

**BY-LAWS
OF
WOODARD'S CRESTLAKE HOMEOWNERS' ASSOCIATION**

**ARTICLE I
Offices**

The corporation shall maintain in the State of Illinois a registered office and a registered agent, at such office and may have other offices within or without the state.

**ARTICLE II
Members**

SECTION 1. CLASSES OF MEMBERS. The corporation shall have one class of members. The designation of such class shall be as follows: Ownership of one or more of the following lots in Woodard's Crestlake Subdivision No. 1, Woodard's Crestlake Subdivision No. 2, Woodard's Crestlake Subdivision No. 3, Woodard's Crestlake Subdivision No. 4, Woodard's Crestlake Subdivision No. 5, Woodard's Crestlake Subdivision No. 6, Woodard's Crestlake Subdivision No. 7, Woodard's Crestlake Subdivision No. 8, and all future Crestlake Subdivision or phases (the "Member Lots" and collectively referred to as "Woodard's Crestlake Subdivision").

SECTION 2. VOTING RIGHTS. Each member shall be entitled to one vote for each lot owned on each matter submitted to a vote of the members. In the event that the equitable ownership of any lot in Woodard's Crestlake Subdivision Champaign County, Illinois, is held by two or more persons, then such persons shall collectively constitute one member. Said persons may vote their membership for such lot only by their mutual agreement. In the event mutual agreement between such persons is not reached, said persons shall not be entitled to vote on such matters submitted to a vote of membership. The assertions of any one of such persons as to their mutual agreement shall be binding on the corporation and its members.

SECTION 3. TERMINATION OF MEMBERSHIP. The Board of Directors by affirmative vote of two-thirds of all of the members of the Board may suspend or expel a member for cause after an appropriate hearing, and may, by a majority vote of those present at any regularly constituted meeting, terminate the membership of any member who becomes ineligible for membership, or suspend or expel any member who shall be in default in the payment of assessments for the period fixed in Article XIII of these by-laws. Such termination shall not relieve the member so terminated of the obligation to pay any assessments or other charges theretofore accrued or subsequently accruing and unpaid.

SECTION 4. RESIGNATION. Any member may resign by filing a written resignation with the Secretary, but such resignation shall not relieve the member so resigning of the obligation to pay any assessments or other charges theretofore accrued or subsequently accruing and unpaid.

SECTION 5. REINSTATEMENT. Upon written request signed by a former member and filed with the Secretary, the Board of Directors may by the affirmative vote of two-thirds of the members of the Board reinstate such former member to membership upon such terms as the Board of Directors may deem appropriate.

SECTION 6. TRANSFER OF MEMBERSHIP. Membership in this Corporation is not transferable or assignable. Membership resides with the ownership of any lot in any phase of Woodard's Crestlake Subdivision.

SECTION 7. NO MEMBERSHIP CERTIFICATES. No membership certificates of the Corporation shall be required.

ARTICLE III **Meetings of Members**

SECTION 1. ANNUAL MEETING. An annual meeting of the members shall be held in the month of January of each year for the purpose of electing Directors and for the transaction of such other business as may come before the meeting.

SECTION 2. SPECIAL MEETING. Special meetings of the members may be called either by the president, a majority of the Board of Directors, or not less than one-fifth of the members having voting rights.

SECTION 3. PLACE OF MEETING. The Board of Directors may designate any place in Champaign County as the place of meeting for any annual meeting or for any special meeting called by the Board of Directors. If no designation is made or if a special meeting be otherwise called, the place of meeting shall be the registered office of the corporation in the State of Illinois.

SECTION 4. NOTICE OF MEETINGS. Notice stating the place, date, and hour of any meeting of members shall be posted to the Association's website at www.crestlake.org, no later than 10 days in advance of each meeting. Further notice may be given via posted signs throughout the Subdivision, publishing in the local newspaper or any other way which the Board deems proper and useful.

SECTION 5. QUORUM. The members holding 20% of the votes which may be cast at any meeting shall constitute a quorum at such meeting. At any adjourned meeting at which a quorum shall be present, any business may be transacted which might have been transacted at the original meeting; withdrawal of members from any meeting shall not cause failure of a duly constituted quorum at that meeting.

SECTION 6. MANNER OF ACTING. The act of a majority of the members present at a meeting at which a quorum is present shall be the act of the members, unless the act of a greater number is required by statute, these by-laws, or the articles of incorporation. Members may also act without a meeting, by a vote recorded on a ballot of a form approved by the Board of Directors. Notification of such a ballot is required to follow the same rules as notification of

member meeting (Section 4). The act of the majority of the members casting a ballot in writing shall be the act of the members, if at least 20% of voting members cast a ballot. In order to reach a quorum, the Board reserves the right to exercise an absentee ballot with proper notice of said vote sent to all members using due process.

SECTION 7. PROXIES. Each member entitled to vote at a meeting of members or to express consent or dissent to corporate action in writing without a meeting may authorize another person or persons to act for him by proxy, but no such proxy shall be voted or acted upon after eleven months from its date, unless the proxy provided for a longer period.

ARTICLE IV **Board of Directors**

SECTION 1. GENERAL POWERS. The affairs of the corporation shall be managed by its Board of Directors. The Board of Directors may, at any time, adopt policies which do not require an amendment to the By-Laws, but must be approved by meeting the quorum set for all other business conducted by the Board.

SECTION 2. NUMBER, TENURE AND QUALIFICATIONS. The number of Directors shall be nine (9) if nine volunteers acceptable to the members can be found. Each Director shall hold office for a period of two (2) years. Directors must be members of the corporation. The number of Directors may be increased to any number from time to time by amendment of this section, unless the articles of incorporation provide that a change in the number of Directors shall be made only by amendment of the articles of incorporation.

SECTION 3. REGULAR MEETINGS. A regular annual meeting of the Board of Directors shall be held without other notice than these by-laws, immediately after, and at the same place as, the annual meeting of members. The Board of Directors may provide by resolution the time and place, for the holding of additional regular meetings of the Board without other notice than such resolution.

The Board of Directors shall meet at least quarterly during the calendar year at a date and time to be determined by the Board.

SECTION 4. SPECIAL MEETINGS. Special meetings of the Board of Directors may be called by or at the request of the president or any two Directors. The person or persons authorized to call special meetings of the Board may fix any place as the place for holding any special meeting of the Board called by them.

SECTION 5. NOTICE. Notice of any special meeting of the Board of Directors shall be given at least two (2) days previous thereto by written electronic notice. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail in a sealed envelope so addressed, with postage thereon prepaid. Notice of any special meeting of the Board of Directors may be waived in writing signed by the person or persons entitled to the notice either before or after the time of the meeting. The attendance of a Director at any meeting shall constitute a waiver of notice of such meeting, except where a Director attends a meeting for the

express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any regular meeting of the Board need be specified in the notice or waiver of notice of such meeting, unless specifically required by law or by these by-laws. In the case of a special meeting or where required by law or by these by-laws, the purpose for which such meeting is called shall be stated in the notice or waiver of notice of such meeting.

SECTION 6. QUORUM. A majority of the Board of Directors shall constitute a quorum for the transaction of business at any meeting of the Board, provided that if less than a majority of the Directors are present at said meeting, a majority of the Directors present may adjourn the meeting to another time without further notice.

SECTION 7. MANNER OF ACTING. The act of a majority of the Directors present at a meeting at which a quorum is present shall be the act of the Board of Directors, unless the act of a greater number is required by statute, these by-laws, or the articles of incorporation.

SECTION 8. ATTENDANCE. Directors who fail to attend at least 75% of the Board of Director meetings in any calendar year shall forfeit their appointment as a Director. Enforcement of this rule is at the discretion of the board.

SECTION 9. VACANCIES. Any vacancy occurring in the Board of Directors or any directorship to be filled by reason of an increase in the number of Directors shall be filled by the Board of Directors unless the articles of incorporation, a statute, or these by-laws provide that a vacancy or a directorship so created shall be filled in some other manner, in which case such provision shall control. A Director elected to fill a vacancy shall be elected for the unexpired term of his predecessor in office.

SECTION 10. COMPENSATION. The compensation of any board member will be set by rule adopted by the majority of the Board of Directors, but may not exceed the regular annual assessment of one lot per year, and shall be only in the form of relief/discount of said assessment. Nothing in this section shall prohibit any Director or Officer from receiving reimbursement for personal expenses incurred pursuant to corporation business.

ARTICLE V **Officers**

SECTION 1. OFFICERS. The officers of the corporation shall be a president, one vice president, a treasurer, a secretary, a sergeant at arms or other officers as may be elected by the Board of Directors. Officers whose authority and duties are not prescribed in these by-laws shall have the authority and perform the duties prescribed, from time to time, by the Board of Directors.

SECTION 2. ELECTION AND TERM OF OFFICE. The officers of the corporation shall be elected annually by the Board of Directors at the regular annual meeting of the Board of Directors. If the election of officers shall not be held at such meeting, such election shall be held as soon thereafter as conveniently may be. Vacancies may be filled or new offices created and

filled at any meeting of the Board of Directors. Each officer shall hold office until his successor shall have been duly elected and shall have qualified or until his death or until he shall resign or shall have been removed in the manner hereinafter provided. Election of an officer shall not of itself create contract rights.

SECTION 3. REMOVAL. Any officer elected or appointed by the Board of Directors may be removed by the Board of Directors whenever in its judgment the best interests of the corporation would be served thereby, but such removal shall be without prejudice to the contract rights, if any, of the person so removed.

SECTION 4. PRESIDENT. The president shall be the principal executive officer of the corporation. Subject to the direction and control of the Board of Directors, he shall be in charge of the business and affairs of the corporation; he shall see that the resolutions and directives of the Board of Directors are carried into effect except in those instances in which that responsibility is assigned to some other person by the Board of Directors; and, in general, he shall discharge all duties incident to the office of president and such other duties as may be prescribed by the Board of Directors. He shall preside at all meetings of the Board of Directors, except in those instances in which the authority to execute is expressly delegated to another officer or agent of the corporation or a different mode of execution is expressly prescribed by the Board of Directors or these by-laws, he may execute for the corporation any contracts, deeds, mortgages, bonds, or other instruments which the Board of Directors has authorized to be executed, and he may accomplish such execution either under or without the seal of the corporation and either individually or with the secretary, any assistant secretary, or any other officer thereunto authorized by the Board of Directors, according to the requirements of the form of the instrument. He may vote all securities which the corporation is entitled to vote except as and to the extent such authority shall be vested in a different officer or agent of the corporation by the Board of Directors.

SECTION 5. VICE PRESIDENT. The vice president shall assist the president in the discharge of his duties as the president may direct and shall perform such other duties as from time to time may be assigned to him by the president or by the Board of Directors. In the absence of the president or in the event of his inability or refusal to act, the vice president shall perform the duties of the president and when so acting, shall have all the powers of and be subject to all the restrictions upon the president. Except in those instances in which the authority to execute is expressly delegated to another officer or agent of the corporation or a different mode of execution is expressly prescribed by the Board of Directors or these by-laws, the vice president may execute for the corporation any contracts, deeds, mortgages, bonds or other instruments which the Board of Directors has authorized to be executed, and he may accomplish such execution either under or without the seal of the corporation and either individually or with the secretary, or any other officer thereunto authorized by the Board of Directors, according to the requirements of the form of the instrument.

SECTION 6. TREASURER. The treasurer shall be the principal accounting and financial officer of the corporation. He shall: (a) have charge of and be responsible for the maintenance of adequate books of account for the corporation; (b) have charge and custody of all funds and securities of the corporation, and be responsible therefor, and for the receipt and disbursement

thereof; and (c) perform all the duties incident to the office of treasurer and such other duties as from time to time may be assigned to him by the president or by the Board of Directors. If required by the Board of Directors, the treasurer shall give a bond for the faithful discharge of his duties in such sum and with such surety or sureties as the Board of Directors shall determine. The Treasurer shall also be responsible for the filing of appropriate taxes and supervision of any bookkeeping or financial contract into which the Board may enter.

SECTION 7. SECRETARY. The secretary shall record the minutes of the meetings of the members of the Board of Directors in one or more books provided for that purpose; see that all notices are duly given in accordance with the provisions of these by-laws or as required by law; be custodian of the corporation records and of the seal of the corporation; keep a register of the post office address of each member which shall be furnished to the secretary by such member; and perform all duties incident to the office of secretary and such other duties as from time to time may be assigned to him by the president or by the Board of Directors.

SECTION 8. SERGEANT AT ARMS. The Sergeant at Arms is responsible for ensuring that meetings are conducted in an orderly and efficient manner. He shall enforce Roberts Rules of Order for the conduct of the meeting. He shall act as counsel for the President to ensure that the by-laws and Board policies as adopted are followed appropriately.

ARTICLE VI **Committees**

SECTION 1. COMMITTEES. Committees not having and exercising the authority of the Board of Directors in the corporation may be designated by a resolution adopted by a majority of the Directors present at a meeting at which a quorum of Directors is present. Except as otherwise provided in such resolution, members of each such committee shall be members of the corporation, and the president of the corporation shall appoint members thereof. Any member thereof may be removed by the president whenever in their judgment the best interests of the corporation shall be served by such removal.

SECTION 2. TERM OF OFFICE. Each member of a committee shall continue as such until the next annual meeting of the members of the corporation and until his successor is appointed, unless the committee shall be sooner terminated, or unless such member be removed from such committee, or unless such member shall cease to qualify as a member thereof.

SECTION 3. CHAIRMAN. One member of each committee shall be appointed chairman by the president.

SECTION 4. VACANCIES. Vacancies in the membership of any committee may be filled by appointments made in the same manner as provided in the case of the original appointments.

SECTION 5. QUORUM. Unless otherwise provided in the resolution of the Board of Directors designating a committee, a majority of the whole committee shall constitute a quorum

and the act of a majority of the members present at a meeting at which a quorum is present shall be the act of the committee.

SECTION 6. RULES. Each committee may adopt rules for its own government not inconsistent with these by-laws or with rules adopted by the Board of Directors.

ARTICLE VII
Contracts, Checks, Deposits and Funds

SECTION 1. CONTRACTS. The Board of Directors may authorize any officer or officers, agent or agents of the corporation, in addition to the officers so authorized by these by-laws, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the corporation and such authority may be general or confined to specific instances.

SECTION 2. CHECKS, DRAFTS, ETC. All checks, drafts or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the corporation, shall be signed by such officer or officers, agent or agents of the corporation and in such manner as shall from time to time be determined by resolution of the Board of Directors. Such instruments shall be signed by the treasurer or the president or the vice president of the corporation with two signatures for any check or draft of \$1,000.00 or more.

SECTION 3. DEPOSITS. All funds of the corporation shall be deposited from time to time to the credit of the corporation in such banks, corporation companies, or other depositories as the Board of Directors may select.

SECTION 4. GIFTS. The Board of Directors may accept on behalf of the corporation any contribution, gift, bequest or, devise for the general purpose or for any special purpose of the corporation.

ARTICLE VIII
Books and Records

The corporation shall keep correct and complete books and records of account and shall also keep minutes of the proceedings of its members, Board of Directors, and committees having any of the authority of the Board of Directors, and shall keep at the registered or principal office a record giving the names and addresses of the members entitled to vote. All books and records of the corporation may be inspected by any member, or his agent or attorney for any proper purpose at any reasonable time.

ARTICLE IX
Fiscal Year

The fiscal year of the corporation shall be fixed by resolution of the Board of Directors.

ARTICLE X
Seal

The corporate seal shall have inscribed thereon the name of the corporation and the words "Corporate Seal, Illinois."

ARTICLE XI
Waiver of Notice

Whenever any notice is required to be given under the provisions of the General Not For Profit Corporation Act of Illinois or under the provisions of the articles of incorporation or the by-laws of the corporation, a waiver thereof in writing signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice.

ARTICLE XII
Amendments

The power to alter, amend, or repeal the by-laws or adopt new by-laws shall be vested in the members of the corporation unless otherwise provided in the articles of incorporation or the by-laws. Such action may be taken as per Article III Section 6. The by-laws may contain any provisions for the regulation and management of the affairs of the corporation not inconsistent with law or the articles of incorporation.

ARTICLE XIII
Annual Assessments

SECTION 1. ANNUAL ASSESSMENTS. The Board of Directors may determine from time to time the amount of annual assessments, if any, to be assessed equally against the Member Lots, except as set forth below, and payable to the corporation by members. The annual assessment will be determined by the Board of Directors.

SECTION 2. PAYMENT OF ANNUAL ASSESSMENTS. Annual assessments for the current calendar year (current calendar year shall be defined as January 1 through December 31 of the same year the invoices are sent out, thus creating part of the dues to be in arrears and part of the dues to be paid in advance) shall be payable within 31 days of posting of written notice from the board of directors or its agent, as specified in the Crestlake HOA Covenants. Any person or entity that purchases a lot within Crestlake Subdivisions shall pay the annual assessment for the current year on or before the date of closing in an amount prorated to the date of closing.

SECTION 3. DEFAULT AND TERMINATION OF MEMBERSHIP. When any member shall be in default in the payment of assessments for a period of one (1) month from the beginning of the period for which such assessments became payable, his membership may thereupon be terminated by the Board of Directors in the manner provided in Article II of these by-laws. Such termination shall not relieve the member so terminated of the obligation to pay any assessment or other charges theretofore or subsequently accruing and unpaid.

SECTION 4. Annual assessments may be determined by the Board of Directors for the following purposes:

- (a) to maintain, own, develop, keep up, operate and manage the common areas, the improvements thereon and the lakes of Woodard's Crestlake Subdivision situated in the County of Champaign, and State of Illinois;
- (b) to pay the administration expenses of the corporation including but not limited to salaries, contracts, postage, taxes, utilities, and overhead properly authorized by the Board of Directors pursuant to its authority hereunder;
- (c) to promote the common good and to provide and furnish goods, services and facilities for the benefit of members of the corporation and their guests, said members and guests being the consumers of such goods, services and facilities;
- (d) to provide liability insurance in an amount not less than that set forth in Article XV for the common areas, lakes, and lake use easement areas as defined in the Woodard's Crestlake Subdivision Owner's Certificate and Restrictive Covenants; and,
- (e) to provide adequate reserves to carry out the above purposes.

SECTION 5. If any member or former member of the corporation is in default in the payment of the assessments provided hereunder, the Board of Directors may bring suit for and on behalf of the corporation, to enforce collection thereof, or to foreclose the lien therefor as hereinafter provided; and there shall be added to the amount due the costs of said suit, and other fees and expenses together with interest at the rate of 18% per annum and reasonable attorneys' fees. To the extent permitted by any decision or any statute or law now or hereafter effective, the amount of any delinquent and unpaid assessments and interest, costs and fees as above-provided, shall be and become a lien or charge against the real estate of the delinquent party located in Woodard's Crestlake Subdivision, situated in Champaign County, Illinois and may be foreclosed by an action brought in the name of the corporation as in the case of foreclosure of liens against real estate. Any encumbrancer may from time to time request in writing a written statement from the Board of Directors of the corporation setting forth the unpaid assessments with respect to said member covered by such encumbrance and unless said request shall be complied with within twenty (20) days, all such assessments which become due prior to the date of the making of such request shall be subordinate to the lien of such encumbrancer.

The Board of Directors of the corporation are specifically empowered with the power and authority to enforce all provisions of this section, together with all other provisions of these by-laws, and shall be further authorized and empowered to enforce all provisions of the Woodard's Crestlake Subdivision Owner's Certificate and Restrictive Covenants, as amended from time to time, as are of public record in the Office of the Recorder of Deeds, Champaign County, Illinois. The Board of Directors of the corporation is further authorized and empowered to impose reasonable penalties for each such occurrence with respect to any violation by a member or former member of the corporation of the provisions of the Woodard's Crestlake Subdivision

Owner's Certificate and Restrictive Covenants, by-laws of this corporation, and resolutions of this corporation, as the same may exist from time to time.

ARTICLE XIV
Special Assessments

In addition to the annual assessments authorized pursuant to Article XIII herein, the Board of Directors may at any time or from time to time levy special assessments upon the approval of a resolution setting forth the purpose and amount of said special assessment by two-thirds (2/3) of the members. Said special assessments may be for the purposes enumerated in Article XIII or for any other purpose not inconsistent with the Articles of Incorporation. In the event any member shall be delinquent in the payment of a special assessment, the Board of Directors shall have all the rights and remedies set forth in Section 3 and Section 5 of Article XIII with respect to the payment of said special assessments as though said rights and remedies were repeated in this Article XIV.

ARTICLE XV
Indemnification/Insurance

The corporation shall hold harmless the owners of Member Lots from and against any and all claims, demands, damages, and injuries incurred by or arising from: (a) the construction of any improvements by the Corporation within the common areas, lakes or lake use easement areas, (b) the maintenance and care of the common areas and lakes by the Corporation, or (c) the use and enjoyment of the common areas, lakes and lake use easement areas by the owners, guests, invitees and lessees of the Member Lots.

The corporation shall also maintain liability insurance with a responsible insurance carrier in an amount not less than \$1,000,000 for the express purpose of securing the performance of the above indemnity.

ARTICLE XVI
Borrowing, Pledging Association Assets

Upon the approval of the majority of members, the Board of Directors may pledge association assets and/or borrow funds upon such terms as determined by the Board of Directors to carry out corporate purposes, including but not limited to the maintenance of the common areas, and the improvements thereon of Woodard's Crestlake Subdivision.