

January 9, 2018

TO: White Bluff Property Owners
FROM: John Bass
Vice President, WBPOA
RE: Proxies for Resolution

In this communication I wish to specifically address an issue regarding POA-initiated litigation with Double Diamond.

Immediately upon being informed that the POA had signed a contract with First Service Residential to take over the association's management duties, Double Diamond unilaterally, improperly and without authorization withdrew \$1,125,000 of your money from the WBPOA account and deposited it into a Double Diamond account. Much of the litigation surrounds the return of this money. The POA has also repeatedly demanded our financial records from Double Diamond.

The first thing the Board did was to persuade the court that this money should be held in a segregated account pending the court's decision regarding its release. This was done, and the court has subsequently ruled that the funds should be released to us. Double Diamond appealed this ruling to the Waco Court of Appeals and the Texas Supreme Court. Both ruled in the POA's favor. Additionally, Double Diamond has been held in contempt of court three different times for not producing our records they have in their possession.

Why am I relating this to you? There are two reasons.

First, your Board is well aware that many property owners are tired of the on-going litigation and wish it to end. So does your Board, and we are making tremendous strides toward that end. However, I ask that you ask yourself two simple questions- if someone (and, you knew who it was) withdrew \$1,125,000 out of your account would you not do everything in your power to rectify the situation? If some entity, which you paid to handle your financial affairs refused to release your financial records, would you not do everything in your power to rectify the situation?

Second, we wish you to grant us your proxy. The Annual Meeting held in May of every year is rapidly approaching, and your proxy will help us greatly in establishing a quorum for the meeting. Because of your response last year, we were able to not only have a quorum but also elect six new Directors to fill vacant positions. There will be three positions open for election in May, and your proxy will help assure that the course we have set will be adhered to. Look closely in the next couple of weeks and you will receive communications on the totally independent and property owner-controlled nature of our nominating process.

If you like the fact that we are recovering your \$1,125,000 and fighting to get your financial records released, and if you want to make sure that your association can

hold an Annual Meeting in May and elect three Directors to continue working for your welfare, go to www.whitebluffpoa.com, click on Official Proxy Form and follow the instructions that pop up. Do it today!

In the coming weeks your POA Board will be communicating with you about the significant progress that has been made toward bringing White Bluff back to greatness as well as our plans for continuing that process in 2018.