

**EAGLE PRAIRIE LAKE ASSOCIATION**

**BY-LAWS**

**ARTICLE I**

**DEFINITIONS**

SECTION 1: "Association" shall mean and refer to Eagle Prairie Lake Association, a non-profit corporation organized and existing under the laws of the State of Illinois.

SECTION 2: "Member" shall mean the person designated by the record owner or owners of each platted lot of the "Lake Lots" as hereinafter defined, entitled to receive notice of meetings of the Association and to vote at such meetings, either in person or by proxy.

SECTION 3: "Common Elements" shall mean and refer to such common areas including the lake, buildings, structures, and personal properties incidental thereto, and any other properties owned and maintained by the Association for the common benefit and enjoyment of the residents within the "Lake Lots" as hereinafter defined.

**ARTICLE II**

**LOCATION**

SECTION 1: The principal office of the Association shall be located in the home of the secretary of Eagle Prairie Lake Association in Champaign County, Illinois.

**ARTICLE III**

**MEMBERSHIP**

SECTION 1: Each Member of the Eagle Prairie Lake Association legally described as being the owners of:

Lots 106 through 118 of Eagle Prairie Subdivision, as per plat recorded as Document 06-R-\_\_\_\_\_, Champaign County, Illinois, (hereinafter, the "Lake Lots"),

shall be entitled to one voting membership in the Association for each lot owned. The members of the lot owner's family residing in the Member's household shall be entitled to non-voting

membership in the Association.

SECTION 2: Members and members of their family residing in their household shall be entitled to the use and benefit of the Common Elements owned by the Association subject to the rules and regulations adopted by the Association governing the use thereof.

SECTION 3: The rights and benefits of membership are subject to the timely payment of annual dues and special assessments levied by the Association, the obligation of which is imposed against each Member and becomes a lien upon said Member's lot. Assessments may be levied for the following purposes although this listing is not exclusive:

- A. Improvement of the Common Elements;
- B. Maintenance of the Common Elements;
- C. Payment of taxes, insurance and other ordinary expenses in connection with the Common Elements;
- D. Fulfilling the duties of the Board of Directors in Article VIII.

The assessments for the above purposes shall be assessed at an equal amount for each voting Member and the total of the regular annual assessment and dues shall not exceed the sum of Two Hundred Dollars (\$200.00) per Member unless a larger amount (special assessment) is approved by the owners of Eighty (80) percent of the Lake Lots.

SECTION 4: The membership rights of any person may be suspended by action of the directors during the period when any assessment remains unpaid; but upon payment of such assessment, the rights and privileges shall be automatically restored. The suspension of such person shall not affect the lien of the assessment.

If a Member should violate any provisions of the Articles of Incorporation, Covenants, By-laws, or Rules and Regulations adopted by the Board of Directors, then the Member shall be given written notice of the violations. The notice shall be addressed to the lot, if improved, or if not improved, to the address to which real estate taxes are sent.

If the violation is not corrected within thirty (30) days of mailing the notice, the Board of Directors may proceed to take legal action required to cause the correction. In addition, the

Board of Directors may levy a lien in the amount of \$50.00 if the violation is not corrected within forty-five (45) days, and may levy a lien of \$50.00 for a second violation. Should the Member be found in violation, attorney fees for review of the violation, preparation and litigation shall be paid by the violating member and a lien shall be placed on the real estate which is the subject of the violation. The lien may be foreclosed at the direction of the Board of Directors, the lien may also include any fines levied by the Board of Directors.

If the directors have adopted and published Rules and Regulations governing the use of the Common Elements and facilities and the personal conduct of any person thereon, as provided in Article VIII, Section 1, they may, in their discretion, suspend the rights of any persons who are in violation or living on a lot that is in violation, for violation of such Rules and Regulations for a period not to exceed thirty (30) days for any single violation.

#### **ARTICLE IV**

##### **VOTING RIGHTS**

SECTION 1: On all matters brought for vote by said Association, there shall be permitted one vote for each of the Lake Lots, said vote to be exercised by the record owner thereof or the designated representative of said record owner.

SECTION 2: The total number of votes shall **13**, that being equal to one vote for each Lake Lot.

#### **ARTICLE V**

##### **ASSOCIATION PURPOSES AND POWERS**

SECTION 1: The Association has been organized for the following purposes:

1. To promote the health, safety of the residents of the Lake Lots;
2. To own, build, operate and maintain recreational areas in the Common Elements of the Lake Lots; including common areas and personal properties incident thereto;
3. To provide for the maintenance of the common

properties and facilities, such as the walkways, lake area, entrance signs, and any common area of the Lake Lots;

4. To fix assessments or charges and annual dues to be levied upon lots and homes within the Lake Lots subject to the by-laws of said Association;
5. To enforce any and all covenants, restrictions, and agreements applicable to the Lake Lots;
6. To pay taxes, if any, levied upon the common properties and facilities of the Association;
7. To do any other thing that, in the opinion of the Board of Directors, will promote the common benefit and enjoyment of the residents of The Lake Lots within the general scope of these by-laws.

## ARTICLE VI

### BOARD OF DIRECTORS

SECTION 1: The affairs of the corporation shall be managed by a board of Five (5) directors, who shall be Members of the Association.

The members of the board shall be in current standing with dues, have no Eagle Prairie Lake liens, and meet all requirements of membership.

The initial board shall consist of five (5) directors, two (2) for a one (1) year term, two (2) for a two (2) year term, and one (1) for a three (3) year term. Each year the terms expiring shall be filled by three (3) year terms. The first annual meeting shall be as directed by the Members.

SECTION 2: Vacancies in the Board of Directors shall be filled by majority vote of the remaining directors, said person to serve for the remainder of the term of the former director.

## ARTICLE VII

### ELECTION OF DIRECTORS

SECTION 1: Election of the Board of Directors shall take

place at the annual meeting, as hereinafter provided. At such election, the Members of the Association or their proxies may cast votes in respect to each vacancy to be filled. There shall be one (1) vote per position per lot owned. The names receiving the largest number of votes shall be elected.

## ARTICLE VIII

### POWERS AND DUTIES OF THE BOARD OF DIRECTORS

SECTION 1: The Board of Directors shall have the power:

- A. To call special meetings of the Members whenever it deems necessary, and it shall call a meeting at any time upon written request of one-fourth (1/4) of the voting membership, as provided hereunder;
- B. To appoint and remove at pleasure all officers, committee members, agents and employees of the Association, prescribe their duties, and require of them such security as it may deem expedient;
- C. Subject to the provisions of Article XVIII, to establish, levy and assess, and collect the dues, assessments and/or charges referred to in these by-laws;
- D. To adopt and publish Rules and Regulations governing the use of the Common Elements and facilities and the personal conduct of the Members and their guests thereon as approved by the membership;
- E. To exercise for the Association all powers, duties, and authorities vested in or delegated to this Association, except those reserved to the Members.

SECTION 2: It shall be the duty of the Board of Directors:

- A. To cause to be kept a complete record of all of its acts and corporate affairs and to present a statement thereof to the Members at the annual meeting of the Members, or at any special meeting as set forth in Article XII;
- B. To issue, or to cause an appropriate person to

issue, upon demand by any person a certificate setting forth whether any assessment has been paid. Such certificate shall be conclusive evidence of any assessment herein stated to have been paid;

- C. To prepare a roster of the properties and assessments applicable thereto, which shall be kept in the office of the Association and shall be open to inspection by any Member;
- D. To send written notice of each assessment to every owner subject thereto;
- E. To estimate the amount of the annual budget, and to provide the manner of assessing and collection from the Members their respective shares or such estimated expenses as hereinafter provided;
- F. Subject to the provisions of Article III and XVIII, to fix the amount of the assessment against each Member for each assessment period;
- G. Except as otherwise provided in the covenants and restrictions to the subdivision or by the by-laws, to manage the Common Elements of the Lake Lots;
- H. To formulate policies for the administration, management and operation of the subdivision property of the Lake Lots;
- I. To provide for construction services, repair and maintenance services, installation services, and any other service necessary for the preservation or maintenance and enhancement of the common elements, not to exceed \$100.00 for which this Board of Directors is responsible;
- J. To execute contracts for the purpose of providing services required by the Lake Lots which benefit all Members;
- K. To purchase materials which are required for the purchase of carrying out the duties of the Board of Directors;
- L. To hire any other persons, including professionals, as required to carry out the duties of the Board of Directors;

- M. To comply with the instruction of a majority of the Members, as expressed in a resolution duly adopted by the Members at an annual or special meeting.

## **ARTICLE IX**

### **DIRECTORS MEETINGS**

SECTION 1: A regular meeting of the Board of Directors shall be held immediately following the annual meeting of the Members of the Association, and at such other times as the Board of Directors may, by resolution, designate.

SECTION 2: Notice of the regular annual meeting is waived.

SECTION 3: Special meetings of the Board of Directors shall be held when called by any officer of the Association, or by any three (3) directors after not less than notice of two (2) days to all directors.

SECTION 4: The transaction of any business at any meeting of the Board of Directors, however called and noticed, or wherever held, shall be as valid as though made at a meeting duly held after regular call and notice, if a quorum is present; and if either before or after the meeting, each of the directors not present signs a written waiver of notice, or a consent to such waiver. Consents or approvals shall be filed with the corporate records and made a part thereof.

SECTION 5: Five (5) members of the Board of Directors shall constitute a quorum thereof.

## **ARTICLE X**

### **OFFICERS**

SECTION 1: The officers shall be a President, Vice-President, a Secretary and a Treasurer chosen from among the members of the board.

SECTION 2: The officers shall be chosen by majority vote of the directors.

SECTION 3: All officers shall hold office during the pleasure of the Board of Directors.

SECTION 4: The President shall preside at all meetings of

the Board of Directors, shall see that orders and resolutions of the Board of Directors are carried out and sign all notes, checks, leases, mortgages, deeds and all other written instruments.

SECTION 5: The Vice President shall perform all the duties of the president in his or her absence.

SECTION 6: The Secretary shall record the votes and keep the minutes of all proceedings in a book to be kept for that purpose. The Secretary shall keep the records of the Association and shall record in a book kept for that purpose the names of all Members of the Association together with their addresses as registered by such Members.

SECTION 7: The Treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by resolution of the Board of Directors, provided, however, that a resolution of the Board of Directors shall not be necessary for disbursements made in the ordinary course of business conducted within the limits of a budget adopted by the board.

- A. The Treasurer shall maintain all accounts.
- B. The Treasurer shall keep proper books of accounts and make a report thereof to the annual meeting of the Members.

SECTION 8: All agreements, contracts, vouchers for payment of expenses and other instruments shall be signed by such officer or officers, or other agent of the Board of Directors in such a manner as from time to time shall be determined by written resolution of the Board of Directors. In the absence of such determination by the Board of Directors, such documents shall be signed by the President, or Vice President, and countersigned by the Secretary or Treasurer, or countersigned by any other person authorized to countersign by the Board of Directors.

## **ARTICLE XI**

### **COMMITTEES**

SECTION 1: The Association shall have such standing committees as shall be designated by the Board of Directors of the Association.

## **ARTICLE XII**

## MEETINGS OF MEMBERS

SECTION 1: The regular annual meeting of the Members shall be held on the second Friday in June, commencing in the year 2006.

SECTION 2: Special meetings of the Members for any purpose may be called at any time by the President, Vice-President, or by any three (3) or more members of the Board of Directors, or upon written request of the Members, one-fifth (1/5) of all votes of the entire membership who have a right to vote as described in Article IV.

SECTION 3: Notice of any meetings shall be given to the Members by the Secretary. Notice may be given to the Member either personally or by sending a copy of the notice through the mail, postage thereon fully prepaid to his/her address appearing on the books of the corporation. Each Member shall register his/her address with the Secretary, and notices of meetings shall be mailed to the Member at such address. Notice of any meeting, regular or special, shall be mailed at least six (6) days in advance of the meeting and, except for the annual meeting where any matters may be addressed, shall set forth in general the nature of the business to be transacted.

SECTION 4: The presence at the meeting of Members entitled to cast, or of proxies entitled to cast, sixty percent (60%) of the votes of the membership shall constitute a quorum for any action governed by these by-laws. Any action governed by the Articles of Incorporation or by the restrictive covenants for the subdivision shall require a quorum as therein provided.

SECTION 5: The following matters shall be subject to the affirmative vote of not less than two-thirds (2/3) of the votes of one hundred percent (100%) of all Members, and shall be at a meeting duly called for that purpose:

- A. Merger or consolidation of the Association;
- B. Sale, lease, exchange, mortgage, pledge or other disposition of all, or substantially all of the property and assets of the Association.

## ARTICLE XIII

### PROXIES

SECTION 1: At all corporate meetings of Members, each

Member may vote in person or by proxy.

SECTION 2: All proxies shall be in writing and filed with the Secretary. No proxy shall extend beyond a period of eleven (11) months, and every proxy automatically ceases upon sale by the Member of the Member's lot.

#### ARTICLE XIV

#### BOOKS AND PAPERS

SECTION 1: The books, records and papers of the Association shall, by appointment, during reasonable business hours, be subject to inspection by Members.

#### ARTICLE XV

#### CORPORATE SEAL

SECTION 1: The Association shall have a corporate seal in circular form having in its circumference the words:

"EAGLE PRAIRIE LAKE ASSOCIATION"

#### ARTICLE XVI

#### AMENDMENTS

SECTION 1: Unless a particular section refers to a greater percentage, these by-laws may be amended, at a regular or special meeting of the Members, after giving notice of the issue to be addressed in the notice of the meeting, by a vote of two-thirds (2/3) of the votes of the Members present in person or by proxy, provided that those provisions of the by-laws which are governed by the Articles of Incorporation of this Association may not be amended except as provided in the Articles of Incorporation or by applicable law.

SECTION 2: In case of any conflict between the Articles of Incorporation and these by-laws, the articles shall control.

#### ARTICLE XVII

#### INDEMNIFICATION

SECTION 1: Each person who at any time is or shall have been a director, officer, employee or agent of this corporation,

or is or shall have been serving at the request of the corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, shall be indemnified by this corporation in accordance with and to the full extent permitted by the General Not for Profit Corporation Act of Illinois as in effect at the time of adoption of this by-law or as amended from time to time. The foregoing right of indemnification shall not be deemed exclusive of any other rights to which a person seeking indemnification may be entitled under any by-law, agreement, vote of Members of disinterested directors or otherwise. If authorized by the Board of Directors, the corporation may purchase and maintain insurance on behalf of any person to the full extent permitted by the General Not for Profit Corporation Act of Illinois as in effect at the time of adoption of these By-Laws or as amended from time to time.

## **ARTICLE XVIII**

### **ASSESSMENTS**

SECTION 1: Each Member shall receive, at least thirty (30) days prior to the adoption thereof, a copy of the proposed annual budget together with an indication of which portions are intended for the purchase of services, which portions are intended for the purchase of materials, and which portions are intended for capital expenditures. Each year on or before the last Friday in May the Board of Directors shall estimate the total amount necessary to pay for materials and services required in connection with the maintenance and repair and enhancement of the Common Elements of the Lake Lots, plus a reasonable amount designated for reserve contingencies, and shall on or before the second Friday of June of each calendar year notify each Member in writing as to the amount of such estimate, with reasonable itemization thereof as indicated above.

Based upon written estimates as prepared by the Board of Directors, the Board of Directors shall propose a budget for each calendar year. The budget shall require approval by a majority of the Quorum of Members at the annual Members meeting. The amount to be paid by each Member for each calendar year shall be determined by dividing the total amount required by the number of Members. On or before the second Friday in June, at 7:00 p.m., the Board of Directors shall supply to all Members an itemized accounting of the income and expenses for the preceding calendar year actually incurred and paid. Any amount accumulated in excess of the amount required for the ensuing year shall be designated in the discretion of the Board of Directors for the

required funds during the ensuing year as a portion of the funds available or as a portion of a reasonable reserve account.

SECTION 2: The Board of Directors shall maintain a reasonable reserve for contingencies. In order to fully establish such a reserve fund, the budget and estimate of funds required which is finally approved by the Members may be increased by fifteen percent (15%) of the initial assessment amount, subject to Article III, Section 3.

SECTION 3: The failure or delay of the Board of Directors to prepare or serve notice of the annual estimate on the members shall not constitute a waiver or release in any manner of such members' obligation to pay the maintenance cost and necessary reserve as herein provided.

SECTION 4: The books and papers of the Association shall be available for inspection as set forth in Article XIV.

SECTION 5: If a Member is in default with respect to the payment of the annual assessment by more than thirty (30) days, the Board of Directors may bring suit for and on behalf of the Association to enforce collection thereof and to foreclose the lien as hereinafter provided; and there shall be added to the amount due the cost of said suit, and other fees and expenses together with the legal interest rate and reasonable attorney's fees to be fixed by the court. To the extent permitted by any decision or any statute or law now or hereinafter effective, the amount of any delinquent and unpaid charges or assessments, the interest, cost and fees as above provided shall become a lien or charge against the Member's lot, which such amount is due and payable and may be foreclosed by an action brought by the Board of Directors, as in the case of foreclosure or liens against real estate. The Association shall not have any authority to forebear the payment of assessments by any Member.

SECTION 6: No Member may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Elements or the abandonment of his/her lot.

SECTION 7: The Board of Directors shall have the power to both spend the reserve account funds and to levy a special assessment, without approval of the Members, if the Board of Directors reasonably believes an emergency exists that requires such action, such emergencies include but are not limited to algae buildup on lake, fish kill or anything which requires immediate action to prevent further or additional harm or expense to the Eagle Prairie Lake Association. Notwithstanding Article

VIII and for the purpose of this Section only, the Board of Directors may exercise the power granted in this section through written consent of five (5) directors, without need of call, notice, meeting or quorum.

**ARTICLE XIX**

**GENERAL PROVISIONS**

SECTION 1: Each Member hereby waives and releases any and all claims which he has or may have against any other Member, officer of the association, member of the Board of Directors, and their respective employees and agents for damage to Common Elements or to any personal property located in or about the Common Elements, caused by fire or other casualty or any act or neglect to the extent that such damage is covered by fire or other form of hazard insurance.

SECTION 2: If, due to the act or neglect of a Member, or a member of his/her family, or of a guest or other authorized occupant or visitor, damage shall be caused to the Common Elements or maintenance, repairs or replacements shall be required which would otherwise not have been required, then such Member shall pay for such damage and such maintenance, repairs, and replacements, as may be determined by the Board of Directors, to the extent such payment is not waived or released under the provisions of Section 1 above.

SECTION 3: Any release or waiver referred to herein shall be valid only if such release or waiver does not affect any right of the insured under the applicable insurance policy to recover thereunder.

Approved as of \_\_\_\_\_, 2006

EAGLE PRAIRIE LAKE ASSOCIATION  
BOARD OF DIRECTORS

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