

PROXY

Know all men by these present that I the undersigned member of Sunset Lake Association, a corporation organized under the laws of the State of Illinois, do hereby make, constitute, and appoint _____ my true and lawful attorney and agent to vote my proxy at the special meeting of members of Sunset Lake Association to be held on Friday, June 16, 1989 at 7:30 p.m. at the St. Patrick's Church (Meeting Hall), West Center and 8th St., Girard, IL. or such other time, place and day at the meeting may thereafter be held by adjournment, hereby granting to my said agent full power and authority to act for me and in my name at the said meeting in the transaction of such business which may come before the meeting, as fully as I could do if personally, with full power of substitution.

Witness my hand and seal this _____ day of _____, 1989.

Signature of Member Lot # _____

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BY LAWS ADDENDUMS, CHANGES AND ADDITIONS

1. Article VII, Section 1 (New Rule Promulgation)

"If the Board of Directors, from time to time shall elect to promulgate a new rule or change an existing rule, said new rule or amended rule shall not be enforced without the approval of a majority of the members and without giving written notice to all members of the Association."

2. Article VII, Section 2

"Proposed New rules, or changes of an existing rule, shall be set forth in writing to the Members and shall be adopted at any regular or special meeting upon receiving a majority of the votes of the members voting."

3. Article VII, Section 3

"Under certain circumstances it may be necessary for the Board of Directors to promulgate an Emergency Rule, or change an existing rule. Upon notification to all members, said Emergency Rules shall be enforceable for a maximum period of six (6) months, during which time they shall be presented to the Members of the Association for approval. Emergency Rules not approved by a majority of members shall immediately become null and void."

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SUNSET LAKE ASSOCIATION
SEPTEMBER 1, 1989
ANNUAL MEETING
AGENDA

CALL TO ORDER

DETERMINATION OF QUORUM

PRESIDENT'S REMARKS

APPROVAL OF MINUTES OF ANNUAL MEETING SEPTEMBER 2, 1988
SPECIAL MEETING JUNE 16, 1989

VOTING ON BY-LAW CHANGES AND ADDITIONS

COMMITTEE CHAIRMAN'S REPORTS:

BUILDING AND CONSTRUCTION	GEORGE STRUTZ
ROAD MAINTENANCE & LAKE IMPROVEMENTS	HENRY SUTTON
GROUNDS MAINTENANCE	RON RICE
FINANCE & PUBLIC RELATIONS	BILL GRAY
FARM MANAGEMENT	JOHN EARLEY
SANITATION MANAGEMENT	JIM PERRY
SHORELINE & BOAT DOCKS	JIM PERRY
WATER QUALITY & RECREATION	WARD WALKER
WATER SAFETY & CONSERVATION	WARD WALKER

QUESTIONS & ANSWERS

APPROVAL OF 1990 BUDGET

PRESIDENT'S ADDRESS

ELECTION OF DIRECTORS

OLD BUSINESS

NEW BUSINESS

ADJOURNMENT

SUNSET LAKE ASSOCIATION

Comparison of Annual Budget With Receipts and Disbursements

For the Period From January 1, 1989 to July 31, 1989

	Annual Budget	Year to Date	Over or (Under) Budget
<u>RECEIPTS:</u>			
General Assessments	\$34,500.00	\$33,625.90	\$ (874.10)
Building Permits	400.00	210.00	(190.00)
Fines and Penalties	350.00	793.69	443.69
Farm Income	2,300.00	-0-	(2,300.00)
Interest	4,000.00	3,439.55	(560.45)
Transfer and Lease Fees	4,000.00	3,600.00	(400.00)
Earned by Maintenance Man	500.00	412.00	(88.00)
Boat Permits (Year 1 of 2 years)	1,800.00	4,875.00	3,075.00
Cablevision Income	600.00	746.21	146.21
Other Receipts	400.00	483.00	83.00
Sub-Total	\$48,850.00	\$48,185.35	\$ (664.65)
\$25.00 per Class "A" Membership for road work expenses	7,200.00	6,925.00	(275.00)
Total Receipts	<u>\$56,050.00</u>	<u>\$55,110.35</u>	<u>\$ (939.65)</u>

DISBURSEMENTS:

Patrol & Maintenance Man's Salary	\$13,860.00	\$ 8,085.00	\$(5,775.00)
Secretary's Salary	4,657.00	2,716.59	(1,940.41)
Legal and Accounting Fees	1,000.00	3,542.00	2,542.00
Office Rent	900.00	525.00	(375.00)
Postage, Printing & Office Exp.	3,000.00	1,573.87	(1,426.13)
Lake Maintenance	6,500.00	488.61	(6,011.39)
Roads & Grounds Maintenance	11,688.00	9,342.12	(2,345.88)
Equipment Maintenance	2,000.00	1,535.53	(464.47)
Gasoline and Oil	2,230.00	1,074.45	(1,155.55)
Maintenance Expense & Supplies	200.00	124.60	(75.40)
Farm Expense	750.00	827.12	77.12
Fish Stocking	515.00	250.00	(265.00)
Utilities	2,400.00	1,522.09	(877.91)
Insurance	2,400.00	1,114.08	(1,285.92)
Employment Taxes	1,500.00	987.97	(512.03)
Property Taxes	2,300.00	1,882.64	(417.36)
Miscellaneous, Interest Exp. & Mileage & Etc.	150.00	672.05	522.05
Total Disbursements	<u>\$ 56,050.00</u>	<u>\$36,263.72</u>	<u>\$(19,786.28)</u>

SUNSET LAKE ASSOCIATION

CASH POSITION

JULY 31, 1989

Cash on Hand	\$	100.00	
	Total		\$ 100.00
State Bank of Girard			
Checking	\$	31.27	
Money Market Fund - General		4,372.00	
Prudential-Bache			
Money Market Fund - General		<u>10,813.00</u>	
	Total General Revenue		\$ 15,216.27
State Bank of Girard			
Money Market Fund - Special	\$	29,234.45	
	Total Special Revenue		\$ 29,234.45
State Bank of Girard			
Certificate of Deposit - 6 mons. 7.80%	\$	5,169.00	
Certificate of Deposit - 1 yr. 8%		5,000.00	
Prudential-Bache			
Certificate of Deposit - 1 yr. 9.55%		<u>21,000.00</u>	
	Total Reserve		<u>\$ 31,169.00</u>
	Total Revenue		<u>\$ 75,719.72</u>
State Bank of Girard - Escrow			<u>\$ 375.00</u>

Sunset Lake Association

P.O. BOX 61 • GIRARD, ILLINOIS 62640 • PHONE: [217] 627-3232

*****NOTICE OF ANNUAL MEETING*****
SEPTEMBER 1, 1989

The annual meeting for members of Sunset Lake Association will be held at the St. Patrick's Church (Meeting Hall), West Center and Eighth Street, Girard, Illinois on Friday, September 1, 1989 at 7:30 p.m. to receive reports from officers and committee chairmen, to elect five (5) directors at large from the Class "A" Membership, to adopt an operating budget for the calendar year 1990 and to transact any other business that may properly be presented at this meeting.

Three (3) directors will be elected for terms of three (3) years each. One (1) director will be elected for two (2) years and one (1) director will be elected for one (1) year to finish out the terms of two directors who have resigned.

The following By Laws Addendums, Changes and Additions are to be voted on:

Change - Article VII, Section 1 (New Rule Promulgation)

Addition - Article VII, Section 2

Addition - Article VII, Section 3

(SEE ATTACHED PAPER)

The treasurer has prepared and the directors have approved an operating budget for the calendar year of 1990. A copy of the budget is enclosed with this letter.

If you cannot be present at the annual meeting, a proxy form is enclosed in which you may execute a proxy in favor of a Class "A" member who will be present. Please mail the executed proxy to the Secretary, P. O. Box 61, Girard, IL. 62640. Proxies may also be turned in at the annual meeting. In accordance to the By Laws, a member can vote only one (1) proxy in addition to the member's own vote.

Registration for the meeting will start at 6:30 p.m., the meeting will start promptly at 7:30 p.m. Hope to see you there.

Sincerely,

Glenda M. Sutton
Glenda M. Sutton
Secretary

Enclosures: Proxy Form, Proposed Budget for 1990
Comparison Report, Cash Position
Membership List, Notice

SUNSET LAKE ASSOCIATION
ANNUAL MEETING
SEPTEMBER 1, 1989

The annual meeting of members of Sunset Lake Association was held September 1, 1989 at the St. Patrick's Church Hall, West Center and Eighth Streets, Girard, IL. The meeting was called to order at 7:30 p.m. by President John S. Earley.

Pres. Earley announced that 67 Class "A" Members were present with 44 Class "A" Members represented by proxy making a total of 111 voting members represented.

Pres. Earley welcomed everyone and explained the order of the agenda. He also gave an overview of accomplishments from the last year. They included purchasing a new pick-up truck with snow plow attached, repairs on spillway and dam, oiling and rocking of lake roads.

A motion was made by Bob Slagle and seconded by Weldon Stetter to approve the annual meeting minutes of September 2, 1988 as presented. Motion carried.

A motion was made by Weldon Stetter and seconded by Joe Killian to approve the special meeting minutes of June 16, 1989 as presented. Motion carried.

Pres. Earley explained to the members the By-Law changes and additions by each section that are to be voted on by the members (copy attached).

There were several comments on the disadvantages if this By-Law changes comes into effect. Also some other comments about why the members want to have a say in what rules and regulations are being changed. It was pointed out that all members are welcomed to attend a regular monthly meeting to express their thoughts and concerns to the Board.

The ballot results on the By-Law changes and additions are as such:

Article VII, Section 1; 39 yes and 77 no.

Article VII, Section 2; 42 yes and 75 no.

Article VII, Section 3; 38 yes and 78 no.

Pres. Earley proclaimed the By-Law changes are defeated by a 2/3 majority vote of membership.

Committee Chairman reports were presented with questions and answers to follow.

Building and Construction: George Strutz reported on the following number of permits: 7 new boat docks, 3 new garages, 3 new sheds and 7 repairs on dock, building and etc. He also asked for members cooperation to help beautify our lake area by maintaining lots, planting trees and flowers and stopping leaves from falling into lake. He also announced his retirement from lake Board and thanked everyone for their help throughout his years of service.

Road Maintenance and Lake Improvement: Henry Sutton reported on last winter's snow removal, explained what roads were oiled and rocked and other spot repairs, explained on taking estimates of cost on repairing tower gates and job was assigned to Springfield Mechanical Corp. So far the tower gate valves were cleaned, greased and exercised with broken valve guides being replaced. The discharge pipe was inspected and no significant structural deficiencies were found. There could also be underwater divers used for welding purposes if needed. The spillway concrete work is nearly complete. There is possible another \$15,000 of expenses already spent this last month on repairs of spillway and dam. He also reported on reseeding the grassy area on dam and also using netting and straw to protect new seed.

Grounds Maintenance: Ron Rice reported his major problem on grounds involved the neighboring Snell property, but there was many other petty and picky problems involving several different subjects. He asked the members' help in

controlling and eliminating such small problems.

Finance & Public Relations: Bill Gray reported the Welcome Committee Program has not come forth because of no interest and therefore at a standstill, the newspaper articles in local paper, written by his wife Suzanne Gray, has been kept to informational news only, not used as a gossip column and encourages any member to contact her with any new information.

Finances are increasing because of good interest rates as part of money is invested with Prudential-Bache while current operating money is in local Girard Bank. More income this year was received from a percentage of Cable Vision receipts and one half of expenses on culvert road work was paid for by Macoupin County Highway Dept. With the purchase of a new pick-up truck and a bush hog, only \$9,000 was removed from reserves for expenses. Everything else was paid out of general funds as all committee chairmans budgeted their funds very carefully.

Farm Management: John Earley reported present bean crop is growing very well, plenty of rain, only minor weed problems, therefore expect good crop income. This fall a wheat crop will be planted which gives good ground coverage for winter.

Sanitation: Jim Perry reported on 4 new sanitation systems being installed at lake and explained to members who have sand filter type systems that chlorine tablets must be used at all times for system to work properly. He also reported on an Illinois rule which states all septic tanks should be checked or cleaned every year and asked for everyone's help to keep all the sanitation systems in good working condition and to let him know if there are problems somewhere.

Shoreline and Boat Docks: Jim Perry reported on some boat docks and shorelines in need of repair but with the cooperation from everyone, these problems will be taken care of easily.

Water Quality and Recreation: Ward Walker reported on spraying lake this spring, plus spot spraying at different areas as needed with the help of several good volunteers. He suggested buying a pump to help in the spraying procedure, this would make job easier and would cut down on time plus a used boat motor is also needed. He also reported on grass carp still doing a great job on weed control, therefore none were added to lake this year.

Water Safety and Conservation: Ward Walker reported boat motor had to be repaired and cleaned as sugar was poured into gas tank, luckily no damage was done, also had motor props rebuilt plus bought an extra one. He reported 55 muskrats had been caught by a local trapper in which he was invited to trap the lake area again this year; Bill Hohimer, Jim Higginson, Henry Sutton and he worked on securing and sinking 100-150 Christmas trees in lake which make good habitat for fish; Walker stocked 1000 channel catfish (some were white) in lake this year according to stocking program received from State Department. Walker explained a new program brought to his attention where if Association paid a \$150 fee, the members and their guests could fish on Sunset Lake without a State fishing license.

Walker reported on one boating accident on lake with only small injuries, and asked for everyone's cooperation to obey the rules and regulations to assure more accidents will not happen and also pointed out that members are responsible for their guests action and hoped the members would inform their guests of our rules and regulations. He also reported Bill Hohimer and he have been patrolling frequently and stated members need to pay more attention to rules and regulations or more fines will have to be given.

Questions and Answers: Harry Holcomb #259 asked about our attorney's rate per hour plus attorney charging Association for telephone calls received from lake members on personal business.

Pres. Earley stated a letter had been sent to our attorney informing him that the Association will not be responsible for expenses incurred when talking to members about personal matters.

Clem Charles asked Ward Walker why more grass carp have not been purchased and has he talked to Charlie Marbut, State Dept.

Ward Walker stated he has been in contact with Charlie Marbut at the State Conservation Department and C. Marbut said no more grass carp were needed as our program is excellent right now.

Clem Charles asked Henry Sutton why there were not bids taken from local contractors on concrete work done on spillway.

Henry Sutton stated he could not find any local contractors interested except for Stan McDonald, which has been very helpful. He did not take bids because bids must have job described exactly which will up the cost, therefore the best way is to have company charge for time and material which is the agreement he has with Springfield Mechanical Corp.

C. Charles also asked H. Sutton why he was using Decatur divers for tower repairs instead of using the Girard Rescue squad diving team?

Henry Sutton stated he is hiring the Decatur diving team because they will be repairing the tower gates by welding underwater and the Girard team are not certified for that type of work.

Jeanette Clark asked since the Snell proposal to annex his property to Sunset Lake was voted down, had there been any contact from the Snells?

Pres. Earley reported Snell's attorney has contacted our attorney and the Snells do intend to pursue this matter in court.

J. Clark asked what is the basis for their claim to use the lake.

Pres. Earley stated there is nothing in writing yet, therefore it is difficult to explain without attorney's help. We are just waiting right now for Snell's attorney to contact us further.

Delores Anderson asked if the Prudential-Bache money market is insured through the financial institution.

Pres. Earley stated that this is their policy to have all finances insured.

Hilda Bettis asked if there is still the option to reconsider the Snell proposal to annex their property into Sunset Lake.

Pres. Earley responded that because such a large majority of members voted the proposal down, the Board feels they should not pursue the matter any further. Unfortunately there will still be court cost as all court cases of this type are usually very costly.

Marsha Miller complimented Board for there quick response to her calls and also asked for everyone to please adhere to the "No Wake" signs in all coves to help stop destroying docked boats and shoreline erosion.

Ken Boyd asked if anything had been accomplished on getting school buses to pick up children at far North end of West Lake Drive as they now only stop at main county road.

Henry Sutton and John Earley stated they would pursue this further with the school.

Henry Sutton explained he has started stock piling rock for next years repairs. By doing this it spreads out the expenses on the budget.

Budget 1990:

Pres. John Earley explained the proposed budget for 1990 which has no extra assesments added.

A motion was made by Bob Slagle and seconded by Bob Walter to accept the proposed budget for 1990 as presented. Motion carried.

Bob Walter asked question how people who are late paying their assessments but already have their boat stickers are stopped from having lake privileges according to rules and regulations.

Pres. Earley explained our patrol man and Ward Walker have a list of all members that are delinquent and therefore they know who to stop from using lake. President's Address: Pres. Earley highlighted the committee reports. He explained the Association really needed a new pick-up truck because the old one was in great need of repair which would be very costly to fix. They were lucky to find exactly what they needed, this new truck being very standard in style had a new snow plow already installed for less money than trying to install the old plow onto the new truck. There was also a new bush hog mower purchased with extra guards attached for protection of throwing rocks. He thought they were able to get machinery for good prices. He also asked everyone's help to use chlorine tablets in septic systems to assure keeping our lake a nice place to live. He did think that all the members of the Board have worked very well together in last two years, but because of personal reasons, he is not running for President of Board this time but is sure the Board will continue to run smoothly under a new President.

Election of Directors: Pres. Earley called for nominations for the office of Directors to be elected for a term of three (3) consecutive years plus one (1) Director to be elected for a one (1) year term.

Ward Walker was nominated by Joe Killian and seconded by Suzanne Gray.

Harry Holcomb was nominated by Charles Ramsey and seconded by Ken Pharris.

Frank Gibbons was nominated by Henry Sutton and seconded by Suzanne Gray.

Terry Charles was nominated by David Miller and seconded by Ken Boyd.

Ray Reardon was nominated by Robert Walter and seconded by Lester Spence.

A motion was made by Robert Slagle and seconded by Jeanette Clark to close the nominations. Motion carried.

Pres. Earley explained since there are five nominees and only four positions and as Ward Walker is the only incumbent, if elected, he will serve a three year term and the other three positions will be determined by the number of votes they receive, highest two will serve a three year term and the next lowest one will serve one year term.

Pres. Earley asked each nominee to introduce themselves and give a brief comment before voting begins.

Pres. Earley announced the following ballot results: Ward Walker, 109; Harry Holcomb, 48; Frank Gibbon, 80; Terry Charles, 73; Ray Reardon, 106.

The new three year term Directors are Ward Walker, Ray Reardon, Frank Gibbons. The new one year term Director is Terry Charles.

New Business: Members asked about travel trailers being stored at lake. They wondered if an area on lake property could be set aside just to store members travel trailers.

Pres. Earley stated this is not a good idea as the Association would be liable for all damages or thefts. There are permits at the office for members to store travel trailers on their lake property.

Jim Perry also reminded everyone that use of mini-bikes are restricted on lake property as is stated in rules and regulations.

A motion was made by Clem Charles and seconded by Hilda Bettis to adjourn meeting. Motion carried.

Meeting adjourned at 10:20 p.m.

Glenda M. Sutton
Secretary

Sunset Lake Association

P.O. BOX 61 • GIRARD, ILLINOIS 62640 • PHONE: (217) 627-3232

NOTICE OF SPECIAL MEETING

JUNE 16, 1989

A special meeting for members of Sunset Lake Association will be held at the St. Patrick's Church (Meeting Hall), West Center and Eighth St., Girard, IL. on Friday, June 16, 1989 at 7:30 p.m. to vote on the enclosed Memorandum of Understanding. Registration will begin at 6:30 p.m.

If you cannot be present, a proxy form is enclosed in which you may execute a proxy in favor of a Class "A" member who will be present. Please mail the executed proxy to the Secretary, P. O. Box 61, Girard, IL. 62640. Proxies may also be turned in at the special meeting by the designated proxy agent.

As a reminder, in accordance with the Rules and Regulations, a member is entitled to vote only if all general and special assessments, liens, fines or penalties are paid in full previous to the special meeting (Section 40, a).

All members of the Association are encouraged to seriously read the enclosed material and hopefully attend this special meeting or execute your proxy in order to insure your vote will be counted.

By Order of
Board of Directors



Glenda M. Sutton
Secretary

SSL/gms

Encl.

Sunset Lake Association

P.O. BOX 61 • GIRARD, ILLINOIS 62640 • PHONE: [217] 627-3232

May 24, 1989

Dear Sunset Lake Members:

For the past ten (10) years or so there has been an issue hanging on the heads of Sunset Lake members. It is that of the adjoining property, Sunset Lake West. As some of the older residents recall, it was put to a vote about ten (10) years ago when Mr. Ralph Evans owned the property. At that time Mr. Evans had extensive plans for greatly expanding Sunset Lake West into a large development. Since Mr. Evans' death the Snell family has purchased the property.

On September of 1988 the Board received a letter from the Snells informing us of this purchase. They also sent a lengthy copy of a court case. The litigation involved Lake Zurich in northern Illinois. The case described a situation similar to ours, where a Lake Association was formed, but that all shoreline was not included. The non-members on that lake filed a complaint in court and won use of the lake.

Upon receiving this, the Board contacted our attorney for legal advice. The attorney stated that even though there are many similarities, there are also some major differences. Your Board therefore was faced with a major decision:

- 1) Contact the Snells and state that we would fight any litigation to prevent them from using the lake.

or:

- 2) To negotiate with the Snells and draft a proposal for the people to consider and avoid a lengthy and potentially expensive court battle whether we would win or not.

Our attorney advised us that even though we have a good case, anytime court proceedings are undertaken, it involves risk and expense, quite often great expense. Even if we won it would take considerable funds to defend our position.

To avoid the risk and financial burden to the People of Sunset Lake, an appointed committee has conducted lengthy negotiations with the Snells to iron out a proposal that would best serve and protect the interest and environment of the Lake and also be acceptable to the Snell party.

Enclosed is a copy of the "Memorandum of Understanding" which includes all the stipulations by which that property, upon approval of the Lake members, could be annexed. Major Points:

- 1) Page 2, #1 states that the 24 original lots be resubdivided into 13 lots only.
- 2) Included on page 3 & 4, that the lots in question be required to pay initiation, transfer and membership fees upon acceptance and transfer, plus present owners will pay half of special assessment fees.
- 3) Page 4 states that Sunset Lake is not responsible for maintaining access roads located at Sunset Lake West.

At the special meeting scheduled for June 16, 1989, a major decision will face the membership of the Association.

Law Offices of
Stratton, Dobbs, Nardulli & Lestikow
A Partnership including Professional Corporations

Gregory D. Collins
Stuart Dobbs
Mark S. Killion
A. Michael Kopec, P.C.
James M. Lestikow
Daniel Maher
Steven Nardulli
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Chicago, Illinois 60604
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April 20, 1989

John S. Earley, President
Board of Directors
Sunset Lake Association
P.O. Box 61
Girard, IL 62640

Ron Rice
William Gray
Directors and Members of the
Directors and Committee
Sunset Lake Association
P.O. Box 61
Girard, IL 62640

Gentlemen:

I have reviewed, and at the suggestion of the committee, revised the Memorandum of Understanding proposed for submission to Ed Snell and the other parties interested in developing Sunset Lake West.

As I understand the objectives of the Board of Directors, this proposed Memorandum meets every requirement.

First, the Board wishes to gain some control over the entire shoreline of Sunset Lake in order to better control erosion into the lake and the eutrofication which is so harmful to its waters. The proposal will allow limited development of the Snell property and will control erosion on the remaining real estate which Ralph Evans had originally intended to develop.

Second, it will vastly increase the value of real estate owned by Sunset Lake Association through the development of large lots with well-designed and built single family housing, the property itself being conveyed to the Association.

Third, the development of the Sunset Lake West property by Ed Snell and his family appears to be inevitable. This proposal will bring the property developed into the Association with full participating membership, making the lessees as responsible as any other members for the continued successful operation of the lake, both as financial partners and persons interested in maintaining a quality of life related to water activities.

Fourth, the fees, dues and assessments will enhance the financial resources of the Association with little additional burden.

MEMORANDUM OF UNDERSTANDING

This Memorandum of Understanding is between Edward Snell, James Snell, Delores Harms, Karen Whitler, Maury Snell and Michael Snell, their heirs, successors and assigns, as parties of the first part; (hereinafter "First Parties"), and Sunset Lake Association ("Association"), represented by a negotiating committee consisting of John Earley, President of the Board of Directors of the Association, and the Board members Ron Rice and William Gray.

For the rights and obligations of this Memorandum to become binding:

A. It shall be signed by each and every person comprising First Party; and

B. It shall be signed, as accepted, in their representative capacity, by each and every member of the Association's negotiating committee; and

C. It shall be approved by resolution passed by majority vote of the Association's Board of Directors at a proper meeting and such resolution shall authorize the President and Secretary of the Association to sign this Memorandum as binding on the Association, upon approval of this agreement by two-thirds majority vote of the members; and

D. It shall be approved by a two-thirds majority vote of the members of the Association as required by law and the Association By-Laws.

E. The Board of Directors of the Association shall, by majority vote, recommend that the membership of the Association approve this Agreement.

In the event all of the above is not obtained prior to June 30, 1989, then this Agreement and any obligations hereunder shall terminate and none of the parties shall be further bound hereby.

The owners of those tracts shall, within 90 days of final Association approval and execution of this Agreement by the Association, deed each such tract to the Association in exchange for a 99 year lease to each such tract to the former owner or their nominee on lease forms generally used by the Association for all lots it leases, together with a Class "A" membership in Association with all rights and privileges that currently apply to all Association Class "A" memberships.

In exchange for each such lease and membership, the First Party owner agrees:

(1) To pay Association:

(a) An initiation fee of \$100.00;

(b) A Transfer fee of \$200.00;

(c) A one time membership fee of \$400.00; and

(d) A special assessment fee of \$120.00 representing a payment toward a special assessment for lots leased by the association in 1987.

(2) That the Lessee of such lease and the tract leased shall be bound by the Charter, By-Laws, and Rules and Regulations of the Association generally applicable to all lots Association leases as Lessor.

B.) As to the remainder of the lots within Sunset Lake West Subdivision, which First Party owners shall re-subdivide in the remaining 9 tracts of the total of 13 tracts into which Sunset Lake West shall be re-subdivided, as each tract is contracted for sale, First Party owners shall deed the tract proposed for sale to the Association in exchange for a 99 year lease on such tract to the

A.) To plant a barrier of trees to separate the West line of Lot 24, as originally platted in Sunset Lake West, from the field to the West.

B.) That real estate owned by First Party, or any of them contiguous to Sunset Lake or Sunset Lake West shall be posted.

C.) That Lots 9, 10 & 11, as originally platted in Sunset Lake West shall never be row-cropped and that such real estate shall not be farmed or maintained in a manner which causes erosion or damage to the shore line of Sunset Lake.

8. That First Party owners, may in re-subdividing Sunset Lake West into 13 tracts, include within one of those 13 tracts a reasonable amount of real estate located west of the west line of Lot 24, as originally platted, in order to make and provide for a reasonable sized tract.

9. Except as provided in Paragraph 8, no real estate owned by First Parties or any of them, shall acquire any rights to membership in or access to, or use of Sunset Lake, its waters, shores or improvements under this Agreement.

10. The term "re-subdivide" as used herein is not used or intended to be used to require First Parties to prepare a revised Subdivision Plat for recording.

11. Deeds from First Party owners to the Association, required herein shall be by good and sufficient Warranty Deed conveying all of First Party owner's right, title and interest in and to the tracts, lot or lots, under this Agreement.

Each and every member of First Party shall adopt and approve this Memorandum before it is submitted to the Board of Directors of the

Delores Harms

Delores Harms

5-12-87

Date

STATE OF ILLINOIS)
) SS
COUNTY OF MACOUPIN)

Before me, personally appeared Delores Harms, a person known to me, who signed the foregoing Memorandum of Understanding in my presence and stated as she did so, that her signature was voluntary and for the uses and purposes above set forth.

Roxanna Seifert

NOTARY PUBLIC

"OFFICIAL SEAL"
ROXANNA SEIFERT
Notary Public, State of Illinois
My Commission Expires 12/14/91

Karen Whitler

Karen Whitler

11 May 1989

Date

STATE OF ILLINOIS)
) SS
COUNTY OF MACOUPIN)

Before me, personally appeared Karen Whitler, a person known to me, who signed the foregoing Memorandum of Understanding in my presence and stated as she did so, that her signature was voluntary and for the uses and purposes above set forth.

George Krase
NOTARY PUBLIC
"OFFICIAL SEAL"
GEORGE KRASE
Notary Public, State of Illinois
My Commission Exp. NOV. 12, 1991

Maury Snell

Maury Snell

5/12/89

Date

STATE OF ILLINOIS)
) SS
COUNTY OF MACOUPIN)

Before me, personally appeared Maury Snell, a person known to me, who signed the foregoing Memorandum of Understanding in my presence and stated as he did so, that his signature was voluntary and for the uses and purposes above set forth.

Roxanna Seifert
NOTARY PUBLIC

"OFFICIAL SEAL"
ROXANNA SEIFERT
Notary Public, State of Illinois
My Commission Expires 12/14/91

William Gray
William Gray

5/7/89
Date

STATE OF ILLINOIS)
) SS
COUNTY OF MACOUPIN)

Before me, personally appeared William Gray, a person known to me, who signed the foregoing Memorandum of Understanding in my presence and stated as he did so, that his signature was voluntary and for the uses and purposes above set forth.

Debra L. Burnett

NOTARY PUBLIC
OFFICIAL SEAL
DEBRA L. BURNETT
NOTARY PUBLIC, STATE OF ILLINOIS
MY COMMISSION EXPIRES 6-12-92

SUNSET LAKE ASSOCIATION

JUNE 16, 1989

A special meeting of the Sunset Lake membership was held Friday, June 16, 1989 at St. Patrick's Church Hall, Center and Eight Sts., Girard, IL. Registration started at 6:30 p.m. with the meeting being called to order at 7:30 p.m. by President John S. Earley with all Board of Directors present.

Pres. Earley declared the meeting official, as there were enough members present to constitute a quorum with 117 Class "A" memberships present and 77 Class "A" membership proxies making a total 194 memberships present and represented.

Pres. Earley stated the membership was present to vote on a memorandum of understanding between the Association and Ed Snell and party which according to our By Laws will require a vote of 191 yes votes (2/3 of the entire Class "A" membership) in order for the memorandum to be accepted.

After introducing the Board of Directors and our Attorney, Stuart Dobbs, Pres. Earley explained the situation which led up to the memorandum being negotiated by the Board of Directors.

Stuart Dobbs, attorney, was introduced to give his comments of the memorandum of understanding and the matter of a possible court action against the Association because of another court decision at Lake Zurich.

Pres. Earley opened meeting for any questions and answers.

After several questions were answered, a motion was made by Bruce Weller #175 and seconded by Ray Stansberry #265 to execute the ballot to vote on the memorandum of understanding as presented. Motion carried.

The ballot results are as follows: 48 yes; 146 no. Therefore the memorandum of understanding was not accepted.

A motion was made by Weldon Stetter #214 and seconded by Dennis Meeker #215 to adjourned the meeting. Motion Carried.

Adjourned 8:15 p.m.

Glenda M. Sutton

Secretary

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SUNSET LAKE ASSOCIATION

SEPTEMBER 1, 1989

ANNUAL MEETING

AGENDA

CALL TO ORDER

DETERMINATION OF QUORUM

PRESIDENT'S REMARKS

APPROVAL OF MINUTES OF ANNUAL MEETING SEPTEMBER 2, 1988
SPECIAL MEETING JUNE 16, 1989

VOTING ON BY-LAW CHANGES AND ADDITIONS

COMMITTEE CHAIRMAN'S REPORTS:

BUILDING AND CONSTRUCTION

GEORGE STRUTZ

ROAD MAINTENANCE & LAKE IMPROVEMENTS

HENRY SUTTON

GROUNDS MAINTENANCE

RON RICE

FINANCE & PUBLIC RELATIONS

BILL GRAY

FARM MANAGEMENT

JOHN EARLEY

SANITATION MANAGEMENT

JIM PERRY

SHORELINE & BOAT DOCKS

JIM PERRY

WATER QUALITY & RECREATION

WARD WALKER

WATER SAFETY & CONSERVATION

WARD WALKER

QUESTIONS & ANSWERS

APPROVAL OF 1990 BUDGET

PRESIDENT'S ADDRESS

ELECTION OF DIRECTORS

OLD BUSINESS

NEW BUSINESS

ADJOURNMENT

SUNSET LAKE ASSOCIATION

SEPTEMBER 1, 1989

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Sunset Lake Association

P.O. BOX 61 • GIRARD, ILLINOIS 62640 • PHONE: [217] 627-3232

***** NOTICE OF ANNUAL MEETING *****

SEPTEMBER 1, 1989

The annual meeting for members of Sunset Lake Association will be held at the St. Patrick's Church (Meeting Hall), West Center and Eighth Street, Girard, Illinois on Friday, September 1, 1989 at 7:30 p.m. to receive reports from officers and committee chairmen, to elect five (5) directors at large from the Class "A" Membership, to adopt an operating budget for the calendar year 1990 and to transact any other business that may properly be presented at this meeting.

Three (3) directors will be elected for terms of three (3) years each. One (1) director will be elected for two (2) years and one (1) director will be elected for one (1) year to finish out the terms of two directors who have resigned.

The following By Laws Addendums, Changes and Additions are to be voted on:

Change - Article VII, Section 1 (New Rule Promulgation)

Addition - Article VII, Section 2

Addition - Article VII, Section 3

(SEE ATTACHED PAPER)

The treasurer has prepared and the directors have approved an operating budget for the calendar year of 1990. A copy of the budget is enclosed with this letter.

If you cannot be present at the annual meeting, a proxy form is enclosed in which you may execute a proxy in favor of a Class "A" member who will be present. Please mail the executed proxy to the Secretary, P. O. Box 61, Girard, IL. 62640. Proxies may also be turned in at the annual meeting. In accordance to the By Laws, a member can vote only one (1) proxy in addition to the member's own vote.

Registration for the meeting will start at 6:30 p.m., the meeting will start promptly at 7:30 p.m. Hope to see you there.

Sincerely,

Glenda M. Sutton
Glenda M. Sutton
Secretary

Enclosures: Proxy Form, Proposed Budget for 1990
Comparison Report, Cash Position
Membership List, Notice

Sunset Lake Association

P.O. BOX 61 • GIRARD, ILLINOIS 62640 • PHONE: [217] 627-3232

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Comparison Report, Cash Position
Membership List, Notice

Sunset Lake Association

P.O. BOX 61 • GIRARD, ILLINOIS 62640 • PHONE: [217] 627-3232

NOTICE OF ANNUAL MEETING SEPTEMBER 2, 1988

The annual meeting for members of Sunset Lake Association will be held at the St. Patrick's Church (Meeting Hall), West Center and Eighth Street, Girard, Illinois on Friday, September 2, 1988 at 7:30 P.M. to receive reports from officers and committee chairmen, to elect three (3) directors at large from the Class "A" Membership, to adopt an operating budget for the calendar year 1989 and to transact any other business that may properly be presented at this meeting.

Three (3) directors will be elected for terms of three (3) years each. Nominations will be made from the floor.

The following By Laws Addendums, Changes and Additions are to voted on:

- Change - Article II, Section 3 (Annual Meeting).
- Addition - Article VI, Section 2 (Property Ownership).
- Addition - Article VI, Section 3 (Sale of lots not directly on Sunset Lake) (a).

(SEE ATTACHED PAPER)

The treasurer has prepared and the directors have approved an operating budget for the calendar year of 1989. A copy of the budget is enclosed with this letter.

If you cannot be present at the annual meeting, a proxy form is enclosed in which you may execute a proxy in favor of a Class "A" member who will be present. Please mail the executed proxy to the Secretary, P. O. Box 61, Girard, IL. 62640. Proxies may also be turned in at the annual meeting. In accordance to the By Laws, a member can vote only one (1) proxy in addition to the member's own vote.

Registration for the meeting will start at 6:30 P.M. on September 2, 1988. The meeting will start promptly at 7:30 P.M.

Glenda M. Sutton
Glenda M. Sutton
Secretary

Enclosures:

Proxy Form and Proposed Budget for 1989
Comparison Report and Cash Position