

WOODHAVEN ASSOCIATION

By-Laws

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WOODHAVEN ASSOCIATION

By-Laws

PREAMBLE

WHEREAS, The Woodhaven Association is an Illinois not-for-profit corporation whose membership is comprised of owners of campsites at Woodhaven Lakes; and

WHEREAS, Woodhaven Lakes is a private leisure-time community for enjoyment by its Property Owners, their families and guests and is managed by an elected Board of Directors; and

WHEREAS, the By-Laws of The Woodhaven Association sets forth certain rights and obligations of the membership and the Board of Directors has adopted the following purposes and objectives:

- Conducting its affairs in keeping with the highest ethical, moral and legal standards.
- Enforcing the Covenants and Restrictions equitably and uniformly.
- Adopting Rules and Regulations for the general welfare of Woodhaven Lakes.
- Providing for the security of Woodhaven Lakes.
- Protecting and preserving the lakes, trees and other natural resources of Woodhaven Lakes.
- Maintaining the common properties, buildings, roads and other improvements within Woodhaven Lakes.
- Providing supervised recreational activities and educational programs for the benefit of the Property Owners.
- Communicating with the Property Owners concerning decisions made in their behalf and the reasons why those decisions are made.
- Acquiring, owning, operating and maintaining water supply and distribution facilities and systems, including wells, storage tanks and reservoirs, pumps and pumping equipment, land, buildings, treatment equipment, distribution mains and appurtenances, service connections, valves, hydrants and meters, for the supply and distribution of water, and to provide water services, to Owners of the Association on a not for profit mutual or cooperative basis for general domestic, process, fire protection and other use; and
- Acquiring, owning, operating and maintaining wastewater collection and treatment facilities and systems, including mains and appurtenances, lift stations, treatment facilities and equipment, manholes, buildings, land, service connections and valves, for the collection and treatment of wastewater, and to provide wastewater service, to Owners of the Association on a not for profit mutual or cooperative basis, for general domestic, process and other use.
- Providing effective water and sewer utility services to the Property Owners and to those outlying customers connected to these utility systems.

NOW THEREFORE, the Board of Directors, based upon the foregoing Preamble adopts the following as By-Laws of The Woodhaven Association.

Article I

NAME AND LOCATION

Section 1. Name and Location. The name of the corporation is THE WOODHAVEN ASSOCIATION, an Illinois not-for-profit corporation, hereinafter referred to as the "Association". The principal office of the corporation shall be located at Woodhaven Lakes located in the County of Lee, State of Illinois, but meetings of Members and Directors may be held at such places within the State of Illinois as may be designated by the Board of Directors.

Article II

REGISTERED AGENT AND REGISTERED OFFICE

Section 1. The Registered Agent of The Woodhaven Association shall be the Executive Director.

Section 2. The Registered Office shall be 509 LaMoille Road, P.O. Box 110, Sublette, Illinois 61367.

Article III

DEFINITIONS

"The Act" shall mean the Common Interest Community Association Act

"Association" shall mean The Woodhaven Association, an Illinois not-for-profit corporation.

"Board" shall mean the Board of Directors of the Association.

"By-Laws" shall mean the By-Laws of the Association.

"Campsite" or "Lot" shall mean any lot in Woodhaven Lakes included from time to time within the definition of Campsite set forth in the Declaration of Covenants.

"Capital Addition" as contained within Article VIII, Sections 1 and 5 shall mean an asset which is not a pre-existing asset. A duplication of an existing asset is a capital addition.

"Charges" shall include, without limitation, amounts of fines and costs imposed arising out of citations issued for violations of the Association's Covenants, By-Laws, and Rules and Regulations, bad check charges, interest, late fees, court costs, attorney fees and fees for water/sewer repairs.

"Common Properties" shall mean all property included from time to time within the definition of Common Properties, the beneficial use and enjoyment of which is reserved in whole as an appurtenance to separately owned lots, parcels, or areas within Woodhaven Lakes, and as set forth in the Declaration of Covenants.

"Declaration of Covenants" shall mean the Declaration of Covenants for Woodhaven Lakes dated the 26th day of January 2015, and any supplemental Declarations, as amended from time to time.

"Emergency Circumstances" shall exist where reasonable concerns present conditions endangering the structural integrity of the common areas or property of Owners, or to the life, health, or safety of Owners, their guests, employees, contractors, or visitors to Woodhaven. Reasonable concerns include occurrences or threats of widespread or severe damage, injury or loss of life or property resulting from any natural or technological cause, including but not limited to fire, flood, earthquake, wind, storm, hazardous materials spill or other water contamination requiring emergency action to avert danger or damage, epidemic, air contamination, blight, extended periods of severe and inclement weather, drought, infestation, critical shortages of essential fuels and energy, explosion, riot, hostile military or paramilitary action, public health emergencies, or acts of domestic terrorism.

"Executive Committee" of the Woodhaven Association shall consist of elected Board of Directors holding office, specifically: The President, the Vice President, the Secretary, and the Treasurer.

"Governing Documents" shall mean all documents and authorized amendments of the Association including, but not limited to, the Declaration of Covenants, By-Laws, Rules and Regulations and Policies.

"Member" means the person or entity designated as an owner and entitled to one vote. The Member will be determined by the first name listed on the Membership Papers unless otherwise designated by written submission of all Owners of record for a designated Campsite.

"Owner in Good Standing" shall mean an Owner current in the payment of assessments and charges, and not in violation of any provision of the Declaration of Covenants, By-Laws, or Rules and Regulations of the Association; or of resolutions as adopted by the Board of Directors.

"Membership" means the collective group of Members and Owners.

"Membership Papers" shall mean and refer to official Association documents used to register all Property Owners and Members of the Association.

"Owner, Property Owner, or Campsite Owner" shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title to any Campsite which is a part of Woodhaven, including contract purchasers, but excluding those having such interest merely as security for the performance of an obligation.

"Pre-existing Asset" shall mean an asset currently in place and used for a specific purpose, including but not limited to the following.

1. A direct replacement, including reasonable expansion to meet current or projected requirements, of such asset or combination of such assets on the same site or different site.
2. An expansion of an existing asset to meet current or projected requirements and done as part of renovation
3. A replacement on another site, though resulting in a vacated asset.

"Prescribed delivery method" means mailing, or posting in a Woodhaven publication that is routinely mailed or e-mailed to all Members.

"Rules and Regulations" shall mean and refer to the Rules and Regulations of the Association as approved and adopted from time to time by the Board of Directors.

"Special Assessment" as contained within Article VIII, Section 5. (b) shall mean an amount for one or more "capital additions" which has not been included in the financial plan of the Association for at least two consecutive years.

"Woodhaven Lakes" shall mean and refer to that certain real property described in the Declaration of Covenants.

Article IV

MEMBERSHIP POWERS, DUTIES, AND OBLIGATIONS

Section 1. Membership. There shall be Members and Owners.

Section 2. Member. Each Member shall be entitled to one vote.

Section 3. Owner. The record owner, whether one or more persons or entities, of the fee simple title to any Campsite which is a part of Woodhaven, including contract purchasers, but excluding those having such interest merely as security for the performance of an obligation.

Section 4. Membership Rights. The membership rights of Members and Owners are subject to the payment of assessments and collection charges levied by the Association and any other fines, fees and costs owed to the Association or any of its subsidiaries.

Section 5. Removal of Board Member. Two-thirds of the Members may remove a Board Member as a Director at a duly called special meeting.

Section 6. Duties of Owners. Changes to Campsite ownership records through warranty or quit claim deeds or contract sales, must be recorded in Lee County within 60 days of execution. Each Owner of a Campsite shall register with the Association within thirty (30) days of becoming an Owner and will immediately notify the Association of any change in contact information thereafter.

Section 7. Privileges of Membership. Members and Owners shall have use of the Common Properties, as defined herein, subject to the provisions of the Declaration and such other Rules and Regulations as may from time to time be established by the Board.

Section 8. Payment of Assessments. All assessments and related charges levied by the Association shall be paid to the Association on or before the time fixed by the resolution of the Board. Written notice of the charge and the date of payment shall be sent to the Member at his or her last known address given to the Association. Failure to make payment on or before the scheduled due day will result in a late fee, the amount of which shall be determined by the Board of Directors. Charges incurred as a result of fines, fees, penalties, repairs or other charges from the Association or its subsidiaries shall be payable within 60 days of the billing statement. All payments on an Owner's account shall be applied in chronological order beginning with the oldest unpaid invoice or amount due. Unpaid charges shall further become a part of the assessment.

Section 9. Collections.

- a. Collection and Lien. If assessments levied by the Association and other charges are not paid by the due date, the amount of such assessment and/or charges, plus any charges thereon including interest at the maximum limit provided under the law from date of delinquency and costs of collection, including reasonable attorneys' fees, shall constitute a lien upon the Campsite. The Board may cause a lien to be filed in the office of the Lee County Recorder of Deeds, which notice shall state the amount of the assessment and other such charges and a description of the Campsite of the Property Owner which have been assessed or charged. The Board may seek to recover said sums by any available judicial procedure and shall be entitled to its costs, attorneys' fees and costs of suit in said collection. If the Association does claim a lien on the Campsite, upon payment of said assessment and charges and other satisfaction thereof, the Board shall within a reasonable time, cause to be recorded a release of said lien.
- b. Charges. The charges as used in the By-Laws shall include, without limitation, amounts of fines and costs imposed arising out of citations issued for violations of the Association's Covenants, By-laws, and Rules and Regulations, bad check charges, interest, late fees, court costs and attorney fees and any and all costs and expenses incurred by the Association in the exercise of its authority in these By-Laws.

c. Procedures. In addition to any remedies or liens provided by law or by these By-Laws, if an Owner is in default in the payments of the aforesaid charges or assessments or any installment thereof for 30 days, the Association may bring suit to enforce collection thereof or to foreclose the lien therefore as provided herein or by law; and there shall be added to the amount due the costs of the suit, together with interest and reasonable attorneys' fees to be fixed by the court. No Owner may waive or otherwise escape liability for the assessments provided for herein by nonuse of the Common Properties or abandonment of his or her Campsite.

Section 10. Priority of Lien. Conveyance of any Campsite shall not affect any lien for assessments or other charges provided for herein. Such lien shall be prior to all other liens recorded after the filing of said lien.

Section 11. Enforcement. The lien provided for herein may be foreclosed by suit by the Association in like manner as a mortgage and, in such event, the Association may be a bidder at the foreclosure sale. The Association may also pursue any other remedy against any Owner owing money to it which are available to it by law or equity for the collection of a debt.

Section 12. Proof of Payment. Upon request, the Association shall furnish a statement certifying that all assessments then due have been paid or indicating the amount then due.

Section 13. Suspension. The Association shall not be required to transfer membership on its books or to allow the exercise of any rights or privileges of membership on account thereof to any Member, Owner, or to any person claiming under them unless or until all assessments and charges to which they are subject have been paid.

Article V

MEETINGS OF THE MEMBERS

Section 1. Annual Meeting. An annual meeting of the membership shall be held on such day in the months of August or September as the Board may designate.

Section 2. Special meetings. Special meetings of the membership may be called by the President or Board. A special meeting may be called upon the written petition of twenty percent (20%) of the Members. The purpose of such special meeting shall be set forth in said petition. No business shall be conducted at a special meeting not stated in the notice of said meeting.

Section 3. Place of Meeting. The Board may designate any place within the State of Illinois as the place of meeting for any annual or for any special meeting. If no designation is made, the place of meeting shall be Woodhaven Lakes. As permitted by State law, meetings may be conducted via acceptable technological means.

Section 4. Notice of Meeting. Notice of any membership meeting shall be given detailing the time, place, and purpose of such meeting no less than 10 and no more than 30 days prior to the meeting through a prescribed delivery method. If mailed, the notice of the meeting shall be deemed delivered when deposited in the United States mail addressed to the Member at his or her address as it appears on the records of the Association, with postage prepaid.

Section 5. Quorum. The presence of 1% of the Members at a meeting of the membership shall constitute a quorum for any action as provided in these By-Laws.

Section 6. Proxies. Except in connection with the election of the Board of Directors by an Association issued ballot process, every Member entitled to vote or execute consents shall have the right to do so either in person or a written proxy executed by such Member and filed with Secretary of the Association provided that no such proxy shall be valid after the expiration of eleven (11) months from the date of its execution.

Article VI

ELECTION OF DIRECTORS BY THE MEMBERS

Amended June 2020

Section 1. Directors will be elected by the Members every 24 months (even-numbered years) for a four (4) year term. Either three (3) or four (4) Directors will be elected every 24 months.

Section 2. A special election by the Members will be held in the event an elected candidate resigns or is found to be ineligible as a Board member within 90 days of having been elected. The special election will be held no later than the last

Saturday in May of the following year. The Board of Directors may suspend part, or all the Election Counting Procedures found in Policy 02-130-0512 by adopting a resolution outlining a valid procedure, which protects the interest of the Membership at large.

Section 3. In situations where the remaining two years of a four year term is to be filled in an election by the Members, the Candidate with the next highest votes after those who fill expired 4 year terms will be elected to fill the two year term (ref to BL Art VII Section 7).

Section 4. In the election of Directors, each Member shall be entitled to as many votes as shall equal the number of votes which he or she is entitled to cast on any matter, multiplied by the number of Directors to be elected, but no more than one (1) vote for any one candidate.

Section 5. The Election Committee will be chaired by the Board Secretary. If he or she is a Candidate, then the President will serve as chair; or, if both officers are Candidates, another Board Member is selected by the Board of Directors. A Co-Chair will be elected from the Election Committee to share in the responsibilities of the election process.

In addition to the Board Secretary, President, and Candidates, a representative from each of the Standing Committees, who is not a current candidate, will be appointed to the Election Committee. The Standing Committee Chair, if not a Candidate, is not eligible for the Election Committee but they are responsible for appointing a member of their Committee to serve. A majority vote of the Board may overrule any policy decision made by the Election Committee.

Section 6. In accordance with the approved election schedule, any Owner who meets the criteria stated in Article VII Section 4 of these By-Laws 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 termination of the terms of the Directors terminating subsequent to the filing of such statement. The Secretary or Election Chair of the Association shall give notice of such candidates and a biographical statement and position statement of each candidate that is to be included with the mailing of the ballot.

Section 7. All elections to the Board shall be conducted using a mailed ballot distributed by the Association which shall:

- a. Describe the vacancy to be filled, and
- b. Set forth the names of those persons who have become candidates for the office of Director in the order determined by a lottery at a meeting of the Election Committee, and
- c. Where there is more than one Owner of a Campsite, ballots shall be prepared by the Association or its agent and distributed to the Member whose name first appears on the Membership Papers or as otherwise designated.
- d. In the event a Candidate withdraws from the election process after the ballots have been printed but prior to posting, a notice of such change will accompany the ballot.
- e. In the event of a Candidate's withdrawal from the election process after the ballots have been distributed but before the ballot receipt deadline, a notice will be mailed to the Members.

Section 8. Members entitled to vote shall receive one (1) ballot for each Campsite for which he or she is a Member.

Section 9. Proxy votes for the purpose of election of Directors are prohibited.

Section 10. The completed ballots shall be returned as follows by paper ballot or by acceptable technological means.

- a. Each ballot shall be placed in a sealed envelope marked "Ballot".
- b. Each "Ballot" envelope shall contain only one (1) ballot, and each Member shall be advised that because of the verification procedures, the inclusion of more than one (1) in any one "Ballot" envelope shall disqualify the return.
- c. Such "Ballot" envelope shall be placed in another sealed envelope which shall bear on its face the name of the Member, his or her Campsite 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.
- d. The ballots shall be returned to the Election Chair of the Association at such address as the Board may from time to time determine, no later than the date set by the Board.
- e. Each ballot will be printed with a PIN code to be entered by the Member at the time of casting their ballot online.
- f. Instructions for electronic voting will be included with the ballot.
- g. Members casting a ballot electronically will be issued a digital receipt upon conclusion of successfully completing the voting process.
- h. Electronic ballots shall be processed through the Association's agent no later than the date and time as

determined by the Board.

Section 11. The Board of Directors delegates to Association Administrators, and/or an election tabulation company, and/or others, who from time to time the Board so designates, to serve as "Teller(s)" of the election. A Teller shall be charged with the responsibility of implementing a method of validating and counting ballots and recording results of the election. The Secretary or Election Chair of the Association shall certify and announce the results of the election at the Annual Meeting and submit the same to the Board of Directors at its next regular meeting for approval.

Section 12. Returned ballots shall immediately be placed in a safe or other secured place until the day set by the Board for counting of such ballots. Unopened ballot envelopes shall be transported by an Association Administrator and no less than three (3) representatives from the Election Committee, from a designated safe location to the designated location for tabulating the ballots. Of the 3 representatives at least two must be candidates.

Section 13. In the event two Candidates receive the same number of votes for one remaining seat, either to fill a vacancy or an expired seat on the Board, the winner will be decided with a flip of a quarter. The Election Chair shall write a number on paper and submit to the Executive Director before having both Candidates pick a number. The Candidate choosing the number closest to the Chair's number will determine who will have first choice at calling heads or tails; but in the event of a tie, then the individual who was closest without going over will have first choice at calling heads or tails. The Chair shall then flip the quarter allowing it to fall on a flat surface. The Candidate whose side is facing up shall be the elected winner of the remaining expired seat.

Section 14. Election Committee members questioning the validity of an election or the procedure in tabulating the vote, should make a motion to recount the votes within 30 minutes of the Election Chair announcing the final tally. This motion requires a second and a simple majority.

Section 15. All outside envelopes, ballots, electronic reports and statements of candidacy shall be retained by the Secretary for a period of two (2) years.

Article VII

THE BOARD OF DIRECTORS

Section 1. Powers. The Board of Directors shall:

- a. Designate a banking institution or institutions as a depository for the Association's funds and the person or persons authorized to make withdrawals there from and to execute obligations on behalf of the Association.
- b. Perform other acts and 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 thereafter.
- c. Adopt such rules and regulations relating to the use of Association property, as it may deem reasonably necessary for the best interest of the Association and its Membership. The Board shall have the power, after notice and an opportunity to be heard, to levy and collect reasonable fines from Members for violations of the Declaration, By-Laws, and Rules and Regulations of the Association by the Member, Owners, or their guest. The Board may also establish and levy reasonable fees for the issuance of permits for erecting or placing improvements on any Campsite, and also for the use of Association property.
- d. Cause the Association to employ sufficient personnel to adequately perform the responsibilities of the Association including, but not limited to, an Executive Director and/or General Manager(s). The Executive Director and/or General Manager(s) shall be the chief operating officials of the Association and responsible to the Board of Directors for the operation of the employed staff and the general upkeep, maintenance, repair, replacement, and preservation of the common property at Woodhaven Lakes. The duties of the Executive Director and/or General Manager(s) shall include, but not be limited to public relations for the Association, and such duties as shall be determined by the Board of Directors from time to time.
 1. Under Emergency Circumstances, as defined herein, where reasonable concerns exist, the Board of Directors, Executive Director and/or General Manager(s) each shall have, in consultation with outside agencies, the authority to immediately and temporarily restrict access to common property, in part or in whole, including access through the front gate, all roads, and easements. Any closure of complete access shall

be brought to the Board of Directors for consideration at the earliest reasonable opportunity by the holding of an emergency special meeting.

Reopening, following any closure, will be evaluated daily with input from any outside agencies that may provide information related to the conditions of concern. Such agencies could include, but are not limited to, Lee County Emergency Management, fire and sheriff's departments, IEMA, etc.

Complete access to Woodhaven shall not be limited for a period in excess of 48 hours, without approval of both the Executive Director and the Executive Committee of the Board of Directors.

2. If during the course of a disaster response the Association is scheduled to begin a capital project or conduct bid openings, executive management with approval from the Board President may stop all related activity until further evaluation by the Board of Directors.
- e. Adopt responsible rules of order for the conduct of the meetings of the Association, and with reference thereon, on procedural questions upon which no rules have been adopted, the ruling of the Chairman of the meeting shall be final.
- f. Select the officers of the Association. It may establish committees of the Association and appoint the members thereof. It may assign to such committees such responsibilities and duties not inconsistent with the provisions of these By-Laws as may deem appropriate.
- g. Retain an attorney or general counsel to advise and represent the Board and to appoint an auditor for the Association. The attorney and auditor can only be removed or discharged upon a two-thirds (2/3) vote of the members of the Board of Directors.
- h. The Board may enter into an agreement or agreements with other organizations having the same or similar corporate purposes for reciprocal rights between the respective members thereof under such terms and conditions as the Board may deem proper.
- i. The members of the Board shall serve without compensation, but may be reimbursed for travel expenses specific to board duties.
- j. A member of the Board 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.
- k. The Board of Directors authorizes the President to sign and the Secretary to attest any documentation necessary or appropriate for the conveyance of Association owned Campsites.

l. Board Records

The Board shall maintain the following records of the Association and make them available for examination and copying at convenient hours of weekdays by any Owner:

1. Copies of the recorded Declaration, other community instruments, other duly recorded Covenants and By-Laws and any amendments, Articles of Incorporation, Annual Reports, and any Rules and Regulations adopted by the Board shall be available.
 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 shall be maintained.
 3. The minutes of all meetings of the Board shall be maintained for not less than 7 years.
 4. With a written statement of a proper purpose, ballots and proxies related thereto, if any, 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 shall be maintained.
- m. Where a request for records under this sub section is made in writing to the Board or its agent, failure to provide the requested record or to respond within 30 days shall be deemed a denial by the Board.
- n. A reasonable fee may be charged by the Board for the cost of retrieving and copying records properly requested.

Section 2. Number of Directors. The number of Directors shall be seven (7).

Section 3. Term. No member of the Board shall serve for a term of more than four (4) years, but Board members and officers may succeed themselves

Section 4. Qualifications of Directors and Candidates

- a. A Director shall be an Owner in good standing, at least twenty-one (21) years of age. An Owner in good standing is an Owner current in the payment of assessments and not in violation of any provision of the Declaration of Covenants, By-Laws, or Rules and Regulations of the Association; or of resolutions as adopted by the Board of Directors.
- b. If there are multiple Owners of a single campsite, only one of the multiple Owners shall be eligible to serve as a Member of the Board at any one time.
- c. No Owner can be a candidate for a Director if their Campsite is their primary and principal residence.
- d. Every candidate for the Board of Directors shall, prior to receiving a petition of nomination for candidacy and prior to taking a position as a Member of the Board, sign an oath attesting to the qualifications as set forth herein. Further, every Board Member shall annually reaffirm this oath as a condition to remain on the Board. All candidates to the Board and all Members of the Board shall sign a disclosure statement indicating any potential conflict of interest or any fact or potential act which may directly or indirectly affect the Association or any of its subsidiaries or ventures.
- e. Any candidate or Board Member failing to meet any of the qualifications for Candidacy or Board membership contained in this Section may, upon the vote of two-thirds (2/3)vote of the Board, be disqualified from Candidacy or be removed from the Board. Any such Candidate or Board member shall be given written notice of his or her failure to meet any qualification or qualifications within this Section and be afforded an opportunity to so qualify and/or an opportunity to address the Board as to the sufficiency of his or her qualifications for Candidacy or Directorship prior to any Board decision as to disqualification or removal.

Section 5. Meetings of the Board of Directors. The Board shall meet at such times as the Board shall determine by resolution but no less than 4 times annually. Special meetings of the Board may be called by 25% of the Board or by the President of the Association and shall be held at such place and at such time as the call or notice of the meeting shall designate. Notice of a special meeting shall be given at least 48 hours prior to the meeting by posting copies of notices of meetings, in the Association Office, or other conspicuous locations on the common property. The Board shall give Members notice of any Board meeting, through a prescribed delivery method, concerning the adoption of (i) the proposed annual budget, (ii) regular assessments, or (iii) a separate or special assessment within 10 to 60 days prior to the meeting.

After adoption of a resolution setting forth the times of regular meetings, no notice of such meeting shall be required or waived, but notice of special meetings of the Board shall be given.

Section 6. Quorum. A majority of the Directors shall constitute a quorum to transact business of the Board.

Section 7. Vacancies. If there is a vacancy on the Board, of a Director having held his/her seat for more than 90 days, the remaining members of the Board may fill the vacancy by a two-thirds vote of the remaining Board Members until the next scheduled election or until members holding 20% of the votes of the Association request a meeting of the Members to fill the vacancy for the balance of the term. Refer to Article VI Section 2 for vacancies occurring within 90 days of Board Member being elected.

Section 8. Indemnification of Directors and Officers. The Association shall indemnify and hold harmless each of the Directors and officers against all contractual and other liabilities to others arising out of contracts made by or other acts of the Directors and Officers on behalf of the Owners, or arising out of their status as Directors and Officers, unless any such contract or act shall have been made fraudulently through willful misconduct, or was a willful violation of the Declaration of Covenants and these By-Laws.

It is intended that the foregoing indemnification shall include indemnification against all costs and expenses (including, without limitation, counsel fees, amounts of judgments paid and amounts paid in settlement) reasonably incurred in connection with the defense of any claim, action, suit or proceeding, whether civil, criminal, administrative, or other, in which any such Director or Officer may be involved by virtue of such person being or having been such Director or Officer; provided however, that such indemnity shall not be operative with respect to (a) any matter as to which such person shall have been finally adjudged in such action, suit or proceeding to be liable for willful misconduct or fraud in the performance of his duties as such Director or Officer, or (b) any matter settled or compromised, unless, in the opinion of counsel selected by the Board, there is not reasonable ground for such person to be adjudged liable for willful misconduct or fraud in the performance of his duties as such Director or Officer. The aforesaid indemnification shall not be exclusive of any right to which any Director or Officer may be entitled as a matter of law and shall extend and apply to the estates of deceased Directors or Officers.

The President of the Association shall be authorized to execute an Indemnification Agreement with each Board Member.

Article VIII

FINANCIAL MANAGEMENT BY THE BOARD OF DIRECTORS

Section 1. Adoption of the Five-Year Plan. The Board shall annually during December adopt or reaffirm a tentative five-year plan for Operating Expenses, Replacements and approved Capital Additions. The Assessment levied against each Campsite shall be based upon the five-year plan.

Section 2. The Budget. The Board shall annually during December adopt budgets for the Operating Fund and Restricted Fund of the Association.

Section 3. Separate assessments used for expenditures relating to emergencies or mandated by law may be adopted by the Board without being subject to Members approval.

Section 4. Assessments for additions and alterations to the common areas or to Association-owned property not included in the adopted annual budget shall be separately assessed and are subject to approval of two-thirds of the total Members at a meeting called for that purpose.

Section 5. The Board may adopt separate assessments payable over more than one fiscal year. With respect to multi-year assessments not governed by subsections (4) and (5) of this Article, the entire amount of the multi-year assessment shall be deemed considered and authorized in the first fiscal year in which the assessment is approved.

Section 6. Check requests, invoices, and contracts for services and products for the maintenance, replacement, and repairs of common areas shall be submitted to the Accounts Payable Clerk by the department manager, noting the appropriate account code. There will be two signatures required for payment. Those authorized to sign will verify the support documentation for each payment.

Section 7. Restricted Fund. The affirmative vote of a majority of the Directors present at a meeting of the Board shall be required to disburse money from the Restricted Fund of the Association unless the purpose of the disbursement is to fund a deficit in the Operating Fund of the Association whereupon the affirmative vote of three-quarters (3/4) of the Directors of the Association shall be required to disburse money.

Section 8. Borrowing Money. The affirmative vote of three-quarters (3/4) of the Directors of the Association shall be required to borrow money for the purpose of financing a deficit in the Operating Fund of the Association.

Section 9. Members Approval of Certain Expenditures.

- a. Capital Addition Limit. The limit shall be adjusted every five (5) years by a factor based on the yearly changes in the CPI-Midwest, compounded for five (5) years and rounded to the nearest \$5000. The capital spending limit as of 2020 is \$450,000.
- b. In the event the Board approves an expenditure from either the Restricted Fund of the Association to pay for a "Capital Addition" or the borrowing of money to pay for a "Capital Addition" for the Association or any of its subsidiaries or ventures in an amount greater than the amount determined by (a) above, the Board must further obtain approval of this expenditure by a majority of the votes cast in a referendum of Members entitled to vote.

Section 10. The Board shall, in each year, take into consideration all sources of income that the Association may have and levy an annual assessment upon each Campsite for the following year. In no event shall the assessment upon Campsites be less than that amount representing the Operating Fund portion of the budget for that year. The Board may, by resolution, fix the time for payment of annual assessments. No assessment shall be levied against Campsites owned by the Association.

Section 11. When surplus funds of more than \$100,000 are available, the Association's Board of Directors will follow these limits in redistributing the surplus to the Association's membership:

- a. Surplus funds identified through the annual audit process will be held as a contingency during the summer season immediately following the fiscal year when the surplus occurred.
- b. As part of the next budget planning process, the Board of Directors will discuss options associated with redistributing surplus funds to the Association's membership. At that time, the Board of Directors may elect to distribute the funds for any reasonable Association use, subject to the following conditions:
 1. The decision will require a three fourths affirmative vote of the Board of Directors for approval.

2. The decision must be fully disclosed to the Association's membership prior to final approval.
3. The decision must also comply with all federal and state requirements associated with the fiduciary care of Association funds.
- c. If no other reasonable Association use of the funds is approved by the Board of Directors, all of the surplus funds will be distributed in the following manner:
 1. Approximately 30% of the surplus funds will be applied to offset future operating assessments.
 2. Approximately 70% of the surplus funds will be applied to pay off portions of the principal balance of the Association's long-term debt obligations.
 3. If the Association does not have any long-term debt obligations, approximately 70% of the surplus funds will then be allocated to the Association's restricted reserve funds.

Section 12. The Association shall obtain and maintain fidelity insurance covering persons who control or disburse funds for an amount that is reasonably required to protect funds in the custody or control of the Association.

Article IX

OFFICERS AND COMMITTEES OF THE ASSOCIATION

Section 1. Officers. The officers of the Association shall be the President, one or more Vice Presidents, the Secretary, the Treasurer and Assistant Secretary, 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. Officers shall be Owners of the Association.

- a. President. The President shall be the presiding officer of the Board of Directors. The President is the chief executive parliamentary officer in determining the conduct of the Association, Board of Directors and their committees. With the advice and consent of the Board of Directors, the President will represent the Board in dealing with the Executive Director. The President shall be vested with the powers and duties generally incident to the office of the President of a Common Interest Community Association, except as otherwise determined by the Board, or as may be otherwise set forth in these By-Laws.
- b. 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 powers and duties of the President. In the event that there is more than one Vice President, the Board shall establish the order in which they serve.
- c. 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 or She shall mail, or cause to be mailed, all notices required under the By-Laws. He or She 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 incident to the office of Secretary.
- d. Treasurer/Assistant Secretary. 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. The Board may require that the Treasurer be bonded for such amount and under such conditions as the Board may require. The Assistant Secretary shall fulfill the responsibilities of the office of Secretary in the absence of the Secretary.

Section 2. Removal of Officers. Any officers may be removed when, in the judgment of the Board, the best interests of the Association will be served by such removal.

Section 3. Board Committees. The following standing committees are established to assist the Board of Directors. The President will assign individual Board Members to chair the standing committees and to serve as liaisons to the Boards of Review:

- a. Facilities Planning Committee
- b. Communications Committee
- c. Finance Committee
- d. ESAC Board of Review
- e. Public Safety Board of Review

Each standing committee of the Association will consist of five or more Association Owners appointed by a majority of the Board of Directors. The attendance of three members of the Committee is required to conduct a meeting. Members of the committees shall be in good standing with the Association. The committees will make recommendations to the Board of

Directors. Guidelines and issues for the committees will be established by the Board of Directors.

Section 4. Environmental Committee. The Environmental Committee consists of three (3) members and an alternate who have been appointed by the Board of Directors with an indefinite term. This committee receives its authority from the Declaration of Covenants in determining cause for variance from the Covenants and Rules and Regulations and in the development of Campsites where environmental concerns may be present.

Article X

TERM AND AMENDMENT

These By-Laws shall be in force and effect from and after the date of their adoption and recording and can be amended from time to time by the affirmative vote of a majority of the Board of Directors of the Association, except for those portions of the By-Laws requiring more than a majority vote. Those portions of the By-Laws requiring more than a majority vote of the Board can only be amended by the affirmative three-fourths (3/4) vote of the Board of Directors.

IN WITNESS WHEREOF, the Board of Directors has executed these By-Laws

this _____ day of _____ 2021.

THE WOODHAVEN ASSOCIATION

BY: _____

Christine Moffett
President, Woodhaven Association

ATTEST: _____

Charles Muir
Secretary, Woodhaven Association