

**Summarized Minutes of The Springs at High Rock HOA, Inc. Meeting, May 20, 2021
Community Clubhouse, 233 Tor Court, Denton, NC 27239**

Workshop meeting: no public invited

Directors in attendance: Jerry Bushey, Al Hoppensteadt, Curtis Ish, Cathy Moore, and Karl Svatek.

President Svatek called the meeting to order at 10:04 AM.

Secretary Curtis Ish asked that the minutes of the April 22, 2021, meeting be approved.

Motion by Bushey, seconded by Svatek, to approve the April 22, 2021, minutes as submitted. All in favor; motion passed.

President Svatek asked for board liaison committee reports.

ARC Board liaison Cathy Moore reported on the progress of several home constructions and approved plans for future homes. The committee has sent a letter to all builders requesting, for cosmetic and fire safety reasons, that workers do not throw their cigarette butts into the woods or onto grass shoulders.

IRC: Board liaison Karl Svatek reported that the lampposts and LED streetlights should arrive in American waters this week. The board discussed some road damage most likely related to the underground drilling involved for the streetlight wiring. The IRC will ask to have Rex Everhart Paving fix the damaged spots once the work is done. Svatek also reported that the meters for the wiring circuits have been installed, and the center yellow caution line has been painted at the dangerous curve on Rocky Cove Lane. There followed some discussion on what to do to the pond at the end of Boulder Ridge Drive. No action was taken. Lastly, the IRC is asking permission to add Rule #12 for the rules allowing watercraft/RV storage in the boatyard storage area. The committee wants to eliminate abandoned trailers and boats that are not usable in their present state.

Motion by Svatek, seconded by Ish, "12. For safety and appearance reasons, it is required that vehicles in the boat storage area have up-to-date registrations and, in the case of trailers and RVs, are also roadworthy." All in favor; motion passed.

RFC: Board liaison Al Hoppensteadt reported that the hot tub is still not fixed. The repairman keeps cancelling his planned date to repair. The pool is ready and has passed inspection, so it can still be open to the membership for the Memorial Day weekend. A member questioned if anyone was checking that the pool defibrillator's battery is working. Director Bushey will check with both Mr. Field, who obtained the defibrillator for the HOA, and Bill Conrad. President Svatek asked about the condition of the pool furniture after not being used last year. Hoppensteadt will have Bill Conrad get the furniture out for inspection.

Security: Board liaison Jerry Bushey reported that the committee met with some security people from Yachtsman's Point to discuss common problems. The Security Committee is considering a front gate check by a sheriff's deputy around one of the upcoming holidays. The board discussed whether to publicize the 6:30 AM start for construction worker gate codes during the summer months. It was decided to put an article in the newsletter to forestall complaints by homeowners not knowing of the policy change.

Social: No report

Firewise: Board liaison Curtis Ish reported that there will be a meeting in June. The Fire Danger Warning Sign is being monitored and kept up to date. Ish reported that at the last meeting the

committee was going to look into whether there was any grant money available for other projects besides the NC State-sponsored wood debris pickup.

SBG: Board liaison Curtis Ish reported that the large junipers in front of the clubhouse portico pillars have been removed. Replacement with more colorful, low-growing bushes will probably be done in the fall.

Communications: Board liaison Curtis Ish read the monthly activity report. There were four special notices involving trailer parking at Dock #1, line painting detours (2,) and the Kinetic contract report. The committee contacted five new members and explained the benefits of the website, newsletter, and blog. Director Moore commented that she enjoyed the Trivia section and hoped it will continue.

Nominating. No report.

Finance: Treasurer Al Hoppensteadt reported that he will be moving money from our operating account into our reserve account to cover the completion of the street lighting project and other anticipated project expenses. Hoppensteadt also reported that summer landscaping expenses will increase as expected.

President Svatek called for old business:

- Action List (items not already discussed in the committee reports or no report this month):
 - a) Tennis court level resurvey: Laser measurements of the tennis court showed only one corner measurement difference by ½ inch. The base is still solid as predicted by the engineer's report. All three measurements (2015, 2016, and 2021) are a part of the engineer's report notebook. There followed a general discussion on what to do next and when. Director Hoppensteadt will get more information from tennis court installation companies.
 - b) CHIT Force progress report: Director Bushey reported that Kinetic could be starting the week of May 23. Bushey will try to coordinate all parties involved and keep the community informed.
 - c) Spillway project: Director Ish reported that contractor Lee Truell is still looking for a mason and has received two new contacts. He is in the process of getting ahold of them. He is anxious to get started because dry weather and a heat have made the soil condition perfect for the project.
 - d) Boulder Ridge culvert repair: Contractor Lee Truell has warned EU that he cannot wait any longer for them to be present when he repairs the culvert. He plans to start shortly.
 - e) Reserve analysis auditors: Treasurer Al Hoppensteadt has the names of two companies. Hoppensteadt said he would like to finish up some of our projects, especially the street lighting replacement, before Finance gets involved with auditors.
- Director Ish reported on a meeting he had with Lee Truell about creating possible extra vehicle/trailer parking spaces at Dock #1 and the boat launch area. Mr. Truell said that the community-owned Lot 17 could be used, but it's very low elevation below Healing Springs Drive would make it difficult to keep vehicles and trailers from getting bogged down in above average rain conditions. In addition, the elevated height of adjacent Lot 10 would also be impractical. He did think that some parking could be configured along the driveway and more spaces could be excavated between the driveway's curves. Truell would like to talk to the neighboring owner of Lot 2 before he gives an estimate.
- Director Bushey reported that the Security Committee recommends that violators of vehicles with attached trailers parking on weekends at Dock #1 launch area will get a windshield warning notice for the first offence, a locked tire boot for the second offence, and be towed for the third and subsequent offences.
- Director Ish reported on a meeting with landscaper Shaun Smith and the owner of Lot 37 Phase 14-BR about suggestions for maintaining the pond at the end of Boulder Ridge Drive. Both

Smith and contractor Truell recommend that the pond not be filled in since it acts as a catch basin for mountain rain runoff. Smith doubted that the pond's fountain ever worked since there is no circuit breaker box for it. It was decided that trees and grasses would be left on the uphill side for filtering and erosion control and trees and vegetation on the downhill side of the pond would be removed in the fall.

President Svatek called for new business:

- The board has been asked by the ARC to approve their upgraded *Construction Approval Forms*. These new forms require actual samples of exterior materials that will be used in the home construction.

Motion by Ish, seconded by Bushey, to approve the *Construction Approval Forms*. All in favor; motion passed.

- The board directed the secretary to find out if the Southmont Fire Station is available for an annual meeting in the late summer or fall.
- The board discussed the use of "No Trespassing" signs by homeowners. Director Bushey advised the board that in conversations with the sheriff's department, no citations can be served unless a property has two signs at each corner of the lot warning people of no trespassing. The secretary was directed to get quotes for a uniform sign that any interested owner would have to use (similar to our Real Estate For Sale sign policy).
- The HOA board briefly met on May 16, 2021, to discuss Director Jerry Bushey's latest negotiations with Kinetic's Windstream Access and Exclusive Marketing Agreement. Kinetic's lawyers won't allow an inclusion of fees and taxes in the quoted monthly rate, so the agreement calls for a \$199 monthly fee, not including fees and taxes. But, when those fees are added, Chavis figures that the total owed to Windstream each month will actually come in slightly below the original quoted figure of \$219. Also negotiated was that Kinetic's usage of promotional signage and marketing will need HOA Board of Director's approval before being initiated. The following motion was made and approved by all five directors at the meeting.

Motion by Hoppensteadt, seconded by Moore, to allow director's Bushey and Svatek to approve the *Windstream Access and Exclusive Marketing Agreement* between Windstream Services LLC, Little Rock, AR (aka Kinetic) and The Springs at High Rock Homeowners Association, Inc. All directors approved; motion passed.

[The agreement will be an appendix to the minutes once the minutes have been approved]

President Svatek asked for a motion to adjourn; motion by Bushey, seconded by Moore. All in favor; meeting adjourned at 1:11 PM.

The next scheduled workshop meeting is set for 10:00 AM, Thursday, June 24, 2021.

Respectfully submitted, Curtis Ish, Secretary HOA

Appendix 1. a jpeg. copy of the Windstream Access and Exclusive Marketing Agreement is on the following pages

ACCESS AND EXCLUSIVE MARKETING AGREEMENT

THIS ACCESS AND EXCLUSIVE MARKETING AGREEMENT ("AGREEMENT") is made as of the effective date below ("Effective Date") by between "Windstream Services, LLC, on behalf of itself or its affiliates" ("Windstream"), with corporate headquarters at 4001 Rodney Parham Road, Little Rock, Arkansas 72212 and the below-named owner ("Owner")

THE SPRINGS AT HIGH ROCK

(the "Premises") consisting of 523 residential lots plus any lots added or constructed in the future.

Owner: The Springs at High Rock Homeowners Association, Inc. Effective Date 5/18/2021

Project Name ("Project"): The Springs at High Rock

Full Subdivision Name ("Property"): THE SPRINGS AT HIGH ROCK

Principal Address/City/State: The Springs at High Rock Homeowners Association, Inc.

PO BOX 1226, Denton, NC 27239

Email Contact: hoaboard@thespringsathighrock.org

Background

Owner desires that Windstream install and maintain facilities on the Property to allow Windstream, or its affiliates as applicable, to provide certain communications services and products as determined by Windstream from time to time (collectively, "Services") to the Project and to developers, contractors, and existing and prospective Residents/Homeowners of the Project (collectively, "Homeowners"). Through this Agreement, Owner grants to Windstream certain access rights to enable the provision of such Services.

Windstream desires that Owner exclusively market Windstream's Services and hold Windstream out to Homeowners as the preferred communications carrier of choice ("Preferred Provider").

To clarify, "Property" is defined as and limited to the real estate owned by Owner (including, but not limited to, all common areas, streets and spaces reserved for utilities or the common use of Homeowners) at the Property Location on the Effective Date of this Agreement.

For value received, the parties agree as follows:

Terms and Conditions

1. Marketing Arrangement

1.1. Windstream will be the Preferred Provider for the Project, and Owner will provide Windstream with the marketing benefits described in **Schedule A**. Owner will refer exclusively Windstream's Services to Homeowners and represent Windstream to members of the public as the Preferred Provider of Services.

1.2. In consideration of Owner's active and exclusive promotion of Windstream's Services, during the term of this Agreement, Windstream will construct and install a fiber optic communications infrastructure at the Property. Where applicable, Owner will provide Windstream certificates of occupancy for each unit/parcel on the Property as it becomes available to Homeowners.

2. Services

2.1. Windstream, or its applicable affiliates, will make Services available on the Property, and Owner, if applicable, will

subscribe to Windstream's Services for Owner's facilities (e.g., sales office, construction trailer, model units and business offices) on the Property.

2.2. The provision of Services to Homeowners and Owner will be subject to Windstream's standard Terms and Conditions which can be accessed here: <http://www.windstream.com/Terms-and-Conditions/> and, if applicable, at tariff or price list rates on file with the applicable utility commission. All untariffed Services provided by Windstream to Homeowners and Owner will be at rates which Windstream deems competitive. Windstream's provision of Services will be subject to its standard credit and deposit procedures. Homeowners and Owner also are responsible for taxes, surcharges, fees, and assessments that apply to the sale and use of the Services.

3. Access Rights

3.1. Owner will grant Windstream a non-revocable license to access the Property as is reasonably necessary for Windstream to install, construct, operate, maintain and modify the facilities and equipment used to provide Services. Owner will execute such agreements and other documents and take such reasonable actions as Windstream reasonably requests to effect the grant of rights contemplated in this Section 3.1. Such rights will survive any sale or transfer of the Project or the Property. The rights granted in this Section 3.1 include Windstream's right to access the Property in a reasonable manner to market and sell Services to Homeowners – limited only to The Springs of High Rock Clubhouse and common areas specifically determined by HOA when acquiring new customers. Additionally, all such facilities and equipment installed by Windstream on the Property will remain Windstream's personal property, without regard to whether they are affixed or attached to or embedded in the Property.

3.2. Owner represents to Windstream that Owner (i) is the sole owner of the Property, (ii) has the right to convey the rights granted Windstream in Section 3.1, (iii) will defend the rights granted Windstream hereunder against all claims, (iv) will cause Owner's affiliates or representatives, if applicable, to comply with and implement this Agreement to the extent required for Owner to fully satisfy its obligations hereunder, and (v) warrants that no hazardous materials are presently located on the Property in any quantities or locations so as to expose Windstream to harm.

3.3. Windstream will not interfere unreasonably with use of the Property by Owner or Homeowners. Owner will take all reasonable steps not to endanger Windstream's facilities and equipment or to interfere with provision of Services. Owner grants to Windstream the right to keep the Property free and clear from objects which may endanger the operation of Windstream's facilities and equipment or the provision of Services and to install such facilities and equipment as necessary to provide Services.

Term. The initial term of this Agreement will be ten (10) years, commencing on the Effective Date, unless terminated as provided herein. This Agreement will automatically renew for successive one (1) year terms unless either party notifies the other party of its intent not to renew at least sixty (60) days prior to the expiration of the current Term. For clarity, neither party can terminate for convenience during the initial ten (10) year term of the Agreement. Either party may terminate this Agreement for cause upon sixty (60) days' prior written notice to the other party of any material breach, provided that the breaching party has not cured such material breach within thirty (30) days after the notice of breach has been received. The access rights granted Windstream pursuant to Article 3 will survive indefinitely any termination of this Agreement.

4. Miscellaneous

4.1. This Agreement will be governed by, and construed in accordance with, the laws of the state in which the Property is located.

4.2. NOTWITHSTANDING ANYTHING TO THE CONTRARY IN THIS AGREEMENT, NEITHER PARTY WILL BE LIABLE FOR ANY CONSEQUENTIAL, INDIRECT, INCIDENTAL OR SPECIAL DAMAGES (INCLUDING, WITHOUT LIMITATION, LOST REVENUES OR PROFITS) ARISING OUT OF THIS AGREEMENT. ADDITIONALLY, WINDSTREAM'S LIABILITY FOR ANY CLAIM ARISING OUT OF THIS AGREEMENT WILL NOT EXCEED THE AMOUNT PAID OWNER UNDER THIS AGREEMENT. FURTHER, EACH PARTY WILL DEFEND, INDEMNIFY AND HOLD HARMLESS THE OTHER PARTY, AND ITS RESPECTIVE DIRECTORS, OFFICERS, EMPLOYEES, AND AGENTS, FROM AND AGAINST ALL THIRD-PARTY CLAIMS ARISING OUT OF THE INDEMNIFYING PARTY'S GROSS NEGLIGENCE OR WILLFUL MISCONDUCT WITH RESPECT TO ITS OBLIGATIONS UNDER THIS AGREEMENT.

4.3. This Agreement, including all exhibits and schedules hereto, contains the sole and entire agreement of the parties concerning the Project and the Property. Each party represents and warrants to the other that it has the full corporate authority to enter into this Agreement, that performance of its obligations under this Agreement will be in accordance with all applicable laws and regulations, and that performance of its obligations does not violate any agreement by which it is bound. All prior agreements, representations, negotiations and understandings of the parties, oral or written, express or implied, are superseded by this Agreement. This Agreement may be amended only by a writing signed by both parties.

4.4. Each party will cooperate with the other party in giving effect to the purpose and intent of this Agreement, including, without limitation, in obtaining from any governmental authority or any other person any permit, entitlement, authorization or other right necessary or convenient in connection with this Agreement. Each party agrees to execute and deliver such further documents, and perform such further acts, as may be reasonably necessary to achieve the intent of the parties as set forth in this Agreement.

4.5. If any provision of this Agreement is held invalid or unenforceable, such provision will be deemed deleted from this Agreement and replaced by a valid and enforceable provision which so far as possible achieves the same economic and other benefits for the parties as the severed provision was intended to achieve, and the remaining provisions of this Agreement will continue in full force and effect.

4.6. Any notice pursuant to this Agreement must be in writing and will be deemed properly given if hand delivered, mailed or faxed to Owner at the applicable address first set forth above or to Windstream at:

SCHEDULE A Marketing Benefits

As consideration for the foregoing Agreement, Owner will provide Windstream with the following benefits:

1. Windstream will provide literature either directly to Homeowners or to Owner to distribute to Homeowners promoting Windstream's Services. Owner will not distribute literature promoting, and otherwise will not promote, the services other than those of Windstream. With respect to such literature and other signage on the Property promoting Windstream as the Preferred Provider, Windstream grants to Owner the limited right to display Windstream's trademarks, service marks, trade names, corporate names, proprietary logos, or other business identifiers (collectively, "Marks") in connection with Owner's marketing, advertising, and promoting of Windstream's Services to Homeowners as approved by Windstream in advance and in publicity releases about Owner and its relationship with Windstream as approved by Windstream in advance. Owner grants to Windstream the limited right to display Owner's Marks in connection with Windstream's marketing, advertising, and promoting of Windstream's Services to Homeowners as approved by Owner in advance and in publicity releases about Windstream and its relationship with Owner as approved by Owner in advance.
2. To the extent allowed by law, Owner will provide to Windstream upon reasonable request (which may include requests for weekly updates) Homeowners listings and contact information, including names, addresses, and phone numbers.
3. Owner grants to Windstream the rights to the phrase **"Preferred Provider for THE SPRINGS OF HIGH ROCK"** (or such other phrase as may be agreed to in writing by the parties).
4. Owner grants to Windstream the right to display and maintain on the Property's Clubhouse, at Windstream's sole cost and expense, public information designating Windstream as Owner's **"Preferred Provider for THE SPRINGS OF HIGH ROCK"** (or such other phrase as may be agreed to in writing by the parties). Windstream and Owner will agree on the placement of such signage within the Property's Clubhouse and/or common area(s) – preapproved by the HOA BOARD in which shall provide reasonable attention to Windstream's Services while not unreasonably interfering with use of the Property by Owner or Homeowners. Owner grants to Windstream the right to provide marketing material and information to be displayed virtually to community through The Springs of High Rock community website, along with community newsletter. Owner grants to Windstream the right to send direct mailers to homeowners, at Windstream's sole cost and expense providing service information.
5. Owner will represent and designate to Homeowners and other members of the public that Windstream is the Preferred Provider for the Project and the Property, and Owner will not enter into any agreement for co-marketing or similar arrangement with competing telecommunications or entertainment service providers. For example, Windstream will be identified as the "Preferred Provider" in all information packages prepared by the Owner or any its affiliates for the benefit of the Project or the Property, and, to the extent legally permitted, Windstream will be the only telecommunications or entertainment provider represented at marketing and construction meetings with Homeowners, lessees, Owners, business contacts, and buyers. In addition, Owner will publicly and actively endorse Windstream's Services for the Project and the Property.
6. Windstream will provide marketing collateral plus one (1) complimentary Internet/WIFI connections onsite for the HOA.
7. Within 1 year of the said "Effective Date" Owner will need a minimum of 110 homeowners on Preferred Provider Plan. If said threshold is not met the contractual term will be extended by 1 year outside of original term.
8. THE SPRINGS AT HIGH ROCK HOA agrees that any new houses built/sold over the first 6 (six) years signed "Effective Date" – home owners will be advised to obtain services from "Preferred Provider" - Windstream will provide both Internet and Phone with modem service priced at \$199.00 exclusive of taxes and additional fees per month for a 36 Month Term. This service plan does not include any additional services home owner can subscribe to.

4700 Falls of Neuse Rd., Suite 100
Raleigh, NC 27609
Attn: Traci Jovanovic, VP –Consumer Channels
c/o: Beth Hubbard
Email: traci.jovanovic@windstream.com

With a copy to:
Windstream Legal Department
4001 Rodney Parham Road, Mailstop; B1F3 – 53A
Little Rock, AR 72212

Either party may change its notice address by giving written notice of the change to the other party.

4.7. Nothing herein will create an association, joint venture, trust or partnership between the parties. Each party is solely responsible for its own obligations hereunder. No party has any right or power to bind, or act as an agent of, the other party without the other's written consent, except as expressly provided in this Agreement. Nothing in this Agreement is intended to or will create any third-party beneficiary, and neither party will make any contrary representation.

4.8. Owner may not assign this Agreement without Windstream's prior written consent, which will not be unreasonably withheld. Notwithstanding the foregoing, either party may assign this Agreement, without the prior written consent of the other party, to an affiliate, purchaser of all or substantially all of the party's assets, or to any successor by way of merger, consolidation or similar transaction upon the express condition that the assignee agrees to be bound by the obligations set forth in this Agreement. Any such assignment contrary to the foregoing provisions shall be void. The parties agree that Windstream's delegation of customer care and billing for the Services shall not constitute an assignment or violation of this provision.

4.9. "Confidential Information" is information in any form designated as confidential or information about Owner, Windstream or its affiliates, Services, or Homeowners, that is not generally known by or readily available to the public (including, without limitation, the terms of this Agreement). Neither party will disclose Confidential Information to third parties, and each party receiving Confidential Information from

the other will keep and instruct its employees, representatives, and agents to keep the Confidential Information confidential by using at least the same care and discretion as used with that party's own confidential information but not less than a reasonable standard of care. Each party will use Confidential Information as permitted under this Agreement and will only disclose such information internally on a need-to-know basis. Either party may seek equitable relief and any other remedies to enforce this Section 4.9. The obligations under this Section 4.9 will survive termination of the Agreement. Upon termination of this Agreement and either party's request, the other party will promptly return to the other party any Confidential Information in its possession or will destroy such Confidential Information and certify to the other party that it has done so.

4.10. No waiver of any breach of any provision of this Agreement will constitute a waiver of any prior, concurrent or subsequent breach of the same or any other provisions, and no waiver will be effective unless made in writing and signed by an authorized representative of the waiving party. Further, each party has been provided an opportunity to seek the advice of counsel, such that no legal construction will operate to construe any provision of the Agreement against either party as the drafter of the document.

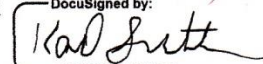
4.11. In no event will either party be liable to the other for any delay or failure to perform hereunder which is due to causes beyond the reasonable control of that party including acts of God, war, civil disturbance, severe weather, terrorist acts, epidemics, strikes, lockouts, or other labor unrest and freight embargoes ("Force Majeure Conditions"). In the event of any Force Majeure Condition, the party whose performance is affected will give written notice to the other party within five (5) business days after the Force Majeure Condition having occurred or become known. Performance by both parties will be excused during the period of delay caused by the Force Majeure Condition.

4.12. This Agreement may be executed in counterparts, each of which will be deemed an original, and all of which together constitute one and the same instrument.

IN WITNESS WHEREOF, the parties have duly executed and delivered this Agreement as of the Effective Date.

WINDSTREAM DocuSigned by:

By: Traci Jovanovic
Name: Traci Jovanovic
Title: VP Sales
Date: 5/18/2021

OWNER DocuSigned by:

By: Karl Svatek
Name: Karl Svatek
Title: HOA president
Date: 5/18/2021

After the original 36 month term service plan will be priced at \$99.00 exclusive of taxes and additional fees per month unless different level of service is requested by homeowner.

IN WITNESS WHEREOF, the parties have duly executed and delivered this Schedule A Marketing Benefits Agreement as of the Effective Date.

WINDSTREAM

DocuSigned by:

Traci Jovanovic

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By: _____

Name: _____

Traci Jovanovic

Title: _____

VP Sales

Date: _____

5/18/2021

OWNER

DocuSigned by:

Karl Svatek

GFD65A68E07242D...

By: _____

Karl Svatek

Name: _____

Title: HOA president

Date: _____

5/18/2021