority of the Board members who do not have an interest governed by this Policy.

B. In addition to the other applicable requirements of this Policy, an association that proposes to contract for services that will cost more than \$50,000 shall solicit bids or proposals using a bid process established by the Association.

The foregoing Contract Policy was duly adopted by the Board of the Association on the 17th day of October¹, 2022.

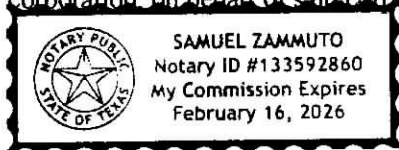
QCHOA, INC.

By


Robert Steinhagen, President

STATE OF TEXAS §
 §
COUNTY OF ROCKWALL §

This instrument was acknowledged before me on this 24th day of FEBRUARY, 2023 by (name) ROBERT STEINHAGEN, the (title) PRESIDENT of QCHOA, Inc., a Texas non-profit corporation, on behalf of said corporation.




Notary Public, State of Texas

¹ Property Code Title 11, § 209.0052 Added by Acts 2013, 83rd Leg., R.S., Ch. 863 (H.B. 503), Sec. 2, eff. September 1, 2013. 20 Amended by: Acts 2021, 87th Leg., R.S., Ch. 951 (S.B. 1588), Sec. 13, eff. September 1, 2021.

Filed and Recorded
Official Public Records
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Rockwall County, Texas
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Jennifer Fogg