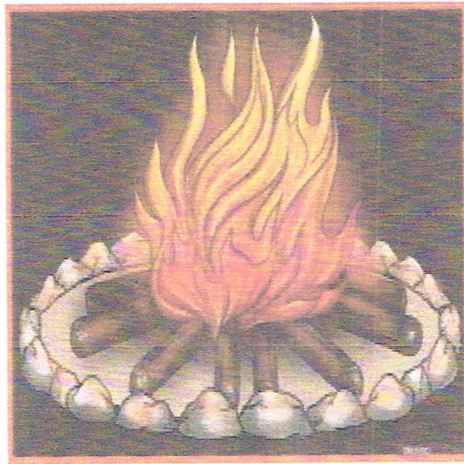




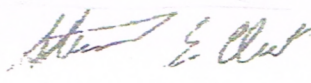
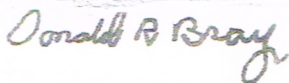
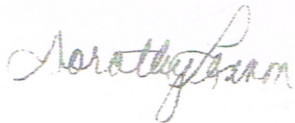
GLENWOOD RESORT OWNERS' ASSOCIATION

Collection Rules & Regulations

Owner: This is the Groa Board Approved Collection Rules & Regulations, and Assessment/Late Charge Rule that shall be effective May 1, 2013.

These rules were approved and sent to all owners so you have a copy for your own use.

Sincerely,
The Groa Board





GLENWOOD RESORT OWNERS' ASSOCIATION

Collection Rules and Regulations

1. Owners are required to pay their annual RV Site assessments ("Dues") by April 1 every year, ("Due Date") pursuant to Article VII "Duties of Members", Section 1 of the Glenwood Resort Owners' Association ("Association") Bylaws recorded as document R2006-17552 ("Bylaws"). The Bylaws are subject to Declaration of Covenants and Restrictions recorded as document 87-09760 ("Declaration"). In addition, from time to time, the Association may, from time to time, adopt one or more special assessments. Any such special assessment shall be assessed and due on a timetable set by the Board of Directors of the Association (the "Board"), usually at the time of adoption of the special assessment. Finally, any individual RV Site may have other charges assessed to it from time to time, such as Late Charges (defined elsewhere in the Rules), fines, interest, attorneys' fees and court costs, and other charges as permitted or imposed under the Declaration, Bylaws and/or the Association's Rules (together, the Charges").
2. Attached to this Rule as Exhibit "1" is/are one or more provision(s) from the U.S. Internal Revenue Code (and/or the Regulations thereunder) defining what constitutes a "hardship" for purposes of the IRS. The Association hereby adopts the IRS' definition of hardship, as it may be amended from time to time. In the event an Owner makes application to the Board to claim a hardship, the Board shall consider a hardship payment plan ("Payment Plan") to assist a qualifying Owner. Exhibit "A" attached to this Rule is a letter that outlines the steps an Owner needs to take to request a GROA Payment Plan. Exhibit "B" attached to this is a template form the Board intends to use to document approved Payment Plan terms for an Owner. However, the Association may require such other terms and conditions for any specific Payment Plan as the Board, in its sole discretion, may deem necessary. A Payment Plan should not exceed a duration of 4 (four) months. No Payment Plan with a term exceeding nine (9) months will be accepted by the Association.
3. If an Owner fails to pay all or any part of the Owner's RV Site's Dues by the Due Date, and/or fails to pay when due any special assessment or any Charges assessed against the owner's RV Site, the Association may cause a notice of nonpayment to be sent to an Owner. However, the failure to send such notice shall not prohibit or in any way limit the Association's rights to collect any monies due and owing to it.
4. At such time as an Owner is more than sixty days delinquent in the payment of the Owner's RV Site's Dues, special assessments and/or Charges,, the Board (or subject to Board approval, its Collection Committee) *may* direct that the delinquent Owner be sent to an attorney of the Association for collection proceedings against the said Owner and the Owner's RV Site. The Board (or its said Committee) may choose direct the attorney as to what manner of collection proceedings are to be undertaken with regard to the Owner and the Owner's RV Site. However, the preferred method of collection shall be under 735 ILCS 5/9-101 et seq., as amended, the "Forcible Law", in support of the Declaration, Paragraph VI "Assessments", subparagraph D.



GLENWOOD RESORT OWNERS' ASSOCIATION

5. In the event that a foreclosure action is filed against an Owner's Lot and the Association is made or becomes a party to a foreclosure action as a defendant and/or a counterplaintiff, then, whether or not the Association shall file an appearance, a counterclaim or any other pleadings in the case, all attorneys' fees and court costs incurred by the Association in the said foreclosure case shall be assessed back to the Owner against which the action was filed.

6. a. If a Payment Plan is first presented to the Association by an Owner on or after the date the Association has filed an action to collect the Dues, special assessments and/or other Charges due to it, whether by complaint, counterclaim or otherwise: Any such Payment Plan presented to the Board may only be accepted by the unanimous vote of the entire Board. Any Payment Plan first presented to the Association prior to such date need only be accepted by the vote of a majority of the entire Board. The Association may require such other terms and conditions for any specific Payment Plan as the Board, in its sole discretion, may deem necessary.

b. During the term of any Payment Plan, all Late Charges (as defined elsewhere in the Rules) will continue to accrue and must be paid to the Association. In the event an Owner makes full and timely payment under the Payment Plan and the Owner is brought fully current and in good standing with the Association (including the payment of all Late Charges), the Owner may, within 15 days of said final payment, make a written request of the Association to credit the Owner back with some or all of the Late Charges which came due on the RV Site from the initial date of the RV Site's arrearage to the Association (which arrearage was paid under the Payment Plan). The Association, by its Board, may grant such request, in whole or in part. Provided that if the Payment Plan was not presented to the Association until on or after the date the Association filed an action to collect the Dues, special assessments and/or other charges due to it, whether by complaint, counterclaim or otherwise, or the Payment Plan took longer than 4 months to complete, the Board shall **neither** waive nor credit back to the RV Site's account an amount equal to 3 months of Late Charges, except by unanimous vote of the Board.

c. Pursuant to Bylaws, Articles II, Section 5, during the pendency of a Payment Plan the Owner's right to vote on any Association matter (including for directors of the Association) shall be suspended, but if the Owner attends any Unit Owners' meeting during that period, either in person or by proxy, the Owner's presence shall be counted towards quorum.

7. All capitalized terms not defined herein shall have the same meaning as in the Declaration or Bylaws, or other Rules.



GLENWOOD RESORT OWNERS' ASSOCIATION

**EXHIBIT "A" ATTACHED TO AND MADE PART OF
THE COLLECTION RULES**

Dear Member,

In order to assist you in bringing yourself current with the Association in the payment of your now-pending arrearage of RV Site Assessments ("Dues"), special assessments, and/or other Charges, you are requested to take the following steps:

1. Send a letter to the Board explaining your hardship and why a payment plan is needed. Remember that the Rules require that your "hardship" qualify as such under the Internal Revenue Code and/or the Regulations of the IRS. A copy of those provisions is included in your Rules.
2. Send a proposal spelling out how you intend to pay the arrearage and when you could commence payments. The Board will, upon request, provide you with the exact amount of the arrearage as of a date certain for your use in determining the plan you wish to offer.
3. Mention if you will be selling your property and your asking price. With your permission, we will post a for sale sign publicly on the GROA Bulletin Board.
4. Allow the GROA Board time to review your request. The GROA Board shall advise if your payment plan proposal is acceptable or provide an alternate proposal. If the GROA Board accepts your payment plan proposal, you will be asked to sign a Payment Plan. The Association's general form of a Payment Plan is attached to the Association's Rules.

All information you provide the GROA Board shall be kept in confidence. In the event of any conflict between this letter and the terms of the GROA Rules, the GROA rules shall control.

We are sorry to learn you may be experiencing financial problems. It is a difficult time in our Country and within our Park. We will try to work with you during this difficult time but the Board must do so in a manner consistent with its obligations to the Association and the other Owners.

Sincerely,

GROA

By: _____
Its

MEMBER: _____
LOT: _____



GLENWOOD RESORT OWNERS' ASSOCIATION

**EXHIBIT "B" ATTACHED TO AND MADE PART OF
THE COLLECTION RULES**

Glenwood Resort Owners' Association Payment Plan

In consideration of the Glenwood Resort Owners' Association ("GROA") not promptly proceeding to legal action to collect monies due and owing to it and/or recording a lien on the RV Site (as defined below), and/or agreeing to halt any pending collection action by GROA, the undersigned agree(s) as follows:

1. The undersigned is/are the Owners of RV Site _____ (the "Site") at GROA.
2. As of this date, the undersigned owe(s) GROA \$ _____ (the "Current Arrearage") with regard to assessments and other charges for the Site. The Current Arrearage is comprised of:
 - a. Assessments for the year 201__ of \$ _____, which came due _____, 201__.
 - b. _____
 - c. _____
3. The undersigned have offered the following payment plan as a way to pay off the Current Arrearage and any all other monies due to GROA under this plan, or in fulfillment of its terms and conditions (the "Total Arrearage"):
 - a. An initial payment of \$ _____ on or before _____, 201__ , to be applied against the Total Arrearage; and
 - b. Payment of \$ _____/month, commencing _____, 201__ , to be applied against the Total Arrearage. Said payments shall be made on or before the _____ day of each month. Said payments shall continue until the total Arrearage been paid in full and the Site is current with GROA;
and



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- c. GROA may require any one or more or all of the payments to be made by cashier's check or money order, but all payments shall be made payable to GROA and delivered to GROA's business office at _____.

If GROA accepts this plan, the following terms and conditions will apply to the plan:

A. During the period in which this plan is in effect and at all times thereafter, the monthly Late Charge imposed by GROA from time to time during the existence of this Plan shall continue to accrue. That charge will be assessed on the last day of each month (or such other date as GROA shall hereafter impose) in which monies are due and owing to GROA (over any minimum amount set forth in the Rules), relating back to the first month in which any of the monies specified under Paragraph 2a, above came due.

B. In the event any required payment is not in the hands of GROA on or before the date specified, GROA shall have no further obligation to accept any payment from you that is less than full and complete payment of all monies due to GROA as of the date of payment, and GROA shall be free to take or recommence any and all legal actions available to it to collect all monies then due and owing to it with regard to the Site. The acceptance by GROA of any payment from you after the date such payment is due shall not prohibit or in any way prevent GROA from taking any legal actions to obtain collection of all monies then due to it with regard to the Site. Time is of the essence of your proposed plan.

C. In the event you fail to make payment in full and on time under the proposed plan (or if any payment should bounce), GROA shall deem you in default under the proposed plan. In that event, GROA will make a bona fide attempt to give you notice of your default. That notice will be deemed given when delivered to you personally, or upon deposit in the U.S. Mail, postage prepaid, addressed to you your address as shown in this letter. The failure to give that notice or your failure to receive that notice shall not prohibit, or in any way prevent, GROA from enforcing this agreement.

D. All payments made with regard to the Total Arrearage will be applied to the Total Arrearage in accordance with GROA's rules, if any.

E. Provided you adhere to the terms of this plan, at such time as the Total Arrearage has been paid in full and the Site's account brought fully current, the Board of GROA is willing to consider a request from you (if made to the Board in writing within 15 days after the final payment under your plan) to credit back the Site's account with the amount of the all Late Charges charged under this plan, except for such Late Charges not approved by vote of the Board (as specified in the Rules) to be so credited. However, the Board is not obligated to grant such a request or any part of it, and the Board specifically reserves its right to reject such request in full or in part.

F. Pursuant to Bylaws, Articles II, Section 5, during the pendency of this Payment Plan your right to vote on any Association matter (including for directors of the Association) shall be suspended, but



GLENWOOD RESORT OWNERS' ASSOCIATION

if you attend any Unit Owners' meeting during that period, either in person or by proxy, your presence shall be counted towards quorum.

GROA shall not be deemed to have agreed to your proposed payment plan unless and until it has received your initial payment, if any, under your plan and it has executed and delivered to you a copy of this letter, signed by you and also signed by GROA, by an officer.

Owner(s)

Glenwood Resort Owners' Association

By: _____
Its

Dated: _____

Dated: _____

**EXHIBIT “1” attached to and made part of
GROA Collection Rules and Regulations**

IRS “Hardship” Definition

2. What is the IRS definition of hardship for a 401(k) plan?

For a distribution from a 401(k) plan to be on account of hardship, it must be made on account of an immediate and heavy financial need of the employee and the amount must be necessary to satisfy the financial need. The need of the employee includes the need of the employee's spouse or dependent. (Reg. §1.401(k)-1(d)(3)(i))

Under the provisions of the Pension Protection Act of 2006, the need of the employee also may include the need of the employee's non-spouse, non-dependent beneficiary.

Whether a need is immediate and heavy depends on the facts and circumstances. Certain expenses are deemed to be immediate and heavy, including: (1) certain medical expenses; (2) costs relating to the purchase of a principal residence; (3) tuition and related educational fees and expenses; (4) payments necessary to prevent eviction from, or foreclosure on, a principal residence; (5) burial or funeral expenses; and (6) certain expenses for the repair of damage to the employee's principal residence. Expenses for the purchase of a boat or television would generally not qualify for a hardship distribution. A financial need may be immediate and heavy even if it was reasonably foreseeable or voluntarily incurred by the employee. (Reg. §1.401(k)-1(d)(3)(iii))

A distribution is not considered necessary to satisfy an immediate and heavy financial need of an employee if the employee has other resources available to meet the need, including assets of the employee's spouse and minor children. Whether other resources are available is determined based on facts and circumstances. Thus, for example, a vacation home owned by the employee and the employee's spouse generally is considered a resource of the employee, while property held for the employee's child under an irrevocable trust or under the Uniform Gifts to Minors Act is not considered a resource of the employee. (Reg. §1.401(k)-1(d)(3)(iv)(B))

A distribution is deemed necessary to satisfy an immediate and heavy financial need of an employee if: (1) the employee has obtained all other currently available distributions and loans under the plan and all other plans maintained by the employer; and (2) the employee is prohibited, under the terms of the plan or an otherwise legally enforceable agreement, from making elective contributions and employee contributions to the plan and all other plans maintained by the employer for at least 6 months after receipt of the hardship distribution. (Reg. §1.401(k)-1(d)(3)(iv)(E))

A hardship distribution may not exceed the amount of the employee's need. However, the amount required to satisfy the financial need may include amounts necessary to pay any taxes or penalties that may result from the distribution. (Reg. §1.401(k)-1(d)(3)(iv)(A))



GLENWOOD RESORT OWNERS ASSOCIATION

Assessments/Late Charges Rule

Rule No.

- a. Each annual RV Site assessment (the "Dues") is due and owing to the Association in annual installments on the 1st day of April of each year, and is deemed late if unpaid after the last day of each month thereafter (the "Late Date"). The Association may, from time to time, adopt one or more special assessments. Any such special assessment shall be assessed and due on a timetable set by the Board, usually at the time of adoption of the special assessment. Finally, any individual RV Site may have other Charges (defined below) assessed to it from time to time. The Late Date for said special assessments shall be deemed to be the last day of the each month after the assessment by the Board of the special assessment.
- b. Each payment from the RV Site Owner to the Association of all other monies due and owing with regard to his/her RV Site and/or separate contractual obligation to the Association (whether for one-time charges or for regular recurring charges), including, if any, fines, Late Charges (as defined below), interest, user charges, attorneys' fees, court costs, and all other charges permitted or imposed under the Declaration, Bylaws and/or any of the Association's Rules (together, for purposes of these Rules, the "Charges") to the account of an RV Site, is due on the 1st day of the month in which it is deemed assessed, and is deemed late if unpaid in full after the last day of any given month thereafter. If not otherwise specified, each such Charge is deemed assessed as of the date it is added to the RV Site's ledger.
- c. It is the obligation of each RV Site Owner to make payment to the Association of the Dues, special assessment and Charges in full and in a timely manner, regardless of whether or not the RV Site Owner has received a billing statement for the month. If a RV Site Owner expects to be unavailable when the Dues, any special assessment or other Charge comes due, it is the responsibility of the RV Site Owner to make arrangements to pay the Dues, special assessment or other Charge in advance. Failure to receive an invoice or other similar item is not a defense to failure to make timely payment. If a RV Site Owner is uncertain as to what is owed or when it is due, it is the RV Site Owner's responsibility to contact the Board or other appropriate person and find out.
- d. 1. The fact that an amount is paid to the Association which is equal to the amount of the Dues, special assessment, or some specific Charge does not mean that the payment will be so credited, even if the check or other form of payment contains such a notation. Such notations will be ignored by the Association, and are not binding on the Association for any purpose. Nor is the Association bound by any payment notation of "In Full Payment" or "In Full Settlement" or any similar notation on any payment.



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2. In accounting for payments made to the Association, monies paid to the Association shall be credited to the RV Site's account to pay unpaid balances in the following order, starting with the oldest ledger item of the particular type: Attorneys' fees and court costs, other miscellaneous Charges (including but not limited to any other item assessed to the RV Site, whether named in this Rule or not), fines, interest, Late Charges (oldest month first), special assessment installments (oldest month first), Dues (oldest year first).

e. If any monies due and owing to the Association above the amount of \$15.00 remain unpaid after the Late Date, a late charge of \$25.00 (the "Late Charge") will be assessed to the RV Site for that month. A Late Charge shall be assessed in each and every month thereafter until such time as the RV Site is fully current, on a date prior to the Late Date for that month, in its accounts with the Association. No more than one Late Charge may be assessed against a RV Site in any given month.

f. The Board may, by resolution, for circumstances deemed sufficient to it, in its sole discretion, waive all or any portion of Late Charges due with regard to a RV Site.

g. The Late Date and/or the amount of the Late Charge may be changed by resolution of the Board, effective as of the month after the date of passage of such resolution. These Rules shall be noted with the date of any such change and the change itself, but the failure to so note these Rules shall not affect the validity or enforceability of the Board's action.
