

January 26, 2017

TO: All WBPOA Property Owners  
FROM: Your Board of Directors  
Leonard Critcher, President  
John Bass, Vice President  
Jim Fletcher, Secretary  
Terry Newman, Board Member  
Ron Roberts, Board Member  
Wayne Findley, Board Member  
RE: Update on Hill County Lawsuit Hearing

The hearing scheduled for Wednesday afternoon in Hill County was cancelled.

Both parties, Double Diamond and the WBPOA, have signed a Letter Agreement and an Agreed Order.

Prior to the Letter Agreement and Agreed Order being signed, Double Diamond had already complied with the demands from the POA as follows:

Release all property owner database information to the POA.  
Release all billing information to the POA.

The Letter Agreement and Agreed Order address the **release of the approximately \$2.5M of POA funds held by Double Diamond.**

A sum equal to the amount Double Diamond contends is owed by the POA **will be placed in a segregated bank account.** The parties to the agreement (DD & POA) will each provide the bank with designated signatories. Neither party can make any unilateral withdrawal from the segregated account without the expressed consent of the other party or by virtue of a court order. **The validity of the disputed debt must be verified by Double Diamond before any funds will be released.**

A sum necessary to meet ongoing budgeted POA expenses will be retained by Double Diamond and will be used exclusively to meet these budgeted expenses. Double Diamond will continue in this capacity **until FirstService Residential has taken over management duties** from Double Diamond. **Double Diamond agrees to turn over all unused funds to the POA at that time.**

The balance of POA funds being held by Double Diamond will be released to FirstService Residential on behalf of the POA.

**The Agreed Order will be signed by the judge in the court in which the suit was filed and compels both parties to abide by the agreement under the order of the judge.**

Your Board is pleased that the two parties have come to this mutual conclusion of these issues.