

CAUSE NO. DC-07-12490

DOUBLE DIAMOND INC.
and WHITE BLUFF PROPERTY
OWNERS ASSOCIATION, INC.

Plaintiff,

v.

DANIEL SATURN

Defendant.

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IN THE DISTRICT COURT

68TH JUDICIAL DISTRICT

DALLAS COUNTY, TEXAS

FINAL JUDGMENT

On May 5, 2009, the above entitled and numbered cause was called for trial. Plaintiffs Double Diamond, Inc. and White Bluff Property Owners Association, Inc. appeared in person and through their attorney and announced ready for trial. Defendant Daniel Saturn appeared in person and through his attorney and announced ready for trial.

After a jury was impaneled and sworn, it heard the evidence and arguments of counsel. In response to the jury charge, the jury made findings that the Court received, filed, and entered of record. The questions submitted to the jury and the jury's findings are attached as Exhibit "A" and incorporated by reference.

Based upon the jury's factual finding on the special issue submitted to the jury regarding the food and beverage assessments collected by the White Bluff Property Owners' Association, Inc., the Court makes the following conclusions of law:

- a. The White Bluff Property Owners' Association, Inc. is a non-profit corporation formed under the Texas Non-Profit Corporation Act;
- b. The food and beverage assessments ~~and the hospitality~~ program adopted by the Board of the White Bluff Property Owners' Association, Inc. was

*A December 2003
(the "food and
hospitality")*

not proper and not in accordance with the bylaws of the White Bluff Property Owners' Association, Inc.;

- c. The practice by the White Bluff Property Owners' Association, Inc. of assessing mandatory food and beverage assessments from its members and paying such assessments to Double Diamond, Inc. and/or its related companies without such payments being reasonable compensation for services provided to the White Bluff Property Owners' Association, Inc. violates Article 1396-2.24 of the Texas Non-Profit Corporation Act;
- d. The food and beverage assessment program ~~effective January 7, 2004 and~~⁵ adopted by the directors of the White Bluff Property Owners' Association, Inc. is void *ab initio* only as to the parties to this suit;
- e. The food and beverage assessment program as set forth in Paragraph 2 of that certain 2006 Capital Improvement Agreement between Double Diamond, Inc. and the White Bluff Property Owners' Association, Inc. is void *ab initio* only as to the parties to this suit.

Defendant Daniel Saturn requested attorney's fees under the Texas Declaratory Judgment Act. Attorney's fees were proved at a hearing which established reasonable and necessary attorney fees in the amount of \$120,000, the additional sum of \$50,000 for attorney's fees in the event of an appeal to the Court of Appeals, the additional sum of \$15,000 for attorney's fees in the event a petition for review is filed with the Texas Supreme Court, and the additional sum of \$30,000 for attorney's fees in the event the Texas Supreme Court grants the petition for review, with all of the appellate attorney's fees contingent upon the success of Defendant on appeal.

The Court hereby **RENDERS** judgment for Defendant Daniel Saturn.

IT IS ORDERED ADJUDGED and **DECREED** that Plaintiff White Bluff Property Owners' Association, Inc. and any person acting on its behalf with notice of this Judgment, are hereby enjoined from committing any of the following acts:

(a) assessing or collecting the mandatory food and beverage fees referred to in paragraphs (d) and (e) on page two of this Judgment from Defendant Daniel Saturn;

(b) making any negative or derogatory credit reports against Defendant Daniel Saturn for any failure to pay the food and beverage assessments referred to in paragraphs (d) and (e) on page two of this Judgment;

(c) foreclosing on the property currently owned by Defendant Daniel Saturn for any failure to pay the food and beverage assessments referred to in paragraphs (d) and (e) on page two of this Judgment; and,

IT IS FURTHER ORDERED ADJUDGED and **DECREED** that Plaintiffs request removal of all derogatory credit reports from any credit bureau to which it, or a person acting on its behalf, has made a derogatory report on Daniel Saturn regarding the food and beverage fees referred to in paragraphs (d) and (e) on page two of this Judgment.

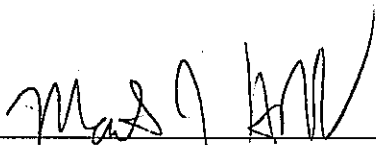
IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that Plaintiffs Double Diamond, Inc. and White Bluff Property Owners' Association, Inc. take nothing by their suit and that Defendant Daniel Saturn recover from Plaintiffs Double Diamond, Inc. and White Bluff Property Owners Association, Inc. his attorney's fees in the sum of \$120,000, the additional sum of \$50,000 for attorney's fees in the event of an appeal to the Court of Appeals, the additional sum of \$15,000 for attorney's fees in the event a petition for review is filed with the Texas Supreme Court, the additional sum of \$30,000 for attorney's fees in the event the Texas Supreme Court grants a petition for review, with all of the appellate attorney's fees contingent upon the

success of Defendant Daniel Saturn on appeal; court costs, and post-judgment interest accruing at the rate of five percent (5%) per annum until paid in full.

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED that this judgment is final, disposes of all claims and all parties, and is appealable.

The Court grants Defendant all writs necessary for the enforcement of this judgment.


Signed this 15th day of June, 2009.



JUDGE PRESIDING

APPROVED AS TO FORM:

Kent Pearson
Attorney for Plaintiffs



Barbara T. Hale
Attorney for Defendant Daniel Saturn