

OAK RUN BYLAWS

TABLE OF CONTENTS

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ARTICLE I	DEFINITIONS	Pg. 1
ARTICLE II	ASSOCIATION PURPOSE	Pg. 2
ARTICLE III	MEMBERSHIP	Pg. 2
ARTICLE IV	CONDITIONS OF MEMBERSHIP	Pg. 4
ARTICLE V	MEETINGS OF MEMBERS	Pg. 4
ARTICLE VI	PROPERTY OWNER ASSESSMENTS	Pg. 6
ARTICLE VII	SPECIAL ASSESSMENTS	Pg. 8
ARTICLE VIII	ELECTION OF BOARD MEMBERS	Pg. 8
ARTICLE IX	BALLOT COUNTING	Pg. 10
ARTICLE X	BOARD DUTIES AND RESTRICTIONS	Pg. 11
ARTICLE XI	DUTIES OF OFFICERS	Pg. 15
ARTICLE XII	REMOVAL OF BOARD MEMBERS / VACANCIES	Pg. 16
ARTICLE XIII	BOARD AUTHORITY	Pg. 17
ARTICLE XIV	BOARD MEETINGS	Pg. 18
ARTICLE XV	COMMITTEE APPOINTMENTS	Pg. 21
ARTICLE XVI	FINANCE	Pg. 23
ARTICLE XVII	INFORMATION FOR PROSPECTIVE PURCHASERS	Pg. 24
ARTICLE XVIII	GENERAL PROVISIONS	Pg. 25

BYLAWS

ARTICLE I DEFINITIONS

The following terms as used in these bylaws are defined as follows:

A. “**ASSOCIATION**” means “Oak Run Property Owners Association, Inc.”, an Association composed of owners of properties at Oak Run, a recreational community originally developed by American Central Corporation, as the same may be shown on maps and plats recorded from time to time in the Recorder’s Office of Knox County Illinois.

B. “**BOARD**” means the Board of Directors of the Association.

C. “**BYLAWS**” means the Bylaws of the Association.

D. “**COMMON PROPERTIES**” means and refers to those areas of land shown on any recorded subdivision plat, including any building(s) or other improvements thereon, and also including any so designated properties subsequently acquired by the Association. Common properties are intended to be devoted to the common use and enjoyment by members of the Association.

E. “**DEVELOPMENT**” means Oak Run, a recreational community, originally developed by American Central Corporation, as the same may be shown on maps and plats thereof recorded from time to time.

F. “**DEVELOPER**” means American Central Corporation, or any successor or assign of American Central Corporation which purchased lots from American Central Corporation for the purpose of engaging in the business of sale or resale of such lots.

G. “**LOT**” means any residential parcel within the development as the same may be shown by lot number or tract number on maps thereof recorded from time to time.

H. “**MEMBER**” shall mean all those owners who are members of the Association as provided in Article III hereof.

I. “**OWNER**” means and refers to any person who purchases or otherwise acquires title to any lot including purchases under land contracts and beneficial owners of trusts entitling such person to the use of and occupancy of such lot.

J. “**RESTRICTIVE COVENANTS**” means the Declarations of Restrictive Covenants imposed upon the development, as duly recorded in the Recorder’s Office of Knox County, Illinois, as amended from time to time, and applicable as restrictions upon title to all properties within the development.

K. “**USER**” means any person or persons making lawful use of any lot. A lot shall be considered as having a single user if the owner of the lot is either:

- (A) An individual, or
- (B) A married couple, which includes individuals who are in a relationship recognized by the Illinois Religious Freedom and Civil Union Protection Act.

Children under 19 years of age of a member who reside with a member, and dependent children of a member up to and including 23 years of age, who are full-time students at an accredited educational institution, shall not be considered additional users.

ARTICLE II **ASSOCIATION PURPOSE**

SECTION 1. RULES AND REGULATIONS: To adopt rules, regulations and procedures in the best interest of the Association and its members.

SECTION 2. ADMINISTRATION: To own, build, administer and maintain common properties and facilities; to administer and enforce the covenants and restrictions contained in the Declarations of Restrictive Covenants, in these Bylaws and in rules and procedures adopted by the Board; to collect and disburse assessments, charges and fines as permitted by law; to promote the common benefit and enjoyment of property owners of Oak Run.

ARTICLE III **MEMBERSHIP**

SECTION 1. MEMBERS: A member is every person or entity, including the Association, holding an equitable interest as land contract vendee, owner in fee, or beneficial owner of a trust in any lot or lots included within “the properties,” as defined in the Restrictive Covenants, provided that any such person or entity who holds such interest merely as security for performance of an obligation shall not be a member. There shall be one vote per lot, regardless of the number of members owning or having an interest in the lot.

SECTION 2. USERS: If not otherwise a member, each of the following “users” shall be entitled to the privileges of membership other than voting and other rights which are granted solely to members, subject to the payment of all applicable assessments and fees:

- (A) The spouse of a member or person in a relationship with a member which is recognized by Illinois as a civil union;
- (B) Any child and/or legal ward of a member who is unmarried, under 19 years of age, and living with a member;
- (C) Any dependent child of a member who is a full-time student and under the age of 24; and

- (D) A lessee, tenant, or user under written lease for residence of over six months duration. When a property owner leases his house for six or more months, the member forfeits his rights to use any of the common properties to the lessee.

Users shall have no vote or right of notice of any regular or special meetings of the membership. The privileges and duties of users shall be those of members except where by resolution of the Board or operation of law those privileges are not the same.

SECTION 3. INSTALLMENT PURCHASERS: Upon providing proof of purchase, the purchaser of a lot from a seller pursuant to an installment contract for purchase shall be counted toward a quorum and be allowed to vote for election of members of the Board, at any meeting of the membership, and to be elected to and serve on the Board, unless the seller of the lot expressly retains in writing any or all of such rights. Absent such retention of rights by the seller, the seller shall not be an “owner” for purposes of these Bylaws.

SECTION 4. CORPORATE OWNERS: Amenity user cards shall be issued to any officers of any corporation which owns a lot at Oak Run upon payment of a “user fee” by that officer. The corporation must certify in writing to the Association the identity of any such officer. The “use fee” is pursuant to Article 3(d) of the covenants, and shall be equal to the total of the annual assessment and any special assessments owed by the member/owner. The fee must be paid prior to the card being issued. There shall be a maximum of four user cards issued per lot. Use fees for more than one corporate officer per lot shall be in addition to all assessments owed by the corporation as owner of the lot.

SECTION 5. TRUSTS: Amenity user cards shall be issued to any beneficiaries of trusts or land trust which owns a lot at Oak Run upon payment of a “user fee” by that beneficiary. The trust must certify in writing to the Association the identity of any such beneficiary. The “use fee” is pursuant to Article 3(d) of the covenants, and shall be equal to the total of the annual assessment and any special assessments owed by the member/owner. The fee must be paid prior to the card being issued. Use fees shall be in addition to all assessments owed by the trust as owner of the lot.

SECTION 6. PRIVILEGES OF MEMBERS/USERS: Subject to the powers of the Board (under Sections 1 and 2 above), members and users must be in good standing to use the common properties and facilities, subject to provisions of the Restrictive Covenants and to such other rules and regulations as may be established by the Board of Directors. To be in good standing, all assessments and applicable use fees for all lots owned by the member through whom the right to use the common properties exists must be current.

SECTION 7. SOCIAL GUESTS: Non-resident social guests of members and/or users may use the common properties provided they abide by all applicable rules and regulations and provided they are accompanied at all times by a member or user 18 years of age or older.

SECTION 8. SUSPENSION OF PRIVILEGES: The right to use the common properties (privileges) shall be suspended under the following terms and conditions:

- (A) **AUTOMATIC SUSPENSION:** All members and users shall be automatically suspended where annual or special assessments (including any fines or penalties assessed under Article V of Restrictive Covenants) assessed against the owner or user are delinquent for more than thirty days, unless the suspension is stayed by action of the Board due to hardship. Where suspension is for nonpayment of assessments, the right to use the common properties shall be reinstated immediately upon payment of all delinquent assessments, fines and penalties.
- (B) **BOARD SUSPENSIONS:** Membership privileges may also be suspended for a period not to exceed 30 consecutive days by action of the Board for any violation of the Restrictive Covenants, for violation of the Association's Rules or Bylaws, or for misuse of common facilities. Within these limits, suspensions will be for a period determined by the Board of Directors.

SECTION 9. SELLER/BUYER: When a member ceases to be a property owner, such person's membership and the privileges of users existing through relationships to the member shall cease, but the member shall remain personally liable for all Association charges incurred prior to the giving of written notice to the Association that the member is no longer a property owner.

ARTICLE IV **CONDITIONS OF MEMBERSHIP**

SECTION 1. MEMBERSHIP CARDS: Membership cards in the Association shall be issued to members and users. Cards shall be in such form as is authorized by the Board. Cards shall indicate the applicable lot number. Records shall be maintained at the registered office of the Association of the names of members and users, which records shall also indicate the date of membership for the applicable member. The card shall be prima facie evidence of the named holder's right to use the common properties indicated on the card.

SECTION 2. LOAN OF CARD PROHIBITED: Loan of a membership card may result in revocation of the member's card, at the discretion of the Board of Directors.

SECTION 3. COMPLIANCE WITH RULES: All members, users and guests shall comply with all covenants, rules and regulations applicable to the use of their lots and of the common properties, and shall conduct themselves lawfully at all times.

ARTICLE V **MEETINGS OF MEMBERS**

SECTION 1. PLACE OF MEETING: All meetings of the members of the Association shall be held in the State of Illinois at such time and place as the Board shall determine.

SECTION 2. ANNUAL MEETINGS: The annual meeting of the Association membership shall be held at such time as the Board shall determine.

SECTION 3. SPECIAL MEETINGS: Special meetings of the Association membership may be called by the Board of Directors or may be called by the President. A special meeting shall be called by the President whenever requested in writing by 100 or more members. Such request shall clearly state the purpose for which the special meeting is to be called.

SECTION 4. NOTICE OF MEMBERSHIP MEETINGS: No less than ten nor more than thirty days written notice of all membership meetings shall be given by mail to each member. Every member/owner shall be given notice. Meetings to change the maximum of or basis for assessments pursuant to Article V of the Restrictive Covenants are not considered membership meetings subject to 765 ILCS 160/1-40(a) because these procedures are vested rights predating that statute.

The notice shall be deemed to be delivered when deposited in the U.S. Mail, first class postage prepaid, addressed to the member's last known address, as recorded with the Association. The notice shall set out, in reasonable detail, the business to be brought before the meeting and each meeting shall be limited to the items set out in the notice in order that those casting absentee ballots may be permitted to express their desires.

SECTION 5. QUORUM: The presence of 20% or more of the potential votes on any issue, either in person, by proxy, or by absentee ballot, shall constitute a quorum for the transaction of business, except when the subject of special assessments for capital improvement and change in basis and maximum of annual assessments are considered, in which case the quorum and notice requirements shall be as stated in Article V of the Restrictive Covenants (such meetings are not deemed regular or special membership meetings subject to change by 765 ILCS 160/1-40(a)). For purposes of determining a quorum, absentee ballots and proxies shall only count toward a quorum on those issues which they address. If for any reason a meeting shall not be held on the date designated, such meeting may be rescheduled, provided, however, that notice of such rescheduled meeting shall be given not less than ten days nor more than thirty days prior to the date of the rescheduled meeting.

SECTION 6. VOTING: One vote shall be allocated for each lot. When a lot is owned by more than one member, the absentee vote or proxy vote allocated to such lot shall be cast as all members owning an interest in such lot shall agree, or that vote shall be prorated among those members voting. The Association may conclusively rely on the representation of one co-owner that he or she has the authority to cast the vote without requiring formal proxies from the other co-owners. If a member attends in person for a lot, that member shall vote for that lot to the exclusion of any absentee ballots or proxies for that lot. If more than one member attends for a lot and there is not agreement, then the one vote for that lot shall be prorated among the members present according to their ballots cast. Voting at membership meetings shall be by majority of the votes present on any issue as represented by members present, valid absentee ballots, and valid proxies, unless a greater proportion is required by law or by the Restrictive Covenants.

SECTION 7. ORDER OF BUSINESS/ANNUAL MEETING: The order of business at the annual meeting shall be substantially as follows:

- A. Meeting called to order
- B. Roll call
- C. Final call for ballots
- D. Approval of the minutes of the previous Annual Meeting
- E. Reports of the officers
- F. Reports of the committees
- G. Unfinished business
- H. New business
- I. Election of Directors
- J. Adjournment

Robert's Rules of Order shall be followed or the Board may adopt reasonable rules of order for the Annual Meeting.

SECTION 8. BALLOTS: Voting members may cast their votes either in person, by proxy, or by absentee ballot. The forms of the absentee ballot and proxy shall be determined by the Board of Directors.

SECTION 9. VOTING LIST: It shall be the duty of the secretary to prepare a list of the members entitled to vote at each meeting against which list all members voting, shall be verified, either by the secretary, or by some individual designated by the Board of Directors. This shall be done at least 48 hours prior to any membership meeting.

SECTION 10. MATTERS FOR FUTURE CONSIDERATION: At the meeting, members present may make suggestions about matters they feel should be brought before the membership at the next membership meeting. If any such suggestions are approved by proper resolution of those members present, it shall be the duty of the secretary to place that matter on the notice and agenda for the next regular or special membership meeting.

SECTION 11. SPECIAL AGENDA ITEMS: The secretary shall include with the notice of any annual or special membership meeting such suggestions or requests as may be properly presented to the Board in writing and endorsed by one hundred or more members, provided such requests are received by the Board at least sixty days prior to the proposed meeting date.

ARTICLE VI **PROPERTY OWNER ASSESSMENTS**

SECTION 1. AUTHORIZATION: Except as otherwise provided herein, each member shall pay one assessment per each lot in which the member has an ownership interest to the Oak Run Property Owners Association, Inc., as required by Article V of Restrictive Covenants as modified from time to time as provided therein.

SECTION 2. PURPOSE: Assessments shall be used to promote the recreation, health, safety and welfare of the residents of the development and, in particular, for the improvement, maintenance and construction of facilities devoted to the use for all members.

SECTION 3. BILLING & DUE DATES: Assessments shall be billed annually no later than February 15. Written notice of assessments shall be sent to each member/owner of a lot. Assessments shall be paid in advance and shall be due on April 1 of each year as specified in Article V, Section 7 of the Restrictive Covenants. If not paid by April 1, assessments will be considered delinquent.

SECTION 4. ASSESSMENT LIENS: Unpaid assessments and other charges, including the cost of collection, shall become a continuing lien on the owner's or user's property, which shall bind the property in the hands of the then owner, his heirs, devisees, personal representative and assigns in accordance with Article V, Section 9, of the Restrictive Covenants.

SECTION 5. COLLECTION POLICY:

APRIL 1: Assessments unpaid will be declared delinquent and all privileges as to the common properties will be revoked until receipt of assessment and penalties in full.

MAY 1: A \$2.00 late charge and interest at the rate of 6% per annum shall be added to the assessment and a delinquent billing may be sent by the Association.

OCTOBER 1: A lien may be filed on delinquent properties.

Liens will be released when all indebtedness including, but not limited to, liens, collections and legal fees have been paid in full. The Board shall have discretion to initiate legal action to recover any assessments which are delinquent.

SECTION 6. ROSTER: The Board shall prepare a roster of the members and a roster of the properties and the assessments applicable thereto no later than February 28 of each year. Such assessment rosters shall be open for inspection by members.

SECTION 7. SUBORDINATION OF LIENS: The lien for delinquent assessments shall be subordinated to the lien of any mortgage or mortgages now or hereafter placed upon the properties in accordance with Article V, Section 10, of the Restrictive Covenants.

SECTION 8. EXEMPT PROPERTY: The following property subject to the Restrictive Covenants shall be exempt from assessments, charges and liens created therein:

- (A) All properties to the extent of any easement or other interest therein dedicated and accepted by a local public authority and devoted to public use.
- (B) All common properties as defined in Article I, Section D, of Bylaws.
- (C) All properties exempted from taxation by the laws of the State of Illinois upon terms and to the extent of such legal exemption.

- (D) All properties owned by the Association, and held by it or its assigns “for the purpose of engaging in the business of sale or resale” of such property, including any lots which may have been reacquired by the Association. Notwithstanding any provision herein, no land or improvements actively devoted to dwelling use shall be exempt from said assessments, charges or liens.

SECTION 9. CHANGING MAXIMUM/BASIS OF ASSESSMENTS: The maximum of and/or basis of assessments can be changed in accordance with Article V of the Restrictive Covenants. If possible, notice of meetings pursuant to Article V, Sections 4 and 6, should be mailed exactly 30 days before the meeting date to comply with those sections and with 765 ILCS 160/1-40(a).

ARTICLE VII **SPECIAL ASSESSMENTS**

SECTION 1. PROCEDURE: A special assessment shall be levied only upon recommendation of the Board and with the consent of members voting at a special membership meeting pursuant to Article V, Section 4, of the Restrictive Covenants.

SECTION 2. DUE DATE: The due date of a special assessment shall be fixed in the resolution authorizing each assessment.

SECTION 3. ENFORCEMENT: Special assessments not paid within thirty days after due date shall be governed by Article V, Section 9, of the Restrictive Covenants and Article VI of these Bylaws.

ARTICLE VIII **ELECTION OF BOARD MEMBERS**

SECTION 1. NUMBER: The number of Board members (directors) shall be seven, each of whom must be a member of the Association. Each shall be elected to serve for a term of three years. In any given year, at least two directorships will be subject to election. No Board member shall receive a salary or compensation other than reimbursement for expenses for services performed as a director of the Association. With Board approval, directors and/or officers may be compensated for reasonable expenses incurred while so acting.

SECTION 2. ELECTION: At the annual membership meeting, Board members shall be elected by written ballot as hereinafter provided. Each member is entitled to one vote per lot for each Board position to be filled in accordance with Article III, Section 2, of the Restrictive Covenants. The persons receiving the largest number of votes shall serve on the Board.

SECTION 3. CANDIDACY REQUIREMENTS: Between 60 and 90 days prior to the annual membership meeting, any member may file with the secretary of the Association a statement of candidacy for election to the Board for the term beginning after the next Annual Meeting of the Association, together with endorsements of candidacy signed by at least twenty-five members.

SECTION 4. PUBLICATION OF CANDIDATES: The secretary of the Association shall cause notice of each candidacy and any brief biographical statement offered by any candidate to be included the Communicator issued no less than 30 days prior to the Annual Meeting.

SECTION 5. BALLOT REQUIREMENTS: The Board shall cause ballots to be prepared, and each ballot shall state:

1. The name of the member(s) voting and the lot being voted.
2. The positions to be filled.
3. The names of those persons who are candidates for the office, whose statements have been filed with the secretary of the Association in accordance with Section 3 above.

SECTION 6. BALLOT DISTRIBUTION: Written absentee ballots and proxy forms approved by the Board shall be prepared and mailed by the secretary to each member with the mailing of the notice of the Annual Meeting of the Association. Ballots and notices shall be sent to each member's last known address appearing in the records of the Association.

SECTION 7. VOTE ALLOCATION: One absentee ballot for each lot shall be distributed to each member. Where more than one person owns an interest in the same lot, one ballot shall be sent to each address for all co-owners. Pursuant to Article III, Section 2, of the Restrictive Covenants, the vote for that lot shall be cast as the co-owners determine. However, a member appearing at the annual meeting in person for any lot shall be entitled to vote for that lot to the exclusion of any absentee ballots and/or proxies for that lot. If more than one owner/member is personally present, and they cannot agree, the vote for that lot will not be counted.

SECTION 8. VOTING METHODS: A member may vote:

1. By proxy executed in writing by the member or by his or her duly authorized attorney in fact, provided that the proxy bears the member's name, the lot number and the date of its execution. Proxies will not be valid for more than 11 months after the date of execution. The named proxy must be at the Annual Meeting, present the signed proxy, and vote in accordance with the terms of the proxy; or
2. By submitting an Association-issued ballot in person at the annual meeting; or
3. By returning an Association-issued absentee ballot which must be received at the Association office at least 48 hours prior to the Annual Meeting.

SECTION 9. BALLOT PROCESSING: Each ballot shall indicate on its face only the name of the member and the lot number for the lot owned. There shall be a separate ballot submitted for each member. The inclusion of more than one lot on any one ballot will disqualify that ballot. Upon receipt of each mailed absentee ballot, the secretary or designate shall immediately place it in a safe or other locked place until the day fixed by the Board of Directors for the counting of ballots. These ballots shall be organized by subdivision and lot number as received.

SECTION 10. PROCEDURE IF NO ELECTION AT ANNUAL MEETING: If no election is held to elect Board members at the Annual Meeting as specified in the Bylaws, or within a reasonable amount of time thereafter not to exceed 90 days, then 20% of the membership may bring suit in Knox County Circuit Court to compel compliance with the election requirements specified in the Bylaws. If the court finds that an election was not held to elect members of the Board within the required period due to the bad faith acts or omissions of the Board of managers or the Board of directors, the members filing suit shall be entitled to recover their reasonable attorney's fees and costs from the Association. If the relevant notice requirements have been met and an election was not held solely due to a lack of a quorum, then this subsection does not apply and another Annual Meeting will be scheduled.

ARTICLE IX **BALLOT COUNTING**

SECTION 1. RESPONSIBILITIES: For elections to the Board, the absentee ballots shall be turned over to an election committee appointed by the President consisting of a chairman, two tellers, two judges, and one alternate. In lieu of a committee, an independent accounting firm may be retained to tabulate the ballots. Each candidate may be present or may appoint a representative to be present during the counting of the absentee ballots and the counting of proxies and ballots at the annual meeting. A candidate wishing to have a representative present shall, at least one week prior to the election, serve the office with a signed authorization designating only one (1) person who will serve as the candidate's representative during the counting. If there are multiple signed authorizations from a candidate, none will be permitted until the candidate has limited the designation in writing to one (1), at least one week prior to the election. No other persons are permitted to be present. Only properly cast votes shall be counted. If more than one ballot is received for any lot and there is not agreement by the co-owners of that lot, then all ballots for that lot will be disallowed pursuant to Article III, Section 2, of the Restrictive Covenants. If a member is present to vote for one or more lots, then absentee ballots and proxies for that lot or those lots shall be disqualified.

SECTION 2. PROCEDURES: The election committee or accounting firm shall follow this procedure:

1. Twenty-four (24) hours prior to or at the meeting, all absentee ballots shall be organized by subdivision and lot and then counted. If more than one member votes for a lot by absentee ballot, the vote for that lot will be prorated.
2. At the annual meeting, any absentee ballots or proxies for those lots for which members are present in person shall be disallowed.
3. Thereafter, all ballots for persons and proxies physically present at the meeting shall be examined and tabulated. If more than one member votes in person for a lot, the votes for that lot will be prorated (See: Article V, Section 6).

4. The results of the count will be certified at the Annual Meeting, and the terms of office of the Directors so elected shall commence immediately following the Annual Meeting.
5. Ties in an election shall be broken by a die tossed to determine a winner (highest number is winner).
6. All absentee ballots, proxies, ballots, and statements of candidacy shall be retained by the Association for the period of one year.
7. To the extent legally possible, absentee ballots, proxies, and ballots cast at the meeting will remain confidential and disclosed only for a proper legal purpose.

SECTION 3. OTHER VOTES: At its discretion, the Board may adopt other procedures for tabulating votes at non-election membership meetings so long as those procedures insure a fair tabulation of all proper votes, proxies and absentee ballots in accordance with the above procedures. All records of said votes shall be retained by the Association for one year after each such meeting.

ARTICLE X **BOARD DUTIES AND RESTRICTIONS**

SECTION 1. MEETINGS: The Board shall meet at least quarterly.

SECTION 2. CONFLICTS OF INTEREST: The Association may not enter into a contract with a current Board member, or with a corporation or partnership in which a Board member or a member of his or her immediate family has 25% or more interest, unless notice of intent to enter into the contract is given to members within 20 days after a decision is made to enter into the contract and the members are afforded an opportunity by filing a petition, signed by 20% of the members, for an election to approve or disapprove the contract; such petition shall be filed within 20 days after such notice and such election shall be held within 30 days after filing the petition. For purposes of this subsection, a Board member's immediate family means the Board member's spouse, parents, and children.

SECTION 3. PAYMENT OF BILLS/RECORDS: The Board shall provide for the maintenance, repair, and replacement of the common areas and payments therefor, and shall provide for the payments of expenses as follows:

- (A) The office shall submit all bills for payment to the treasurer or to the manager, who shall approve them for payment.
- (B) All checks shall be co-signed by two of the following persons: the treasurer, one or more of the assistants for the treasurer, and/or the Association Manager.
- (C) The Board shall review all payments at each Board meeting.

- (D) The Association office shall keep a chronological record of all vouchers and payments.

SECTION 4. EMPLOYMENT RESTRICTIONS: No individual may serve as a duly elected or appointed member of the Board of Directors when a member of his or her immediate family is, or subsequently becomes, employed by the Association. Immediate family, for this purpose, shall be defined as husband, wife, mother, father, son, daughter, legal ward. Directors shall abstain from voting on issues where they have an economic interest.

SECTION 5. RECORDS:

- (A) The Board shall maintain the following records of the Association and make them available for examination and copying at mutually convenient business hours on weekdays as set forth below:
 1. Copies of the recorded declaration, other community instruments, other duly recorded covenants and bylaws and any amendments, articles of incorporation, annual reports, and any rules and regulations adopted by the Board.
 2. Detailed and accurate records in chronological order of the receipts and expenditures affecting the common areas, specifying and itemizing the maintenance and repair expenses of the common areas and any other expenses incurred, and copies of all contracts, leases, or other agreements entered into by the Board.
 3. The minutes of all meetings of the Board for not less than 7 years.
 4. With a written statement of a proper purpose, ballots and proxies for any election held for the Board and for any other matters voted on by the members, which shall be maintained for not less than one year.
 5. With a written statement of a proper purpose, such other records of the Board as are available for inspection by members of a not-for-profit corporation pursuant to Section 107.75 of the General Not for Profit Corporation Act of 1986.
- (B) With respect to lots 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 and/or examine records on behalf of the unit owner. A designation shall remain in effect until a subsequent document revoking same is filed with the Association.
- (C) All requests to examine and/or copy records shall be made in writing on a form approved by the Board. Where a request for records is made in writing to the

Board or its agent, failure to provide the requested record or to otherwise respond within 30 days shall be deemed a denial by the Board.

- (D) A reasonable fee may be charged by the Board for the cost of retrieving and copying records properly requested as set forth below.
- (E) The following documents are considered confidential under the foregoing policy and will require review by legal counsel and a Board determination whether documents requested will be disclosed:
 - 1. Individual personnel files, salary records of employees, and benefit records of individual employees.
 - 2. Documents relating to contract negotiations.
 - 3. House plans or other documents which would provide information regarding interior or private areas of any dwellings or buildings at Oak Run or security systems for same.
 - 4. Financial records relative to Oak Run property owners other than the requesting party.
- (F) The following documents or records shall be considered privileged and will require review by legal counsel and a Board determination whether the documents requested will be disclosed:
 - 1. Correspondence, memos, or records of communications between Oak Run officers, volunteers, Board members, or management and Oak Run's attorneys or accountants.
 - 2. Files and records relative to any litigation or potential litigation involving either Oak Run or its property owners.
 - 3. Documents prepared by or on behalf of Oak Run or its attorneys for use in litigation or potential litigation.
- (G) In addressing any request for potentially confidential or privileged information, in addition to Illinois statutes and this policy, the Oak Run Board shall consider the following:
 - 1. The advice of legal counsel.
 - 2. Whether the person requesting the information has a proper purpose in seeking the disclosure of the potentially confidential or privileged information.
- (H) Any document review must be conducted in accordance with the following procedures:

1. Documents will be reviewed by the requesting member during regular office hours on a date and at a time convenient to the office staff and the member.
 2. If the request will entail inspection or copying of documents which are voluminous, then more time must be allowed to the Oak Run office staff and manager to review the materials requested to determine if they contain confidential or privileged materials. For purpose of this subparagraph, "voluminous" means more than 100 pages.
 3. Under no circumstances is any "original" document to be removed from the Oak Run office or a Board designated alternate site for document review.
 4. The documents produced shall not be written upon or any way altered or erased by the inspecting party.
 5. All Oak Run records must be accounted for prior to and after inspection.
- (I) If the document production is voluminous, then a document control log will be created for purposes of the inspection. The document control log shall contain a line for each document inspected and be set up in eight columns. It shall be utilized as follows.
1. When the document is removed, it shall be identified in Column 1. The time and date of removal shall be recorded in Column 2. The number of pages in the document will be recorded in Column 3 and the member inspecting the document shall initial the log in Column 4.
 2. Upon return of the document to the office staff, a designated member of the Oak Run staff will record the time of return of the document in Column 5, verify the number of pages returned in Column 6, and initial the entry in Column 7.
 3. Should there be any discrepancy in the number of pages returned or should any document not be returned, the office staff member shall immediately advise the manager and the requesting individual of the discrepancy. The discrepancy will also be noted in the document control log.
 4. At the end of any document inspection, the requesting member shall sign the document control log in Column 8, noting the time and date that the inspection was completed.
 5. Any unresolved discrepancy with respect to documents not

returned or missing pages from documents are to be reported immediately to the Board of Directors by the manager.

- (J) Any request for photocopies of Oak Run documents should be made initially to the manager. The manager has discretion to authorize photocopying of any routine records at a fee of \$0.25 per page - which will be payable at the time of copying by the individual requesting copies. Any request for a copy of the membership list must be forwarded to legal counsel and the Board of Directors with a statement as to the purpose for which the copies are sought. Use of the membership list for purposes of commercial or political mailings to or solicitations of Oak Run members shall not be considered a proper purpose unless specifically approved in writing by the Board.
- (K) No potentially confidential or privileged documents may be photocopied, even if inspected, without the prior written approval of the Board of Directors. Any photocopying of such documents will be by a designated member of the Oak Run staff and a fee of \$0.25 per page payable by the individual requesting the copies shall be due at the time of copying.
- (L) Oak Run reserves the right to restrict or condition further dissemination of any potentially confidential or privileged documents as a condition of permitting inspection or photocopying such documents.

SECTION 6. AVAILABILITY TO GENERAL MEMBERSHIP: Board members shall make themselves available, within reason, for public comment or discussion with any member of the Association and shall conduct himself in a manner befitting that of an Association Director while on business for the Association.

SECTION 7. INDIVIDUAL ACTION BANNED: A Board member shall not assume the responsibility or authority of acting for the Association without first obtaining prior approval of the Board.

ARTICLE XI **DUTIES OF OFFICERS**

The officers of the Association shall be elected by the Board at the Board meeting at or next following the Annual Meeting. The officers shall be President, one or more Vice-Presidents, the Secretary, and the Treasurer. Officers and assistants to the officers shall serve at the pleasure of the Board. Any two offices may be held by the same Board member, except the offices of President and Secretary. An officer or Board member may not serve as a committee chairman. All officers shall be Board members.

SECTION 1. PRESIDENT: The President shall be the executive officer of the Association, and shall preside over all meetings of the Association and the Board of Directors. The President shall be an ex-officio member of all committees except the nominating committee. The President shall conduct the affairs of the Association in accordance with these bylaws and those policies approved by the Board of Directors.

The President shall be responsible for the preparation of a full and true report as to the activities of the Association during the year of his presidency which report shall be submitted at the Annual Meeting, and he shall file the report with the secretary who shall make it available for inspection by the membership.

SECTION 2. VICE PRESIDENT: In the absence of the President, or in the event of the President's inability or his refusal to act where such action is lawfully required by these Bylaws or otherwise, the Vice President, or if more than one, the most senior Vice President in terms of length of service is empowered to act and shall thereupon be vested with the powers and duties of the President with respect to the action taken. The Vice President shall also perform such other duties as the President may assign.

SECTION 3. 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. The Secretary shall mail, or cause to be mailed, all notices required under these Bylaws. The Secretary shall have the custody of the corporate seal and records and maintain a list of the members and their addresses and perform all other duties incidental to the office of Secretary. The Board may appoint an assistant for the secretary, who need not be a Board member.

SECTION 4. TREASURER: The Treasurer shall have responsibility for the funds and financial records of the Association, collect monies due, pay the obligations of the Association out of its fund and perform such other duties as are incidental to the office of Treasurer. All checks shall be signed in accordance with Article X, Section 3(B). The Treasurer, and all other officers and employees who may handle Association funds as designated by the Board of Directors, shall be bonded as reasonably required to protect the Association funds – including any reserve funds and funds set aside for special projects. The bond premiums shall be paid by the Association. The Board may appoint one or more assistants for the treasurer, who need not be Board members.

ARTICLE XII **REMOVAL OF BOARD MEMBERS/VACANCIES**

SECTION 1. REMOVAL: A Board member may be removed by a three-fourths vote of the remaining Board members for "just cause." Just cause shall include self-dealing, conflict of interest, or negligence in performing the responsibilities of office. If a motion to remove is made at a Board meeting, the motion shall not be acted upon until the next Board meeting. Notice of the motion shall be mailed to the Board member whose removal is sought no less than twenty-one days prior to the meeting when the motion is to be considered and acted upon. In addition, two-thirds of the members may remove a Board member at a duly called special meeting of the membership.

SECTION 2. NOTICE OF REMOVAL: Notice shall be given to a removed Board member by placing the same in the U.S. Mail, certified mail, return receipt requested, within ten days from the date at which said member was removed.

SECTION 3. BOARD REPLACEMENT OF DIRECTOR: In the event that a Director is involuntarily removed or resigns from the Board, the nomination of a replacement to serve the remainder of the term shall be made by the President, subject to approval by two-thirds vote of the Board of Directors at its next regularly scheduled meeting, with vote to be by secret ballot.

SECTION 4. MEMBERSHIP REPLACEMENT OF DIRECTOR: If the Board fails to fill the vacancy, or if the owners holding 20% of the votes of the Association request a meeting of the owners to fill the vacancy for the balance of the term, a meeting of the owners shall be called for purposes of filling that vacancy on the Board no later than 30 days following the filing of a petition signed by owners holding 20% of the votes of the Association requesting such a meeting.

SECTION 5. PRIORITY: Replacement of a director at a properly convened membership meeting pursuant to Section 4 hereof will take priority over any replacement director appointed by Board action under Section 3.

ARTICLE XIII **BOARD AUTHORITY**

The Board shall have authority to undertake the following:

SECTION 1. CORPORATE SEAL: To adopt a seal for the Association.

SECTION 2. FINANCE: To designate one or more depositories for the Association's funds in accordance with Article XIV, Section 3, of these Bylaws, and to review and approve the payment of Association expenses as provided elsewhere in these Bylaws.

SECTION 3. BORROWING: To borrow money for Association purposes. A resolution by five (5) members of the Board that the interests of the Association require the borrowing of money shall be sufficient evidence for a proper corporate purpose. In connection therewith, the Association may assign, pledge, mortgage or encumber any Association assets or property as security for such borrowings, including future revenues of the Association.

SECTION 4. RULES/FEES & FINES: To adopt rules, regulations, fees and fines relating to the use of common properties and sanctions for noncompliance therewith, as the Board may deem reasonably necessary in the best interest of the Association and its members. Each member of the Association and others shall abide by the provisions of these Bylaws as well as any regulation adopted by the Board of Directors of the Association pursuant to these Bylaws. Failure to do so shall justify the Board in suspending easements and privileges as to the common properties.

SECTION 5. FEES ENFORCEMENT: To establish rules and procedures for and to levy reasonable fees for review of building plans in accordance with Article VI of the Restrictive Covenants and to enforce all provisions of the Covenants – including legal action.

SECTION 6. EMPLOYMENT: To employ on such terms as the Board deems appropriate a sufficient number of persons to adequately maintain the common properties. The Board shall have the power to appoint such other officers and agents, to hire such employees as may be necessary for the carrying out of the purposes of the Association, and to remove, replace or terminate Association employees at any time.

SECTION 7. BUDGET: To adopt an annual operating budget in accordance with Article XIV, Section 2 hereof, and levy the annual assessments for the following year. Upon adoption and approval of the budget, the Board shall be bound by the same. No expenditure in excess of the budget shall be made unless it is authorized by the Board of Directors.

SECTION 8. DEFENSE: To provide legal defense on behalf of any officer, director or employee who becomes subject to law suit, other litigation or internal revenue investigation when such suit or investigation arises from service as an officer, director or employee of the Association. The Association will provide a legal defense for and will indemnify any officers, directors, committee chairmen or volunteers acting in good faith within the scope of their duties on behalf of the Association from any liability for either defense costs, attorneys fees, or monetary damages arising from any lawsuits or threat of litigation in connection with those duties.

SECTION 9. INSURANCE: The Association will provide liability insurance to protect Board members, committee members, volunteers and employees who work on behalf of the Association from liability or claims of liability for such claims, and such other insurance as it deems necessary to protect the financial and property interests of the Association.

SECTION 10. APPOINT COMMITTEES: To appoint committees of the Association. Such committees may be temporary or permanent. If not specifically provided in these Bylaws, they shall have such powers and responsibilities as the Board may direct.

SECTION 11. REPRESENTATIVE CAPACITY: The Board shall have standing and capacity to act on behalf of the Association's members as their interests may appear in a representative capacity in relation to matters involving the common areas or more than one lot.

ARTICLE XIV **BOARD MEETINGS**

SECTION 1. MEETINGS: The Board shall meet at least quarterly. Special meetings of the Board may be called by the President or by a majority of the Board and shall be held at such place as the call or notice of the meeting shall designate.

SECTION 2. NOTICE:

- (A) Regular meetings: Except as otherwise provided below, notice of all regular and special Board meetings shall be given at least 48 hours in advance of the meeting time by posting notices at the Oak Run office and at Brentwood. In addition, all

Board members shall be notified at least 48 hours in advance – but a Board member may waive service of notice at the meeting by doing so in writing.

- (B) Special Board meetings: Special meetings of the Board may be called by the president or 25% of the members of the Board. The notice requirements of Section (A) above shall apply.
- (C) Board meetings requiring notice to membership: The Board shall give members, by mail or personal delivery, notice of any Board meeting concerning the adoption of (i) the proposed annual budget, (ii) regular assessments, or (iii) a separate or special assessment, no later than 10 or more than 30 days prior to the meeting.

SECTION 3. QUORUM: A majority of the Directors shall constitute a quorum to transact business of the Board. The act of the majority of the Directors present at any duly called meeting shall be deemed to be the act of the Board, unless a greater number of votes is elsewhere specified.

SECTION 4. ATTENDANCE: All Board meetings should be attended by each member. Any member absent, except by an act of God, from three or more regularly scheduled Board meetings from November 1st through October 31st of each year as a Director shall be removed for cause under Article XI, Section 1. A Board member shall be considered absent if not present when the roll is called.

SECTION 5. OPEN MEETINGS: Board meetings shall be open to all members of the Association – except to the extent that the Board may go into executive session to: (a) 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 common interest community Association finds that such an action is probable or imminent, (b) consider third party contracts or information regarding appointment, employment, or dismissal of an employee, or (c) discuss violations of rules and regulations of the Association or a unit owner’s unpaid share of common expenses. Subject to reasonable regulation by the presiding officer, any member may tape or record Board meetings.

SECTION 6. AGENDA:

- (A) The President or presiding officer will cause a written agenda to be sent to each Board member, the Secretary and the Manager of the Association at least 3 days prior to each regular Board meeting. Any Board member wishing a matter placed on the written agenda shall so notify the President or presiding officer one week in advance of the meeting and such matters shall then be placed on the written agenda. Non-Board members or others may request that matters be placed on the agenda – but whether such requests are placed on the agenda shall be at the sole discretion of the President or presiding officer.

- (B) Any Board member may, by oral motion, raise matters not on the written agenda at appropriate times during the Board meeting. The President or presiding officer shall determine in his or her sole discretion whether and the extent to which non-Board members may raise matters not on the written agenda during Board meetings.
- (C) The agenda shall conform to the following general format – subject to such minor variations as the President or presiding officer may in his discretion approve:
- Review and Approve Prior Minutes
 - Members Forum – (a period mandated by 765 ILCS 1-40(6) during which any Association members or others may bring matters to the attention of the Board, subject to such time limitations as the President or presiding officer may impose).
 - Manager’s Report
 - Committee Reports (from standing or special committees)
 - Old Business (matters previously discussed)
 - New Business (matters raised for the first time)
 - Guest Speakers (as may be recognized by the chair)
 - Adjournment
- (D) The written agenda shall identify matters coming before the Board under the appropriate sub-headings.

SECTION 7. EXECUTIVE SESSION: The Board may go into executive session upon appropriate motion for any proper purpose. The meeting minutes will reflect the reason or reasons for going into executive session. No action will be taken in executive session and no minutes reflecting the discussion shall be kept unless requested by one or more Board members. If such minutes are kept, they shall be reviewed annually by the Board to determine whether or not those minutes are to remain privileged or confidential. Board members may also meet informally among themselves, with legal counsel, with any advisor to the Association, with management or with Association members to discuss Oak Run business – but no formal action shall be taken at such informal meetings.

SECTION 8. RULES:

- (A) The Members Forum is a time specifically reserved at each meeting for any member of the Association to bring concerns or information to the attention of the Board of Directors. It is not necessary to reserve time in advance for the Members Forum. The President or presiding officer may, at his or her discretion, impose reasonable time limits to permit an orderly progression of the meeting. Association members are also encouraged to submit any concerns or information

in writing to the Association officer or to Board members directly in advance of regularly scheduled Board meetings. This will permit Board members to place appropriate items on the formal written agenda and will also enable members to more fully inform themselves about issues before they are raised orally at the Members Forum.

- (B) The meetings of the Board of Directors of the Oak Run P.O.A. shall generally follow Roberts Rules of Order unless otherwise provided for herein. The ruling of the President or presiding officer on any point of order shall be final unless overturned by a majority vote of the Board after appropriate motion and second. Only Board members may make motions or seconds at Board meetings. Participation and discussion by Association members shall be at the discretion of and subject to limitations imposed by the President or presiding officer. Failure to follow parliamentary procedure shall not invalidate any otherwise proper action taken by the Board.
- (C) The Board may adopt such additional rules for the governance of Board meetings from time to time as it deems appropriate so long as they are consistent with these Bylaws and state law.

SECTION 9. MINUTES: The minutes of the Secretary shall be prepared in accordance with Roberts Rules of Order and shall reflect the actions taken by the Board. Once approved, the minutes shall be the sole official record of each Board meeting. Proposed minutes of the prior regular meeting shall be approved at the next regular Board meeting. Minutes of executive session of the Board (if any) shall be kept separately and shall remain confidential except as provided in the Bylaws. Minutes of special Board meetings shall be approved at the next regular scheduled Board meeting. The Secretary shall avoid placing in the minutes any personal editorial comment or the opinions or comments of any Board members, officers or participants in the meeting. The Board may, in its discretion, permit a summary of action taken at each Board meeting to be published in the Communicator. Such summaries of Board action shall be limited to the actions taken by the Board and shall not contain editorial comments or personal opinions of Board members, officers or employees of Oak Run, or participants at the meeting.

SECTION 10. MATERIALS FOR DISTRIBUTION: Any documents distributed at any regularly scheduled or annual meeting, including committee meetings, must identify the source of the document, individual or organization. Materials not distributed by the POA or its staff may only be distributed by a POA member and cannot include commercial solicitations or defamatory matters. Documents without source identification that are distributed may be removed from the meeting.

ARTICLE XV **COMMITTEE APPOINTMENTS**

SECTION 1. APPOINTMENTS: The Board may establish such committees of the membership as the Board deems necessary to carry on the affairs of the Association, and it shall define the powers and duties thereof. Committee members may be selected and appointed by the

President and shall hold office at the pleasure of the Board of Directors. Special ad hoc committees may be appointed by the President.

SECTION 2. STANDING COMMITTEES: The Board shall annually establish the following standing committees, the members of which shall be appointed by the President.

- (A) Architectural and Environmental Control Committee to assume the functions and responsibilities detailed in Article VI of the Restrictive Covenants.
- (B) Long Range Planning Committee.

The Board may establish the following standing committees, members of which may be appointed by the President subject to approval by a majority of the Board:

- (A) Community Relations and Publicity Committee
- (B) Clubhouse, Pool and Beach Committee
- (C) Rules and Bylaws Committee
- (D) Safety Committee
- (E) Social Activities Committee
- (F) Sports/Fish Committee
- (G) Camper's Village

SECTION 3. SPECIAL COMMITTEES: The President may appoint special committees as provided below:

- (A) Nominating Committee: A Nominating Committee shall be appointed prior to annual election of Directors, when the following circumstances prevail:
 - i. The total number of qualified candidates does not equal the number of Board seat vacancies. In the event this should occur, the total number of candidates so nominated shall be no more than that required to establish a qualified candidate list totaling one more than the number of vacancies that exist.
 - ii. The Nominating Committee shall recommend from among all members, those members who, in the committee's judgment, shall best serve the Association. The committee may also be requested to assist the Board, as the latter may direct, in the conduct of Association elections including dissemination of information regarding candidates for Director (whether proposed by the Committee or otherwise nominated as provided herein); preparation of ballots and other related matters.

- (B) Election Committee: As appointed by the President, duties of which are outlined in Article IX of these Bylaws.
- (C) Other: The President may appoint such other special committees as he deems appropriate – subject to the approval of a majority of the Board of directors.

ARTICLE XVI
FINANCE

SECTION 1. FISCAL YEAR: The fiscal year of the Association shall begin on the first day of January each year, unless changed by resolution of the Board of Directors.

SECTION 2. BUDGET DISCLOSURES: Each member shall receive, at least 30 days prior to the adoption thereof by the Board, a copy of the proposed annual budget together with an indication of which portions are intended for reserves, capital expenditures, repairs or payment of taxes.

SECTION 3. ADOPTION OF BUDGET: No later than the 30th of November of each year, a budget of estimated income and expenditure for the next fiscal year shall be adopted by the Board. Thereafter, this budget shall be available for inspection by the members at the office of the Association. A summary of the approved budget shall be included in the notice of the next regular meeting of the Association membership.

SECTION 4. ANNUAL REPORT: The Board shall annually supply to all unit owners an itemized accounting of the common expenses for the preceding year actually incurred or paid, together with an indication of which portions were for reserves, capital expenditures or repairs or payment of real estate taxes and with a tabulation of the amounts collected pursuant to the budget or assessment, and showing the net excess or deficit of income over expenditures plus reserves.

SECTION 5. MEMBER MEETING - EXCESS BUDGET: If an adopted budget or any separate assessment adopted by the Board would result in the sum of all regular and separate assessments payable in the current fiscal year exceeding 115% of the sum of all regular and separate assessments payable during the preceding fiscal year, the common interest community Association, upon written petition by members with 20% of the votes of the Association delivered to the Board within 14 days of the Board action, shall call a meeting of the membership within 30 days of the date of delivery of the petition to consider the budget or separate assessment. Unless a majority of the total votes of the members are cast at the meeting to reject the budget or separate assessment, it shall be deemed ratified.

SECTION 6. EMERGENCY EXPENDITURES: Expenditures relating to emergencies or mandated by law may be adopted by the Board without being subject to unit owner approval or the provisions of Section 3 of this Article. As used herein, “emergency” means an immediate danger to the structural integrity of the common areas or to the life, health, safety, or property of the members and users. The source of any revenue must be in accordance with the Restrictive Covenants.

SECTION 7. DEPOSITORIES: The Board of Directors shall determine official depository or depositories for Association funds.

SECTION 8. DISBURSEMENT OF FUNDS: The treasurer, the manager, and/or the assistants for the treasurer shall be authorized to sign checks for the expenditures incurred for the Association in accordance with Article X, Section 3(B), provided the amount of such checks issued does not exceed in the fiscal year the amount budgeted and provided it is done in accordance with other provisions in these Bylaws.

SECTION 9. BONDING: All checks shall be co-signed in accordance with Article X, Section 3(B). The Treasurer, any employee managing the financials, and the Association Manager shall be bonded as is reasonably required to protect the funds of the Association, including reserve funds and monies set aside for special projects. Bond premiums shall be paid by the Association.

SECTION 10. ANNUAL AUDIT: An accounting of all the Association's receipts and disbursements for the previous fiscal year shall be prepared each year before the Annual Meeting. At the meeting, the accounting shall be made available to the membership. Consolidated financial reports of all funds within the Association shall be prepared using generally accepted accounting principles which present fairly the Association's income and expenses as of the closing date of the prior fiscal year and shall be audited by an independent certified public accountant selected by the Board of Directors, which shall provide an annual written report of its findings.

SECTION 11. INTERIM FINANCIALS: The treasurer, in conjunction with management, shall prepare such interim financial reports as the Board may direct.

SECTION 12. DISSOLUTION: On dissolution of the Association, no member shall be entitled to any distribution of the Association property or assets. Should two-thirds of the members desiring to vote on the question, (subject to the quorum required of Article V: Section 5) consent to dissolution, then the Association's property and assets, after satisfaction of all outstanding liens and encumbrances thereon and of all debt and claims against the Association, shall be conveyed either to an institution qualifying for exemption under Section 501(C)(3) of the Internal Revenue Code as amended, or to any unit of state or local government, selected by the Board of Directors.

ARTICLE XVII **INFORMATION FOR PROSPECTIVE PURCHASERS**

SECTION 1. DOCUMENTS TO BE PROVIDED: In the event of any offer of sale of a lot, the Board shall make available for inspection (but not copying) to any prospective purchaser, upon written request, the following:

- (A) A copy of all declarations, other community instruments, and any rules and regulations.
- (B) A statement of any liens, including a statement of the account for the lot setting forth the amounts of unpaid assessments and other charges due and owing.

- (C) A statement of any capital expenditures anticipated by the Association within the current or succeeding 2 fiscal years.
- (D) A statement of the status and amount of any reserve or replacement fund and any other fund specifically designated for Association projects.
- (E) A copy of the statement of financial condition of the Association for the last fiscal year for which such a statement is available.
- (F) A statement of the status of any pending suits or judgments in which the Association is a party.
- (G) A statement setting forth what insurance coverage is provided for lot owners by the Association, if any.
- (H) A statement that any improvements or alterations made to the lot, or any part of the common areas assigned thereto, by the current member/owner are in good faith believed to be in compliance with the declarations of the Association.

SECTION 2. COMPLIANCE RESPONSIBILITY: The principal officer of the Board or such other officer or employee as is specifically designated by the Board shall furnish the above information within 30 days after receiving a written request for such information.

SECTION 3. COSTS: A reasonable fee covering the direct out-of-pocket cost of copying and providing such information shall be charged by the Association to the seller of any lot for providing the information to a prospective buyer. If the prospective buyer desires copies, the Association may charge a reasonable copying expense.

ARTICLE XVIII **GENERAL PROVISIONS**

SECTION 1. RECORDING GOVERNING DOCUMENTS: All community instruments including the Restrictive Covenants, these Bylaws, the Document Control Procedures, all rules and regulations, and all assessment resolutions previously passed by the membership pursuant to Article IV of the Restrictive Covenants, as amended and as in force from time to time, must be recorded with the Knox County Recorder of Deeds before becoming enforceable.

SECTION 2. LIMITATION ON USE OF FUNDS: No part of the net earnings of the Association shall inure to the benefit of or be distributed to its members, directors, officers or other private persons, except that the Association shall be empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth in Article II hereof.

SECTION 3. AMENDING BYLAWS: These Bylaws can be amended by vote of no less than five (5) members of the Board of directors at any regularly scheduled meeting or at any special

meeting of the Board, provided that notice of the text of any proposed amendment shall be provided in writing to all Board members at least fourteen (14) days in advance of the meeting, that the text shall have been posted with the notice of meeting per Article XIV, Section 2(A), and that all Board members have at least seven (7) days written notice of the Board meeting or that all Board members have signed a written waiver of notice for such special Board meeting.

SECTION 4. AMENDING OTHER RULES/RESOLUTIONS: All other rules, resolutions and procedures of the Association may be amended by vote of no less than four (4) members of the Board of directors at any regularly scheduled or special meeting of the Board properly convened after due notice.

SECTION 5. CONFORMITY: It is the intent that these Bylaws be interpreted and applied in a manner consistent with and in conformity with the following:

- Illinois Common Interest Community Association Act. 765 ILCS 160/1-1, et seq.
- Illinois Not for Profit Corporation Act. 805 ILCS 105/101.01, et seq.
- Covenants of all Oak Run Subdivisions currently platted or platted in the future.
- Final judgments in cases to which the Oak Run Property Owners Association has been a party and which are binding on the Association.

SECTION 6. SEVERABILITY: The invalidity of any Article, Section, Subsection or provision hereof shall not affect the validity and enforceability of the remaining provisions of these Bylaws.

SECTION 7. EFFECTIVE DATE: These Bylaws shall become effective on January 1, 2012.

Adopted by the Oak Run POA Board of Directors on October 20, 2011.

Amended April 19, 2012

Amended July 19, 2012

Amended April 19, 2018