



Lake Thunderbird Association

AMENDED AND RESTATED DECLARATION OF RESTRICTIVE COVENANTS AND BY-LAWS

Incorporated November 12, 1971
Amended and Restated April 15, 2017

**AMENDED AND RESTATED DECLARATION OF RESTRICTIVE COVENANTS AND
BY-LAWS FOR**

LAKE THUNDERBIRD ASSOCIATION

WHEREAS, the original Declaration of Restrictive Covenants for LAKE THUNDERBIRD ASSOCIATION (the "Association") was recorded in the Office of the Putnam County Recorder of Deeds on the 5th day of September, 1969, in Volume 6 of the Plat of Putnam County, beginning at page 460 thereof, and in the Office of the Bureau County Recorder of Deeds on June 21, 1971, as Document No. 71-1716 in Volume/Book 485 of the Plat of Bureau County, beginning at page 53 against a certain parcel of real estate described in Exhibit "A" hereto; and

WHEREAS, LAKE THUNDERBIRD ASSOCIATION is a not-for-profit corporation and common interest community association subject to the Illinois Common Interest Community Association Act and the General Not For Profit Corporation Act; and

WHEREAS, LAKE THUNDERBIRD ASSOCIATION is governed by a Board of Directors;
and

WHEREAS, the Association's BY-LAWS are set forth in Exhibit "B" hereto; and

WHEREAS, Sections 1-15(b) and/or 1-60(a) of the Illinois Common Interest Community Association Act, give the Board the authority to amend the Declaration and By-Laws to conform them to Act and other applicable statutes; and

WHEREAS, the Board of Directors of the LAKE THUNDERBIRD ASSOCIATION believes that it is in the best interests and welfare of the Association to update the provisions of the Declaration and By-Laws to comply with the Act and other applicable statutes; and

WHEREAS, this Amended and Restated Declaration and By-Laws have been approved by at least two-thirds of the members of the Association's Board of Directors;

NOW THEREFORE, the original Declaration and By-Laws are hereby amended and restated as follows:

I. DEFINITIONS. As used herein or in any Supplement or Addition hereto or Amendment hereof, the following terms shall have the meanings set forth following each of them.

1. Association – means and refers to the Association of Owners of all lots subject to these Covenants which shall be established by Developer on behalf of such owners when, in Developer's sole opinion a sufficient number of lots have been sold in the Community to assure that the Association can be self-sustaining and capable of exercising its functions on behalf of the owners.

2. Common Properties – means and refers to those lots and other parcels of property together with building or other improvements thereon or thereto and any personal property hereafter dedicated by Developer in the above described plat or any other plat made

subject to these Covenants by Developer or in any deed, dedication, covenant, Bill of Sale or other dedication made and recorded hereafter to the common private use and enjoyment of Owners of lots subject to these Covenants.

3. Community – means and refers to the above described land and all other lands made subject to these Covenants by Developer, which shall be known as LAKE THUNDERBIRD and which, in addition to the plat designated Lake Thunderbird Hills is intended to include additional plats and lands.

4. Developer – means and refers to American Central Corporation and shall be construed to include its successors and assigns in such capacity, but shall not include Owners of lots as hereinafter defined.

5. Owner – shall mean and refer to any person or entity who purchases or otherwise acquires title to any lot subjected to these Covenants including purchasers under installment sales agreements entitling such persons or entities to the use and occupancy of such lot but shall not include Developer unless so specifically stated.

6. The Properties – shall mean and refer to all lots subjected to these Covenants by Developer but shall not include lots owned by Developer or lots which are Common Properties.

II. ADDITIONS. The Developer reserves to itself, its successors and assigns (all of which are hereinafter collectively referred to as “Developer”), the right to subject plats and parcels of land or any part or parts thereof in addition to that described above to all or any part or parts of the Covenants set forth in this Declaration by declaration thereof subsequent to the date hereof. The Developer, its successors or assigns shall not however be under any obligation to subject any parcel or plat now or hereafter owned by it to all or any portion of the Covenants set forth herein.

III. BUILDING, USE AND ARCHITECTURAL CONTROL:

1. No building, septic tank, well, signs, dock, pier, incinerator, trash or garbage receptacle, fence, wall or other structure shall be commenced, erected or maintained upon The Properties, nor shall any exterior addition to or change or alteration therein be made until the plans and specifications showing the nature, kind, shape, heights, materials and location of the same shall have been submitted to and approved in writing as to harmony of external design and location in relation to surrounding structures and topography by the Developer or the Board of Directors of the Association, or by an Architectural Control Committee composed of three (3) or more representatives appointed by the Board. Such Architectural Control Committee shall have two or more directors, and in all instances a majority of its membership shall be directors. In the event said Board or its designated committee fail to approve or disapprove such design and location within thirty (30) days after said plans and specifications have been submitted to it, or in any event, if no suit to enjoin the addition, alteration or change has been commenced prior to the completion thereof, approval will not be required and this section will be deemed to have been fully complied with.

2. The Properties shall be used for residential purposes only, and no business, commercial or manufacturing enterprise, shall be conducted on said premises. No building shall be erected, altered, placed or permitted to remain on any lot other than one single family dwelling not exceeding two and one-half stories in height, and one private garage or boathouse, or combination garage and boathouse for family automobiles and boats.

3. The outside finishing of all buildings must be completed within one (1) years after construction has started, and no asphalt shingles, imitation brick, building paper, insulation board or sheathing or similar non-exterior materials shall be used for the exterior finish of any such building; exterior finish shall be wood or asbestos shingles or siding, logs, brick, stone or concrete. Every owner shall promptly replace or repair any structure damage by fire, windstorm or other hazard and remove all debris occasioned thereby, or following any such occurrence restore the lot to its nature condition to the satisfaction of the Architectural Control Committee.

4. Every dwelling house shall have not less than 600 square feet of enclosed living space exclusive of porches, breezeways, carports, patios, pools, areas, garages, and other accessor uses.

a. Notwithstanding anything in this section 4, above, to the contrary, no home proposed and/or constructed, or to be constructed, on any Lot within the Property or Association located in Putnam County, Illinois, of a size less than a minimum of 825 square feet, or such other minimum area as may be required by the Zoning Ordinance of Putnam County.

b. Notwithstanding anything in this section 1, above, to the contrary, no home proposed and/or constructed, or to be constructed, on any Lot within the Property or Association located in Bureau County, Illinois, of a size less than a minimum of 800 square feet, or such other minimum area as may be required by the Zoning Ordinance of Bureau County.

5. No trailer, mobile home or similar type structure, basement, tent, shack, garage, barn or other out-building shall at any time be used as a residence, temporarily or permanently, or shall any structure of a temporary character or any building in the process of construction, be used as a residence. No signs of any nature not previously approved by the Developer or the Architectural Control Committee shall be permitted on The Properties.

6. No animals, livestock, or poultry of any kind shall be raised, bred or kept on any lot, except that not more than two dogs and two cats may be kept provided that they are not kept, bred or maintained for any commercial purposes. Noxious or poisonous weeds shall not be permitted to grow on The Properties.

7. The dumping or accumulation of trash or rubbish shall not be permitted on The Properties. Trash, garbage or other waste shall not be kept except in a sanitary container. All incinerators or other equipment for the storage or disposal of such material shall be kept in a clean and sanitary condition, and the design and location thereof shall require the prior approval of the Developer or the Architectural Control Committee.

8. Any condition in violation of or contrary to this Article III is hereby declared to be a nuisance and the same may be abated, removed or otherwise corrected by the Developer or Architectural Control Committee without prior notice to the Owner involved. The same may be done at the expense of the Owner or charged to such Owner and such Owner shall have no cause for action or claim for damages arising from such abatement, removal, or correction.

9. No building shall be located on any property nearer than 25 feet to the front property line or nearer than 20 feet to any side street line. No building shall be located nearer than 10 percent to the width of the property on which such building is to be placed to any sideline, except that a three foot minimum side yard shall be permitted for a garage or other permitted accessory building which is located toward the rear of the property. For the purposes of this Covenant, eaves, steps and open porches shall not be considered as a part of

the building provided, however, that this shall not be construed to permit any portion of the building to encroach upon adjoining property.

10. Easements are reserved along and within ten feet of lot lines of all The Properties for the construction and perpetual maintenance of conduits, poles, wires and fixtures for electric lights, telephones and other public and quasi-public utilities and drainage and to trim any trees which at any time may interfere or threaten to interfere with the maintenance of such lines with right of ingress to and egress from and across said premises to employees of said utilities. Said easement to also extend along any owner's side and rear property lines in cases of fractional lots. The owner of more than one lot may build on a common lot line and the easement shall be inoperative as to said line provided that such building be placed thereon prior to the instigation of use of such easement for one of the foregoing purposes. Each lot shall further be subject to an easement for the maintenance and permanent stabilization control of slopes, drainage and grades.

11. It shall not be considered a violation of the easement if wires or cables carried by such pole lines pass over some portion of said properties not within the ten foot wide easement as long as such lines do not hinder the construction of buildings on the property.

12. Each residence shall be provided with and maintain only inside toilets with septic tanks and drain fields meeting the requirements of cognizant state and local health authorities.

13. Every Lot in the development that lies contiguous to the lake shall be subject to a flowage easement to an elevation of 595 feet above sea level. No inhabited structures shall be erected or maintained, below said elevation, and no other improvements shall be erected or maintained there without prior written approval and consent of Developer, its successors or assigns.

14. Any Owner of a lot in The Properties shall have the right to prosecute any proceedings at law or in equity against any person or persons violating or attempting to violate any covenant contained herein, either to prevent him or them from doing so or to recover damages or other dues for such violations. Invalidation of any one of these covenants by judgment or court order shall in no way affect any other provisions, which shall remain in full force and effect. The provisions of this Article III shall not apply to the Common Properties nor to properties owned by the Developer.

IV. RIGHTS AND BENEFITS OF OWNERS.

1. By becoming an Owner of a lot in The Properties each such Owner becomes a member of the Association which is intended to be established as an Illinois membership corporation not for pecuniary profit to be called the LAKE THUNDERBIRD ASSOCIATION. All voting privileges shall be on a lot unit basis with one vote allocated to each lot in The Properties, to be cast as the Owner or Owners thereof determined. With respect to Units owned by a land trust, a living trust, or other legal entity, the trustee, officer, or manager of the entity may designate, in writing, a person to cast votes on behalf of the member or Owner and a designation shall remain in effect until a subsequent document is filed with the Association.

2. In addition to lots and other parcels designated as Common Properties in the above described plat and any other plats made subject to the Covenants as herein provided, The Developer may at any time hereafter dedicate or otherwise designate lots or other parcels of land together with buildings and any other improvements thereto or thereon to the common private use, benefit and enjoyment of Owners of lots in The Properties.

3. Every Owner of a lot or lots in The Properties shall have a private right of use, enjoyment and occupancy in all Common Properties and in all private roads, streets, ways and easements which shall be held and used in common with all other Owners and with Developer which right shall be an easement appurtenant to the lot or other property owned and title to which shall automatically pass the title to each such lot.

4. The Developer shall retain the legal title to the Common Properties but not longer than such time as it has sold 90% of the lots in The Properties including all additions thereto and the aggregate of the outstanding balances of the sales prices therefore has been reduced to 80% thereof, but not later than fifteen (15) years from the date of the recording of this document, when Developer shall convey to the Association such Common Properties with all improvements thereon which conveyance and transfer said Association shall pay to Developer, for a period of ten (10) years after the date of such transfer, an annual payment equal to 20% of the gross assessments received by it under Article V, Section 3, below, during the fiscal year immediately preceding the date of transfer, and an amount similarly determined for each succeeding year on the annual anniversary of such date of payment thereafter until ten (10) such payments have been made. The acceptance of such transfer and the liability to make payment on consideration thereof as above specified is consented by all Owners and members of the Association by the acceptance of a land contract or deed subsequent to the date of recording hereof.

5. The rights and easements of enjoyment created hereby shall be subject to the following:

a. The Developer and the Association, in accordance with its Articles and By-laws, may borrow money for the purpose of improving the Common Properties and in aid thereof may mortgage said properties. The members' rights and easements in the Common Properties shall be subordinate to any mortgage given by the Developer or Association as security for funds borrowed for said improvements. Any indebtedness which shall be created for the purpose of making improvements to the Common Properties shall be created an obligation of the Association. In the event of a default upon any such mortgage, the lender or mortgagee shall only have the rights afforded under the mortgage or security agreement and under the laws of the Commonwealth of Illinois including the right taking possession of The Properties, to charge admission and other fees as condition to continued enjoyment by the members, and if necessary to open the enjoyment of such properties to a wider public. If the mortgage indebtedness is satisfied and possession of The Properties returned the Association, all rights of the members hereunder shall be restored; and

b. the rights of the Association to take such steps as are reasonably necessary to protect the above described properties against foreclosure; and

c. the right of the Association, as provided in its Articles and By-laws, to suspend the enjoyment rights of any member for any period during which any assessment remains unpaid, and for any period not to exceed thirty (30) days for any infraction of its published rules and regulations; and

d. the right of the Association to charge reasonable admission and other fees for the use of the Common Properties.

V. MAINTENANCE FEES, WATER CHARGES AND OTHER ASSESSMENTS AND LIENS:

1. There is hereby imposed upon every lot in The Properties and upon every Owner thereof the fees, water charges and other assessments specified or otherwise provided

for in this Article IV, the obligation and liability for payment of each of which shall arise at the time of every sale of every lot by Developer to any Owner whether by installment payment agreement, by deed or otherwise irrespective of whether or not such obligations are expressed in such agreements or deeds. By acceptance of such agreement or deed or by otherwise acquiring a lot in The Properties every Owner agrees to pay all such fees, water charges and assessments specified or otherwise provided for in this Article.

2. All fees, water charges and other assessments specified or otherwise provided for in this Article together with interest thereon and costs of collection thereof as herein provided shall be a charge on the land and continuing lien upon the lot against which it is made or levied and shall take precedence over all unrecorded liens or liens recorded subsequent to the due date of such fee, water charge or other assessment.

3. An annual Maintenance Fee of \$26.00 per lot shall be paid by the Owners thereof for the maintenance and improvement of Common Properties, Private Streets and Roads and for the general upkeep, maintenance, management, operation, payment taxes and insurance and general welfare of the Community and the Association. The Maintenance Fee shall be payable annually on the 1st day of June, 1970 and on the first day of June in each year thereafter. The fee shall be paid to Developer until such time as the Association is established after which it will be paid to the Association. The fee shall be considered paid in advance and there be no pro-ration thereof.

4. After the establishment of the Association and the conveyance thereto of the Common Properties by the Developer, the Association may change the annual Maintenance Fee on lots in The Properties subject to approval of the Owners of not less than 2/3 of the lots affected by any such change. Any such change must however bear a reasonable relationship to changes in costs or the scope of benefits to Owners to be provided thereby and by such change shall be for the exclusive benefit of such Owners. Further, notwithstanding the foregoing, separate assessments for expenditures related to emergencies or mandated by law may be adopted by the Board without being subject to Member/Owner approval or the provisions of subsections (c) or (f) of Section 1-45 of the Illinois Common Interest Community Association Act. As used herein, "emergency" means a danger to or a compromise of the structural integrity of the common areas or any of the common facilities of the Association. "Emergency" also includes a danger to the life, health or safety of the membership. After such date the Association may also, with the consent of the Owners of 2/3 lots in the Community levy special assessments for capital improvements or other non-recurring expenditures for the maintenance or improvement of the Common Properties payable within one year from the date of such levy. Notwithstanding the foregoing, assessments for additions and alterations to the common areas or to association-owned property not included in the Association's adopted annual budget, shall be separately assessed and are subject to approval of a simple majority of the total members at a meeting called for that purpose.

5. The Developer proposes to construct a water system to serve all lots in The Properties. At or after such time as water service is made available to lots within The Properties the Developer will give written notice to all Owners to whom such service is then available whereupon the Owners of each lot to which such water service is available shall pay an annual Water Charge of \$60.00 per lot which may be billed on an annual, quarterly, or monthly basis at the discretion of Developer. In addition, a hook-on fee of \$95.00 (or the actual cost thereof, if greater), shall be charged for each connection made at the time of making such connection. Developer reserves the right to sell the water system and all rights to Water

Charges and hook-on fees to a private or public water company. Following hook-up, the rates for a standard one-family residential water usage shall not exceed the sum of \$60.00 per year adjusted not more frequently than annually for cost-of-living charges as determined by the United States Government; provided however, that in the event Developer or its assigns of such water systems shall apply for or otherwise be subject to regulation thereof by appropriate state authority, then the rates and conditions of service approved by such regulatory authority and the rules and regulations thereof shall control.

6. In the event any Maintenance Fee, Special Assessment, Water Charge, Water Rate or other fee, charge or assessment established or provided for by this Article shall remain unpaid 30 days after the same shall be due, the amount of each and every such unpaid fee, assessment and charge together with interest thereon at 7% per year from the due date plus a late charge of \$2.00 plus all reasonable collection costs including attorney fees shall be a lien upon the lot or lots as to which the same are unpaid with priority over all the unrecorded liens and charges until the same, with late charge, interest and collection costs are paid in full, notwithstanding which the same shall also continue to be the personal obligation of the Owners of such lot or lots as of the due date.

7. None of the provisions of this Article V shall apply to any of the Common Properties, to any of The Properties owned by Developer or otherwise held by it for purposes of sale or resale or to any property or interest therein to the extent denoted to a utility or quasi-utility or public or governmental use.

VI. GENERAL PROVISIONS:

1. The Covenants herein shall run with the land and shall inure to the benefit of and be enforceable by the Association, or the Owner of any of The Properties, their respective legal representatives, heirs, successors, and assigns, for a term of twenty years from the date this Declaration is recorded, after which time said covenants shall be automatically extended for successive periods of ten (10) years unless an instrument signed by the then owners of two-thirds of The Properties, including all lots if any still owned by the Developer or its successors or assigns, has been recorded, agreeing to change these Covenants in whole or in part. Provided, however, that no such agreement to change shall be effective unless made and recorded at least ninety (90) days in advance of any action taken.

2. Any notice required to be sent to any Owner under the provisions of these Covenants shall be deemed to have properly sent when mailed, postpaid, to the last known address of the person who appears as an Owner on the records of the Developer or the Association at the time of such mailing.

3. Enforcement of these covenants and restrictions shall be by any proceeding at law or in equity against any person or persons violating or attempting to violate any covenant or restriction, either to restrain violation or to recover damages and against the land to enforce any lien created by these covenants, and including an action for judgment and/or for possession pursuant to Article IX of the Code of Civil Procedure; and failure by the Association or any Owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter. Invalidity of any one of these covenants or restrictions by judgment or court order shall in no way affect any other provisions which shall remain in full force effect. These Covenants shall be construed in accordance with the laws of the State of Illinois.

Date: April 15, 2017

BOARD OF DIRECTORS OF
LAKE THUNDERBIRD ASSOCIATION

By: Susan E. Brooks
Robert H. Harmon
Richard T. Coleman
Warren W. Monday
John T. Jones
David C. Augustine
Robert E. Bittner

(Being At Least a Majority of the Board)

ATTEST: Audrey Kelly (seal)

STATE OF ILLINOIS)
) SS
COUNTY OF PUTNAM)

I, Mark L. Serio, a Notary Public in and for said County and State, do hereby certify that the Persons Named as members of the Board of Directors of the Lake Thunderbird Association appeared before me this day in person and acknowledged that they signed, sealed and delivered said instrument as their free and voluntary act for the uses and purposes therein set forth.

Given under my hand and Notarial Seal this 15th day of April, 2017.

NOTARY PUBLIC



A handwritten signature in dark ink, appearing to read "Mark L. Serio", is written over the right side of the notary seal.

EXHIBIT A

LEGAL DESCRIPTION

Part of the south half of section 11 and part of the south half of the south half of the northwest quarter of section 11 and part of the southeast quarter of section 10 and part of the south 40 acres of the northeast quarter of section 10 all of township 14 north, range 9 east of the fourth principal meridian described as follows:

Beginning at a point in the north line of the south half of the south half of the northwest quarter of the aforesaid section 11, which point is south 89-35-58 west, 295.91 feet of the northeast corner of the south half of the south half of the northwest quarter of the aforesaid section 11, thence south 26-42-12 east for 291.07 feet; thence south 2-22-03 west for 199.22 feet; thence south 59-44-05 west for 208.82 feet; thence north 59-33-31 west for 80.96 feet; thence south 40-28-18 west for 112.28 feet; thence south 0-24-02 east for 503.15 feet; thence north 84-30-55 east for 67.28 feet; thence on a curve to the right for arc distance of 206.58 feet, said curve having a radius of 291.00 feet and a central angle of 40-40-24, thence south 54-48-41 east for 725.50 feet; thence south 35-11-19 west for 243.00 feet, thence south 63-16-07 west for 24.11 feet; thence south 2-31-18 east for 281.63 feet; thence on a curve to the left for an arc distance of 86.94 feet, said curve having a radius of 200.00 feet, and a central angle of 24-54-24, thence south 62-34-18 west for 182.15 feet; thence on a curve to the right for an arc distance of 50.97 feet, said curve having a radius of 210.00 feet, and a central angle of 13-54-24; thence south 76-28-42 west for 290.11 feet; thence on a curve to the left for an arc distance of 120.74 feet; said curve having a radius of 150.00 feet, and a central angle of 46-07-14; thence on a curve to the left for an arc distance of 25.23 feet, said curve having a radius of 15.00 feet, and a central angle of 96-22-44; thence south 66-01-18 east for 336.16 feet; thence south 23-58-42 west for 243.00; thence north 66-01-18 west for 340.00 feet; thence north 66-01-18 west for 173.00 feet; thence south 47-32-26 west for 338.74 feet; thence south 23-58-42 west for 251.00 feet, thence north 66-01-18 west for 414.00 feet; thence north 23-58-42 east for 248.00 feet; thence north 66-01-18 west for 173.00 feet; thence south 47-32-26 west for 338.74 feet; thence south 36-05-36 east for 187.10 feet; thence south 77-33-54 west for 180.00 feet; thence on a curve to the right for an arc distance of 227.43 feet, said curve having a radius of 60.00 feet, a central angle of 217-11-08, and whose tangent at the point of beginning has a bearing of south 12-26-06 east; thence on a curve to the left for an arc distance of 20.54 feet, said curve having a radius of 15.00 feet, and a central angle of 78-27-46; thence north 53-42-43 west for 48.02 feet; thence south 36-17-17 west for 177.00 feet; thence north 53-42-43 west for 185.00 feet; thence north 39-48-48 west for 110.97 feet; thence north 27-49-34 west for 228.52; thence north 0-00-00 east for 200.92 feet; thence north 79-56-19 west for 268.85 feet; thence on a curve to the right for an arc distance of 62.67 feet, said curve having a radius of 853.00 feet, and a central angle of 4-12-35; thence north 75-43-44 west for 190.00 feet; thence north 22-34-14 east for 376.66 feet; thence north 61-25-44 west for 378.34 feet; thence north 66-20-56 west for 285.46 feet; thence south 0-50-57 east for 15.00 feet; thence south 30-26-17 east for 272.20 feet; thence south 3-15-52 west for 460.00 feet; thence south 13-07-30 east for 88.60 feet; thence south 86-44-08 east for 40.00 feet; thence south 5-40-06 east for 636.82 feet; thence south 58-52-55 west for 933.54 feet; thence north 25-30-15 west for 484.81 feet; thence north 62-19-51 east for 50.00 feet; thence north 27-40-09 west for 105.00 feet; thence north 25-16-23 west for 523.90 feet; thence north 50-51-23 west for 116.62 feet; thence north 8-10-48 east for 150.00 feet; thence north 81-49-12 west for 65.00 feet, thence north 8-10-47 east for 66.00 feet; thence south 81-49-12 east for 214.57 feet; thence north

8-10-48 east for 185.00 feet; thence north 75-03-44 east for 90.45 feet; thence north 30-39-41 east for 104.70 feet; thence north 9-04-44 west for 253.54 feet, thence north 51-20-14 east for 405.74 feet; thence north 0-12-52 west for 20.00 feet; thence along the centerline of a 40 foot lane, north 89-47-08 east for 115.00 feet; thence continuing with the centerline of aforesaid lane, north 89-09-44 east for 577.10 feet; thence continuing with the centerline of aforesaid lane, south 61-25-44 east for 430.82 feet; thence continuing with the centerline of aforesaid lane, north 8704-47 east for 926.62 feet to the west line of aforesaid section 11; thence with the west line of aforesaid section 11, north 1-49-06 west for 702.25 feet, thence with the aforesaid north line of the south ½ of the south ½ of the northwest quarter of section 11, north 89-35-58 east for 2379.74 feet to the point of beginning, encompassing 199.060 acres in Senachwine Township, Putnam County, State of Illinois.

And said premises comprising Lots 1 through 395, both inclusive and all areas and streets as shown and designated on the Plat of survey thereof by Paul Edwin Hagler, Illinois Registered Land Surveyor No. 1760 entitled Lake Thunderbird Hills, dated August 1, 1969.

And Robert W. Dose and Helen E. Dose, his wife, of Lostant, LaSalle County, Illinois, being a contract purchaser and a contract seller of part of said real property and Francis Lefman, a bachelor and Edward Lefman and Ellen Lefman, his wife, of Putnam, Putnam County, Illinois, Laurence B. Fairbanks, a divorced person and not remarried of Varna, Marshall County, Illinois, Irma M. Bachman, a divorced person and not remarried of Tiskilwa, Bureau County, Illinois, Stanley R. Maubach and Thelma I. Maubach, husband and wife, of Putnam, Putnam County, Illinois, being contract sellers and owners of the record title of various respective parts of said real property do hereby impress upon said premises above described said Covenants which shall run with said land above described and be and remain in force and effect thereon as hereinafter specified from and after the last mentioned date.

EXHIBIT B BY-LAWS OF LAKE THUNDERBIRD ASSOCIATION

ARTICLE 1 – Definitions

The following terms as used in these By-Laws are defined as follows:

- (a) **"Lake Thunderbird Association"**, hereinafter referred to as the **"Association"**, means and refers to the Association of Owners of properties of the community.
- (b) **"Board"** means the Board of Directors of the Association.
- (c) **"By-Laws"** means the By-Laws of the Association.

(d) **"Common Properties"** means and refers to those areas and other parcels of property together with any building(s) or other improvements thereon or thereto owned, maintained or under the jurisdiction of the Association.

(e) **"Declaration"** means the Declaration of Restrictive Covenants imposed upon the Development, as duly recorded in the Recorder's Offices of Putnam and Bureau Counties, State of Illinois, as applicable to Lots within those Counties, respectively, and applicable as restrictions upon title to all properties within or without the Development.

(f) **"Development"** means "Lake Thunderbird", a recreational community developed by American Central Corporation, as the same may be shown on maps thereof recorded from time to time.

(g) **"Developer"** means American Central Corporation and its successors.

(h) **"Lot"** means any parcel within the Development as defined by Lot Number or Tract Number on the plat defining the Development.

(i) **"Owner"** means and refers to any person who purchases or otherwise acquires title to any lot including purchasers under installment sales agreements entitling such person to use and occupancy of such lot.

(j) **"Regulation"** means the rules and regulations adopted and published by the "Board", as from time to time amended and then in effect.

ARTICLE II- Purpose

Section 1. To foster and advance matters deemed to be in the best interests of the members of the Association.

Section 2. To assist in establishing and maintaining high community standards; to seek enforcement of the "Declaration of Restrictions" set forth in the Certificate of Incorporation and to take whatever action is necessary and advisable in these respects.

Section 3. To promote and maintain social and recreational facilities for the exclusive benefit of the Association members.

Section 4. To develop and maintain the properties and common properties for the benefit and exclusive use of the Association members.

ARTICLE III- Membership

Section 1. Classes of Membership. There shall be (1) Members, (2) Associate Members, (3) Honorary Members, and (4) Temporary Members.

Section 2. Member. Each record owner of a Lot shall, by reason of such ownership, become a Member of the Association. There shall be one voting member for each Lot regardless of the number of persons who may have ownership interest in such Lot. The voting member shall be designated in writing to the Board. Any/all maintenance fees, water charges, regular and/or special assessments, user fee and/or fines imposed, due and/or payable, including on behalf of an Associate Member (below) as a result or privilege of Lot ownership shall be payable when due from the Member, with respect to whose Lot the fee/charge was incurred.

Section 3. Associate Member. If not otherwise a Member, each of the following shall be Associate Members in the Association:

a) The spouse and children, or legal wards, of a Member or Honorary Member who have the same principal residence as the Member or Honorary Member. Associate Members shall have no vote or right to notice of any regular or special meeting of Members and/or any meeting regular or special meeting of the Board, nor any right to attend such Board meetings. The privileges and duties of Associate Members shall be as those of Members unless otherwise established from time to time by the Board by resolution.

Section 4. Honorary Members. If not otherwise a Member, the following shall be entitled to honorary membership in the Association: Any person, nominated and selected as provided below, whose services contribute directly to the Association, or any person who may be adversely affected or in any way inconvenienced because of the Regulations of the Association or the activities of its members.

Honorary membership shall require nomination by petition signed by no less than fifty (50) members in good standing and shall require unanimous approval by the Board. Membership shall be limited to fifty (50) Honorary Members and shall extend for a period of one year unless suspended or otherwise terminated. Honorary Members shall have no vote or right to notice of any regular or special meeting of members and/or any meeting regular or special meeting of the Board, nor any right to attend such Board meetings. The privileges and duties of honorary members shall be established from time to time by the Board by resolution. The privileges and duties of honorary members shall not be the same as those of the Members.

Section 5. Temporary Members. Invited guests are considered Temporary Members while accompanied by a Member or Associate Member. Lessees are also considered Temporary Members, but with all rights of a regular Member except voting and the right to attend meetings of the Board and/or of the Members. The provisions of the Common Interest Community Association Act, the Declaration, these By-Laws, and all rules and regulations that relate to the use of a Lot, including any privately-owned structure/improvement on a Lot, or the Common Properties shall be applicable to any person leasing a unit on a Lot and shall be deemed to be incorporated in any lease executed or renewed. The Unit Owner leasing the unit shall deliver a copy of the signed lease to the Association, or if the lease is oral, a memorandum of the lease, not later than the date of occupancy or ten (10) days after the lease is signed, whichever occurs first.

Section 6. Privileges of Members. Members and Associate Members shall have a license to use the Common Areas subject to the provisions of the Declaration and subject to such other rules and conditions as may be established by the Board.

Section 7. Suspension of Privileges of Membership.

1. The Board may suspend the voting privileges (if any) and the right to use the Common Properties of the Association of any Member, and through such Member, of any Associate Member, Honorary Member, or Temporary Member for:

(a) Any period during which any Association charge (including maintenance fees, water charges, regular and/or special assessments, user fees, fines or legal costs and expenses, if any, assessed under Section V of the Declaration) owed by the Member, including on behalf of an Associate Member or Temporary Member remains unpaid.

(b) The period of any continuing violation of the Declaration after the existence of such violation has been declared by the Board and notice of such violation has been given to the member in writing by the Board.

(c) For a period not to exceed thirty (30) days for any infraction of its published rules and regulations. Membership shall be automatically reinstated upon satisfactory payment of any dues, debts, late charges and fine imposed on the delinquent Member. Assessments not paid when due shall be a continuing lien upon the property as provided per Article V, sections 1,2 and 6 of the Declaration.

2. The Board of Directors or an individual so authorized by the Board may suspend the right to use of the common properties of the Association by any Member, Associate Member or Honorary Member or Temporary Member for any continuous infraction of any published rules or regulations or for conduct abusive or in any way objectionable to other members of the Association. Suspensions shall not exceed twenty-four (24) hours without approval of the Board.

ARTICLE IV - Evidence of Membership and Transfer

Section 1. Membership Certificates. Certificates of membership in the Association may be issued to Members, Associate Members, and Honorary Members. Such certificates shall be in such form as the Board shall from time to time designate and shall be issued over the signature of the president or other officer of the Association. Such certificate shall indicate whether or not the holder is a Member, an Associate Member, or Honorary Member and shall also indicate the Lot the ownership of which gives rise to membership. Such certificate shall also clearly state on its face that the Association is a not-for-profit corporation. Adequate records shall be maintained at the registered office of the Association showing the names of the Members and associate members and honorary members of the Association, the type of membership and the date of membership.

Section 2. Transfer. When a Member ceases to be an Owner, such person's membership, and those Associate Members existing through relationships to such person, shall cease, but such person shall remain liable for all Association charges incurred prior to the giving of written notice to the Association that such person is no longer an Owner. Any and all such unpaid charges that are in the nature of a lien on the Lot's ownership shall also be collectable from a transferee, if not paid in connection with the closing/transfer of ownership.

ARTICLE V- Meetings of Members

Section 1. Place of Meeting. Any meeting of the members of the Association shall be held in the State of Illinois at such place therein as may be stated in the notice of such meeting.

Section 2. The Annual Meeting. The Annual Meeting of the Association will be held on December 8, 1974, and every first Sunday of November thereafter.

Section 3. Special Meetings of the Association. Special meetings of the Association may be called at any time for the purpose of considering matters which, by the terms of the Declaration or By-Laws, require the approval of all or some of the Members or for any other reasonable purpose by the Board, by the President, by twenty percent (20%) of the Members entitled to

vote, or by any other method prescribed herein or in the Declaration. A special meeting may also be called upon the written petition of twenty-five percent (25%) of the Members of the Association who would have the right to vote at such special meeting.

Section 4. Notice of Meetings of the Association. Written notice of the place, date and hour of the meeting and, in the case of a special meeting, the purpose or purposes for which the meeting is called, shall be delivered not less than ten (10) days nor more than thirty (30) days before the date of the meeting, or in the case of a proposed removal of one or more directors, dissolution, or sale lease or exchange of assets, not less than twenty (20) days nor more than sixty (60) days before the date of the meeting. Such notice shall be delivered either personally or by mail, to each person entitled to vote at such meeting, or by electronic transmission or other equivalent technological means, to members providing written authorization therefor, if appropriate rules for same have been adopted by the Board. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail, addressed to the person at his address as it appears on the records of the Association, with postage prepaid, or such notice may be published in any newspaper or publication printed under the auspices of the Association and routinely mailed to all Members of the Association. At a special meeting, no business shall be conducted except that stated in the notice of said meeting.

Section 5. Quorum. A quorum at either a special meeting or the Annual Meeting shall be ten percent (10%) of the members entitled to vote at such meeting in person or by proxy, or by votes cast in any of the methods specified below. The vote of a majority of the votes entitled to be cast at any meeting at which a quorum is present shall be necessary for the adoption of any matter voted upon by the members, unless a greater proportion is required by law.

Section 6. Voting. A member may vote:

(a) by proxy executed in writing by the member or by his or her duly authorized attorney in fact, provided, however, that the proxy bears the date of execution. Unless the community instruments or the written proxy itself provide otherwise, proxies will not be valid for more than 11 months after the date of its execution; or

(b) by submitting an association-issued ballot in person at the election meeting; or

(c) by submitting an association –issued ballot to the association or its designated agent by mail or other means of delivery specified in the declaration or bylaws; or

(d) by any electronic or acceptable technological means.

Votes cast under any of the means in subparagraphs 6(a) through (d) are valid for the purpose of establishing a quorum.”

ARTICLE VI- The Directors

Section 1. Powers. The Board shall:

- (a) Manage and control the affairs of the Association.
- (b) Adopt a corporate seal as the seal of the Association.

(c) Designate a banking institution or institutions as depository for the Association's funds; and the officer or officers and agents authorized to make withdrawals therefrom and to execute obligations on behalf of the Association.

(d) Negotiate, discuss and enter into agreements with Developer concerning all matters pertinent to the development, including but not limited to agreements relating to the orderly transfer of common properties from the Developer to the Association. Such agreements may contain such provisions as the Directors feel are appropriate and in the best interests of the Association and its members. However, the existence of such agreements and provisions and the terms thereof shall be approved by a majority of those present in person or by proxy at a special or annual meeting.

(e) Perform other acts, the authority for which has been granted herein or by law, including the borrowing of money for Association purposes. A resolution by the Board that the interests of the Association require the borrowing of money shall be sufficient evidence for any person that the borrowing is for a proper corporate purpose. The Board may, if it determines that the same shall be reasonably necessary, assign, pledge, mortgage, or encumber any Association property as security for such borrowings, and they may pledge or assign future revenues of the Association as security therefore.

(f) The Board shall adopt such rules and regulations (herein called Regulations) relating to the use of Association property, and sanctions for noncompliance therewith, as it may deem reasonably necessary for the best interests of the Association and its members. The Board may also establish and levy reasonable fees for the issuance of building permits or the use of Association property. The Board shall also employ a sufficient number of persons to adequately maintain Association property. Further, the Board may adopt reasonable rules or order for the conduct of the meetings of the Association, and with reference thereto, on procedural questions upon which no rules have been adopted. The Board may, by resolution, adopt Robert's Rules of Order as a guide for the conducting of all meetings.

(g) The Board shall, prior to the annual meeting of the Association in each year commencing with the year 1973, adopt an operating budget to be presented for approval by the members at such annual meeting. Each Member shall receive through a prescribed delivery method, at least thirty (30) days but not more than sixty (60) days prior to the Annual Meeting of the members at which same shall be presented to the members, a copy of the proposed budget, together with an indication of which portions are intended for reserves, capital expenditures or repairs or payment of real estate taxes. After such presentation, the budget shall be subject to adoption by the Board. Upon approval, the Board shall, taking into consideration other sources of income that the Association may have, levy the annual assessment per Article V of the Declaration for each Lot for the following year. Upon the adoption and approval of the budget, the Board shall be bound by the same and shall not authorize expenditures which may exceed the total amount budgeted as aforesaid by more than fifteen percent (15%) without having called a special meeting of the Association to approve such variations. The budget shall be adopted only after the members of the Association shall have had an opportunity to review the same and to comment thereon, either at hearings held thereon or through such other means as the Board may direct. If total common expenses exceed the total amount of the approved and adopted budget, the Association shall disclose this variance to all its Members and specifically identify the subsequent assessments needed to offset this variance in future budgets.

(h) The Board, by resolution adopted by a majority of the Directors in office, may designate one or more committees, by whatever name it is given, all of the members of which shall serve at the pleasure of the Board, and each of which shall consist of two or more Directors

and a majority of its members shall be directors, which committees, to the extent consistent with law and as provided in said resolution, shall have and exercise the authority of the Board in the management of the Association, except as provided in subsections (a) through (g), below; but the designation of such committees and delegation thereto of authority shall not operate to relieve the Board, or any individual Director, of any responsibility imposed upon it or him by law. A majority of a committee shall constitute a quorum, and a majority of committee members present and voting at a meeting at which a quorum is present is necessary for committee action. A committee as described above may act by unanimous consent in writing without a meeting and, subject to the provisions of the By-Laws or action by the Board of Directors, the committed by majority vote of its members shall determine the time and place of committee meetings and the notice required therefor.

Notwithstanding the forgoing language of this section 1 (h) permitting committee to exercise the authority of the Board, a committee may not:

- (i) Adopt a plan for the distribution of the assets of the Association, or for its dissolution;
- (ii) Approve or recommend to members any act that, according to the Declaration, these By-Laws or applicable law or statute requires the approval of Members, except that committees appointed by the Board or authorized by the By-Laws relating to the election, nomination, qualification, or credentials of Directors of other committees involved in the process of electing directors may make recommendations to the Members relating to electing Directors;
- (iii) Fill vacancies on the Board or on any of its committees;
- (iv) Elect, appoint or remove any officer or Director or member of any committee, or fix the compensation of any member of a committee;
- (v) Adopt, amend, or repeal the By-Laws or the Articles of Incorporation;
- (vi) Adopt a plan of merger or consolidation with another association or corporation, or authorize the sale, lease, exchange or mortgage of all or substantially all of the property or assets of the Association; or
- (vii) Amend, alter, repeal or take action inconsistent with any resolution or action of the Board of Directors when the resolution or action of the Board provides by its terms that it shall not be amended, altered or repealed by action of a committee.

Section 2. Number of Directors. The number of Directors shall be five (5). However, the Board of Directors by resolution, may increase the number of Directors to seven (7). Directors shall be members. No Director shall receive a salary for services performed unless he is also an employee of the Association. Directors and officers may be compensated for reasonable expenses incurred while so acting. If there are multiple owners of a single Lot, only one of the multiple owners shall be eligible to serve as a member of the board at any one time, unless the Lot Owner owns another Lot independently.

Section 3. Term. The initial Board shall serve until the first annual election in 1974. At the first election, five (5) Directors will be elected, two (2) to serve for a period of one (1) year, and three (3) to serve for a period of two (2) years. Thereafter, elected Directors will serve for a term of two (2) years.

Section 4. Election of Directors.

(a) When petitioners for Directors do not exceed the number of vacancies as outlined in Article VI, Section 3, there need not be an election. The petitioners are automatically elected Directors and assume office at the end of the Annual Meeting.

(b) Between the first and fifteenth day of June of each year, commencing with the year 1974, any Member in good standing may file with the Secretary of the Association a statement of his or her candidacy for election as a Director of the Association for the term beginning immediately following the first Annual Meeting of the Association held after the filing of such statement, together with endorsements of his or her candidacy signed by fifty (50) members in good standing. The Secretary of the Association shall cause notice of each candidacy and a brief biographical statement of each candidate to be included in the notice of such Annual Meeting.

(c) All elections to the Board shall be made on written secret ballot which shall:

1. Describe the vacancies to be filled, and,
2. Set forth the names of those persons who have become candidates for the office of Director in the order in which they filed their statement and endorsements of candidacy with the Secretary of the Association.

Such ballots shall be prepared and mailed by the Secretary to each person entitled to vote simultaneously with the mailing of the notice of the Annual Meeting of the Association. Ballot for Election of Board Members- "No copies allowed" will be printed on the ballot and colored paper will be issued.

(d) Each member entitled to vote shall receive one (1) ballot for each Lot for which he/she is the voting member.

(e) The completed ballots shall be returned as follows: Each ballot shall be placed in a sealed envelope marked "Ballot" but not marked in any other way. Each such "Ballot" envelope shall contain only one (1) ballot, and each voting member shall be advised that because of the verification procedures hereinafter set forth, the inclusion of more than one (1) ballot in any one "Ballot" envelope shall disqualify the return. Such "Ballot" envelope shall be placed in another sealed envelope which shall bear on its face the name and signature of the member, his Lot number, and such other information as the Board may determine will serve to establish his right to cast the vote or votes presented in the ballot or ballots contained therein. The ballots shall be returned to the Secretary of the Association at such address as the Board may from time to time determine no later than ten (10) days prior to the Annual Meeting.

(f) Upon receipt of each return, the Secretary shall immediately place it in a safe or other locked place until the day fixed by the Board for the counting of such "Ballot" envelopes shall be turned over, unopened, to an Election Committee consisting of the Secretary, the then existing Board, and a representative of each candidate for the office of Director. The Election Committee shall then adopt a procedure which shall establish:

1. That the signatures of the member on the outside envelope is genuine; and,
2. That such member is a member in good standing. Such procedure shall be taken in such manner that the vote of any member shall not be disclosed to anyone, including the Election Committee. The outside envelopes shall thereupon be placed in a safe or other locked place, and the Election Committee shall proceed to the opening of the "Ballot" envelopes and the counting of the votes. If any "Ballot" envelope is found to contain more than one (1) ballot, all ballots contained therein shall be disqualified. The Election Committee shall certify the results of the count at the Annual Meeting, and the

terms of office of the Directors so elected shall commence immediately following such Annual Meeting.

(g) All outside envelopes, ballots and statements of candidacy shall be retained by the Secretary for a period of one (1) year.

Section 5. Proxies. Except in connection with the election of Directors, every member entitled to vote or execute consents shall have the right to do so either in person or by an agent or agents authorized by a written proxy executed by such member or his duly authorized agent and filed with the Secretary of the Association.

Section 6. Removal of Directors. Any Director may be removed from office, with or without cause, by the affirmative votes of at least two-thirds (2/3) of the votes present and voted, in person or by proxy, at any special meeting of the members called for such purpose. No Director shall be removed at a meeting of the members unless written notice of such meeting is delivered as provided in Section 4 of these By-Laws which notice shall state that a purpose of the meeting is to vote upon the removal of one or more Directors named in the notice. Only the named Director or Directors may be removed at such meeting.

Section 7. Meetings of the Board of Directors. The Board shall meet at least four times a year, - each meeting shall be open to any unit owner, except for the portion of any meeting held (i) to discuss litigation when an action against or on behalf of the Association has been filed and is pending in a court or administrative tribunal, or when the Association finds that such an action is probable or imminent, (ii) to consider third party contracts or information regarding appointment, employment, or dismissal of an employee, or (iii) to discuss violations of rules and regulations of the Association or a Member's or Unit Owner's unpaid share of common expenses. Any vote on these matters shall be taken at a meeting or portion thereof open to any Member.. Special meetings of the Board may be called by the President or by twenty-five percent (25%) of the Board and shall be held at such place in the State of Illinois as the call or notice of meeting shall designate. Notice of a special meeting shall be given to all Members in writing or orally at least forty-eight (48) hours prior to the date of said special meeting, except that Directors may waive notice to themselves thereof in writing.

Section 8. Action Without Meeting. Unless prohibited by law, any action which may be taken at a meeting of the Board may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be approved in writing by all of the Directors entitled to vote with respect to the subject matter thereof, and filed with the Secretary of the Association.

Section 9. Quorum. A majority of the Directors shall constitute a quorum to transact business of the Board, and the act of the majority of a quorum of the Directors present at any meeting shall be deemed to be the act of the Board. Directors may participate in an act at any meeting of such Board through the use of a conference telephone or other communications equipment by means of which all persons participating in the meeting can communicate with each other. Participation in such meeting shall constitute attendance and presence at the meeting of the person or persons so participating.

Section 10. Vacancies. If any vacancy exists on the Board, such vacancy shall be filled by a two-thirds (2/3) vote of the remaining Directors until the next annual meeting of the membership

or until members holding twenty percent (20%) of the votes of the Association request a meeting of the members to fill the vacancy for the balance of the term. A meeting of the members shall be called for purposes of filling a vacancy on the Board no later than thirty (30) days following the filing of a petition signed by the membership holding twenty percent (20%) of the votes of the Association requesting such a meeting.

Section 11. Succession. Officers and Directors may succeed themselves.

ARTICLE VII- The Officers

Section 1. Officers. The officers of the Association shall be the President, one or more Vice-Presidents, the Secretary, the Treasurer and such other officers and assistant officers as the Board may from time to time elect. Officers shall serve at the will of the Board. Any two (2) or more offices may be held by the same person, except the offices of President and Secretary.

Section 2. President. A President shall be the executive officer of the Association. He shall be ex-officio a member of all committees as described in Article VI, Section 1(h) hereof except the Rules Committee. He shall conduct the affairs of the Association in accordance with these By-Laws and those policies promulgated by the Board of Directors. He shall be responsible for the preparation of a full and true report as to the prior year to be submitted to the annual meeting and shall file said report with the Secretary where it shall be available for inspection by the membership.

Section 3. Vice-President. In the absence of the President, or in the event of his inability or refusal to act, the Vice-President is empowered to act and shall thereupon be vested with the power and duties of the President.

Section 4. Secretary. The Secretary of the Association shall keep the minutes of the business and other matters transacted at the meetings of the members and of the Board. He shall mail, or cause to be mailed, all notices required under the By-Laws. He shall have the custody of the Corporate seal and records and maintains a list of the members and their addresses and perform all other duties incident to the office of Secretary. The Secretary may appoint Recording and Correspondence Assistants.

Section 5. Treasurer. The Treasurer shall have custody of the funds of the Association, collect monies due, pay the obligations of the Association out of its funds, and perform such other duties as are incident to the office of Treasurer.

All checks shall be signed by the Treasurer and countersigned by the President or the Vice-President, in the absence of the president, unless otherwise specifically authorized by the Board.

The Treasurer, and such other officer as may be designated by the Board of Directors, shall be bonded in an amount by each surety as determined by the Board. Indemnity bond premiums shall be paid by the Association.

Section 6. Removal of Officers. Any officers may be removed when, in the judgment of the Board, the best interest of the Association will be served by such removal. Removal as an Officer does not remove an individual from the Board, which is governed by Article VI, section 6 above.

Article VIII- Distribution of Assets after Termination

Section 1. No member of this Association shall have, as an individual, any interest in or title to the assets of Lake Thunderbird Association and such assets shall be devoted exclusively to the purposes of the Association.

Section 2. In the event of dissolution or other termination of this Association, all of its assets shall be assigned to an institution that qualifies for tax exemption (under the Internal Revenue Code of 1954 as provided in Section 501 (c) (3) or any amendments thereto) as selected by the Board of Directors.

ARTICLE IX- Obligation to Comply with Rules and By-Laws

Each member and associate member of the Association, and others, shall abide by the provisions of these By-Laws as well as any Regulations adopted by the Board of Directors of the Association pursuant to these By-Laws. Failure to do so shall justify the Board in imposing sanctions upon such member or associate member as is herein provided.

ARTICLE X- Indemnification of Directors, Officers and Employees

Any person who is involved without his consent in any legal action due to the fact that he is or was a Director, officer or employee of the Association shall be indemnified by the Association against all expenses reasonably incurred by him in connection with or resulting from such legal action. Such expenses shall also include amounts paid by him with the consent of the Association acting through its Board of Directors in reasonable settlement of such actions except for those matters as to which it shall be determined that such person was derelict in the performance of his duties to the Association. This right of indemnification shall apply to matters arising both before and after the time of adoption of this By-Law and shall not exclude any other legal right of indemnification to which such person may be entitled.

ARTICLE XI- Duties of Members

The charges levied by the Association as provided in Section V of the Declaration shall be paid to it as provided therein. Written notice of the charge and the date of payment shall be sent to each Owner at the address last given by such Owner to the Association. If any charge levied or assessed against any Lot shall not be paid when due, it shall then ipso facto become a lien upon the Lot or Lots owned by the persons owing such charge or charges, and shall remain a lien against said Lot or Lots until paid in full, together with interest as is hereinafter provided and other charges or costs which might become due as a result of non-payment, or as is hereinafter provided. Such charges as are provided for in the Declaration shall bear interest at the rate of seven percent (7%) per annum until paid in full. If, in the opinion of the Board, such charges have remained due and payable for an unreasonably long period of time, they may, on behalf of the Association, institute such procedures, either in law or in equity, either by way of foreclosure of such lien or otherwise, to collect the amount of said charge in any court of competent jurisdiction. The Owner of the Lot or Lots subject to the charge, shall, in addition to the amount

of the charge at the time legal action is instituted, be obliged to pay any expense or cost, including attorneys' fees, incurred by the Association in collecting the same.

ARTICLE XII- Amendments

These By-Laws may be amended by a majority vote of the Board of Directors until the annual meeting in December, 1974. After the 1974 meeting, these By-Laws may be amended in any regular or special meeting of the Association, provided that the call for the meeting contains in full the proposed amendment. The amendment may be revised during the meeting provided the amendments are germane. An affirmative vote of a majority of the members present and voting shall be required to carry the amendment, provided at least ten percent (10%) of the members eligible to vote at said meeting are present either in person or by proxy.