

August 19, 2017

TO: White Bluff Property Owners
FROM: Your Board of Directors Litigation Committee
Leonard Critcher, John Bass, Jim Fletcher, Mike Ellis
RE: Upcoming Hearing

A hearing in Hill County District Court has been scheduled for September 1st. The purpose of this hearing is for the court to rule on a request by the WBPOA for a Summary Judgment in favor of the release of \$1,150,000 of POA funds being held in a "disputed account."

Double Diamond was notified on December 2, 2016 that the POA had signed a contract with FirstService Residential to take over the management responsibilities from Double Diamond. On that same date Double Diamond withdrew the above amount from the POA account without authorization and placed it in a Double Diamond account. Previous rulings from the court have forced Double Diamond to deposit the disputed funds in a separate account with protective measures for the POA.

Your Board through our legal counsel has made repeated requests to Double Diamond for financial information to validate their position on several issues inclusive of the above. Double Diamond has been non-responsive, and the POA is asking for the release of the funds and a directive to Double Diamond to provide the requested financial information.

Your Directors will be in attendance at the hearing, and we will report the results to you as soon as the judge has ruled.