

November 16, 2017

TO: White Bluff Property Owners
FROM: Your Board of Directors
Leonard Critcher, President
RE: Update on Hill County Hearings

We previously reported that the District Judge in Hill County ruled in the POA's favor regarding granting the deposition of DD VP Randy Gracy. We are very pleased with the disposition of the results of the other two hearings.

Regarding the POA's request for Summary Judgment in our suit seeking release of POA funds being held in a disputed account, the judge has temporarily reserved his ruling. He granted the POA's objections to Double Diamond's Summary Judgment evidence and striking all Double Diamond evidence. He has given Double Diamond an opportunity to "fix" its evidence, but not give new evidence, before rendering his decision.

Regarding Double Diamond's motion to compel the POA to produce all proxies granted to it prior to the May Annual Meeting, the judge ruled that the POA is to produce its proxies with the stipulation that all Property Owner information be redacted so that any personal information is not available to Double Diamond. Thus, each property owner's identity will be protected from disclosure. The POA had actually offered this alternative prior to going to the hearing.

We will continue to keep you posted as this litigation progresses.