

# DECLARATION OF BUILDING AND USE RESTRICTIONS IN FLAGGLAND PARKS

Prepared By:

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## DECLARATION OF BUILDING AND USE RESTRICTIONS IN FLAGGLAND PARKS

KNOW ALL MEN BY THESE PRESENTS that THE OWNERS, ACTING BY AND THROUGH FLAGGLAND PARKS HOMEOWNERS' ASSOCIATION, an Illinois not for profit corporation, being the majority of the owners of all of the lots in Flagglan d Parks to the Village of Sherman, Illinois, as platted by the plat recorded in the Recorder's Office of Sangamon County, Illinois, in Book 22 of Plats at page 46, in consideration of the purchase or other acquisition of any lot, lots, or parts thereof, in said Flagglan d Parks, and as an inducement of the building sites, to protect the owners of building sites therein against the erection therein of poorly designed or constructed buildings, to make the best use of and to preserve the natural beauty, to locate the buildings therein with a proper regard to the topographical features, does hereby, for itself, its successors and assigns, covenant and agree with each and every purchaser or grantee of any lot, lots, or parts thereof, in said Flagglan d Parks, that the following restrictions as to building and use shall be covenants running with the land in said Flagglan d Parks.

1. No building shall be erected, altered, placed, or permitted to remain on any building site other than one detached single-family dwelling, not to exceed two stories in height and a private garage for not more than three cars.
2. No building shall be erected, placed or altered on any building site until the construction plans and specifications and a plot plan showing the location of the structure and of the driveway have been approved by the Association Board, as to quality of workmanship and materials, harmony of external design with existing structures and as to location with respect to topography and finished grade elevation and building lines. No fence or wall shall be erected, placed or altered on any building site nearer to any street than the minimum building setback line unless similarly approved. All dwelling structures shall meet the following requirements: The ground floor area of the main structure, excluding cellars, basements, open porches, breeze-ways and garages, shall be not less than 1150 square feet, measured from the outside of exterior walls, for a one-story dwelling, and every dwelling of more than one story shall have a total floor area, measured from the outside of the exterior walls, of not less than 1300 square feet, including utility room, but excluding cellars, basements, open porches, breeze-ways and garages. In the event the Association Board, or its designated representative, fails to approve or disapprove such design and location within thirty (30) days after said plans and specifications and plot plans have been submitted to it or, in any event, if no suit to enjoin the erection of such building or the making of such alterations has been commenced within thirty (30) days after construction is commenced or prior to the completion thereof (whichever period is the longer), such approval will not be required and this covenant will be deemed to have been complied with (but this sentence shall not be construed to apply to violation of Paragraph 11. following). Neither the members of the Association Board nor its designated representative shall be entitled to any compensation for services performed pursuant to this covenant. All construction work must be diligently pursued to completion within a reasonable time as determined by the Association Board.
3. There shall not be erected, placed, or suffered to remain any dwelling or other building on any building site having an area of less than the area of the smallest lot in said Flaggland Park.

#### 4. PERMITTING RESTRICTIONS

The Village of Sherman requires building permits for storage buildings (sheds) and fences, among other projects (see Village for details). Those building permits must be signed off by the HOA President before the Village will issue the permit.

It is the homeowner's responsibility to verify property lines between the homeowner's and his neighbor's property, as well as the homeowner's property and Association's Common Grounds.

The following are the requirements that must be followed for HOA approval (the stricter of the Village or HOA requirements must be adhered to):

4a. STORAGE BUILDINGS:

1. Utility or Storage buildings will be permitted as long as they are complementary with the dwelling and the construction and placement are approved by the Association Board.
2. The utility or storage building must be maintained by the homeowners in order to remain.
3. No metal buildings shall be permitted.
4. The location of the storage building shall be within the property boundary of the residence. It shall not be located upon common ground.
5. The size of the storage building shall NOT exceed 12 feet x 14 feet by 10 feet. (12' X 14' X 10' tall).
6. No high intensity bulbs, for example, mercury vapor or nickel metal halide lights, may be attached to any storage building or house within the subdivision.
7. Only one storage building is allowed on each property unless prior authorization from the HOA President or Board has been received.

4b. FENCES:

1. No wooden fence shall be higher than 6 feet. No chain link or wrought iron fence shall be higher than 48".
2. No fence shall extend beyond the front of the house. No fence shall be erected upon the Association's Common Grounds. It must be placed on the homeowner's property.

4c. TREES:

1. When removing, or having a tree removed from your property, you MUST also have the stump removed at the same time. All debris and stump removal must be done at the time of the removal of the tree(s). Trimming debris must be removed also.
2. Branches and tree trimming activities (not contractor or tree service work) may be placed in the yard near the street for pick-up by the Village Public Works Department during the months of April through October. Further details are available on the Village website or by calling the Village administrator.

If any questions arise while any of the above projects are underway, please contact any FPHA Board member. NO BUILDING PERMIT WILL BE SIGNED BY THE ASSOCIATION BOARD CHAIR UNLESS ALL DUES AND/OR LATE FEES ARE PAID.

5. Boats and Campers will be allowed in the Flagglan Park area from April 1 to November 15 but must remain off the street and in an area that will not be a safety hazard to vehicle or pedestrian traffic.
6. No animals or poultry of any kind other than house pets shall be kept or maintained on any part of said Flagglan Parks. Leash laws governed by the Village should be followed accordingly.

## 7. BUILDING SITE RESTRICTIONS

- A. No structure shall be erected to be used for human occupancy without the proper sewer (at the owner's expense) in accordance with the provisions of Chapter 4 of the Village of Sherman Ordinances, as may be amended from time to time, within ninety (90) days after official notice to do so.
- B. Any structure having a floor area below grade shall have footing drains and a sump pump that discharges in the rear yard. Homes already constructed and previously given permission to discharge in the front yard by the Village of Sherman are exempted from this covenant.
- C. There shall be a side yard of at least 15 feet on both sides of any structure erected on any building site.
- D. Easements for installation and maintenance of utilities and drainage facilities are reserved as shown on the recorded Plat of Flagglan Parks.
- E. All electric, telephone and cable TV service lines and wires in said Flagglan Parks Addition and any building site therein shall be installed underground, except that, during the construction of any building therein, temporary above ground electric service to the building site on which such construction is taking place will be allowed.
- F. No structure of a temporary character, trailer, camper, basement, tent, garage, barn or other outbuilding or partially completed permanent structure shall be used on any building site at any time as a residence, either temporarily or permanently.
- G. No noxious or offensive activities shall be carried on upon any building site, nor shall anything to be done thereon which may be or may become an annoyance or nuisance to the neighborhood.
- H. No sign of any kind shall be displayed to the public view on any building site except one (1) professional sign of not more than 1 square foot, one (1) sign of not more than 5 square feet advertising the property for sale or rent or

signs used by a builder to advertise the property during the construction and sales period.

- I. No building site shall be used or maintained as a dumping ground for rubbish. Trash, garbage or other waste shall not be kept except in sanitary containers. All incinerators or other equipment for the storage or disposal of such material shall be kept in a clean and sanitary condition.
  - J. "Building site", as used in this instrument, means all or any part of any single tract of land, all of which is owned by the same person or persons.
  - K. The ownership of a building site shall carry with it a membership in Flagglan Park Homeowners' Association, an Illinois not for profit corporation, governed by its By-Laws (Attached as Addendum A), the purposes of which are to conduct civic, recreational, charitable, social, and educational activities, and, in general, to do and perform such educational acts as will promote the general welfare of the residents of and the improvement of the community known as Flagglan Park. Fees and dues of Flagglan Park Homeowners' Association are payable to its Treasurer. Nothing with respect to or done by said Flagglan Park Homeowners' Association shall be deemed to create any lien upon or interest in any building site in Flagglan Park, with the exception of the non-payment of Association Dues.
- 8. These covenants are to run with the land and shall be binding on all parties and all persons claiming under them until November 1<sup>st</sup>, 2032, after which time said covenants shall be automatically extended for successive periods of 10 years unless an instrument in writing, executed by the then record owners of Flagglan Park, in accordance with its By-Laws (Attached as Addendum A) both of which shall have been recorded in the office of the Recorder of Deeds in said County agreeing to change or revoke said covenants in whole or in part.
  - 9. Enforcement shall be by proceedings at law or in equity against any person or persons violating or attempting to violate any covenant either to restrain violation or to recover damages.
  - 10. Invalidation of any one of these covenants by judgment or court order shall not affect any of the other provisions which shall remain in full force and effect.
  - 11. The right to enforce these provisions by injunction, together with the right to cause the removal by due process of law of any structure or part thereof erected or maintained in violation hereof, is hereby dedicated to the public and reserved to the several owners of the several lots in said Flagglan Park, and to their heirs and assigns.

12. The FlagglanD Parks Homeowners' Association shall indemnify and hold harmless each person who is now, or shall hereafter serve as an Officer, Director, employee, or agent of the FlagglanD Parks Homeowners' Association from and against any and all claims and liabilities, whether the same are settled or processed to judgement, to which such person has become subject by reason of his or her having heretofore or hereafter been an Officer, Director, employee, or agent of The FlagglanD Parks Homeowners' Association, or by reason of any action alleged to have been heretofore or hereafter taken or omitted by him or her as such Officer, Director, employee, or agent and shall remain reimburse each such person for all legal and other expenses (including the cost of settlement) reasonably incurred by him or her in connection with any such claim, liability, suit action, or proceedings; provided, however, that no such person shall be indemnified against, or be reimbursed for, any claims, liabilities, costs, or expenses incurred in connection with any claim or liability or threat or prospect thereof, based upon or arising out of his or her own negligence or willful mis performance of his or her duties as such Officer, Director, employee, or agent. The determination of all questions as to the existence of negligence or willful misconduct, as to the right to indemnification and reimbursement hereunder and the reasonableness of such costs and expenses may be made, and shall be final and conclusive if made, by the FlagglanD Parks Homeowners' Association to indemnify or reimburse such person in any case even though not specifically provided for herein.

**IN WITNESS WHEREOF**, FlagglanD Parks Homeowners' Association, an Illinois not for profit corporation, as representative of a majority of owners of FlagglanD Parks, have executed this document this \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

FLAGGLAND PARKS HOMEOWNERS' ASSOCIATION

By: \_\_\_\_\_  
President

Attest: \_\_\_\_\_  
Secretary

STATE OF ILLINOIS  
ss.  
COUNTY OF SANGAMON

I, \_\_\_\_\_, a Notary Public in  
and for said County in the State aforesaid, do hereby certify that  
\_\_\_\_\_ and \_\_\_\_\_, personally known to me  
as the President and Secretary, respectively of the Flaggland Parks  
Homeowners' Association, an Illinois not for profit corporation,  
appeared before me this day in person and severally acknowledged  
that as such President and as such Secretary of said Illinois not  
for profit corporation, they signed said instrument, pursuant to  
authority granted by the majority of owners of said Illinois not  
for profit corporation, as their free and voluntary act and as the  
free and voluntary act of said Flaggland Parks Homeowners'  
Association, for the uses and purposes therein set forth.

Given under my hand and Notarial seal this \_\_\_\_\_ day of  
\_\_\_\_\_, \_\_\_\_\_.



## ADDENDUM A

BY-LAWS-Adopted March 15, 2023  
FLAGGLAND PARKS HOMEOWNERS' ASSOCIATION

Flaggland Parks, a subdivision located in part of the Southwest  $\frac{1}{4}$  of Section 25, Township 17 North, Range 5 West of the Third Principal Meridian, Sangamon County, Illinois, and such other subdivisions as may be laid out and platted in Said  $\frac{1}{4}$  Section by the proprietor of Flaggland Parks.

The corporation also has such powers as are now or may hereafter be granted by the General Not For Profit Corporation Act of the State of Illinois.

Flaggland Parks Homeowners' Association  
P.O. Box 61  
Sherman, IL 62684

## ARTICLE I

### **Purposes**

The purposes of the corporation as stated, in its certificate of incorporation, are to conduct civic, recreational, charitable, social, and educational activities, and, in general, to do and perform such acts as will promote the general welfare of the residents of and the improvement of the community known as Flagglan Parks, a subdivision located in part of the Southwest ¼ of Section 25, Township 17 North, Range 5 West of the Third Principal Meridian, Sangamon County, Illinois, and such other subdivisions as may be laid out and platted in said ¼ Section by the proprietor of said Flagglan Parks.

The corporation also has such powers as are now or may hereafter be granted by the General Not For Profit Corporation Act of the State of Illinois.

## ARTICLE II

### **Offices**

The corporation shall have and continuously maintain in Sherman, Illinois a registered office and a registered agent whose office is identical with such registered office. The registered office shall be a location designated by the Board of Directors.

## ARTICLE III

### **Members**

Section 1. Classes of Members. The corporation shall have one class of members who shall be the holders of the legal title to building sites in Flagglan Parks and in such other subdivisions as may be laid out and platted in the aforesaid Southwest ¼ by The Illinois National Bank of Springfield, as Trustee under Trust No. PL-3228.

Section 2. Voting Rights. Each building site in Flagglan Parks and any such other subdivision shall be represented by one vote on any matter submitted to a vote of the members. When the legal title to any building site is owned by more than one person, then the vote for that building site shall be divided among such persons in equal fractions totaling one vote. The votes for any building sites where the legal title to which are in The Illinois National Bank of Springfield, as Trustee under Trust # PL-3228 shall be cast by Williams Development, Inc., and Illinois corporation.

Section 3. Transfer of Membership. Membership in this corporation is not transferable or assignable.

ARTICLE IV  
**Annual Members, Board of Directors, Special Meetings and Voting Methods and Requirements**

Section 1. Annual Meeting. The first annual meeting of the members shall be held at 7:30 o'clock P.M., on May 1, 1972, and thereafter an annual meeting of the members shall be held on the first Sunday of November in each year between the hours of 6:00 PM and 8:00 PM, if a day and time has not been proposed at the preceding annual meeting, for the purpose of electing directors and for the transaction of such other business as may come before the meeting. If the election of directors shall not be held on the day designated herein for any annual meeting, or at any adjournment thereof, the Board of Directors shall cause the elections to be held at a special meeting of the members called as soon thereafter as conveniently may be.

Section 2. Board of Directors Meetings. The Board of Directors shall establish at the Annual meeting of each year, the dates, times, and location(s) of the next year's regularly scheduled meetings and publish such dates in the next newsletter. The number of regular meetings shall be no less than 4 (including the annual meeting).

Section 3. Special Meetings. Special meetings of the members may be called either by the President, the Board of Directors, or not less than two-thirds of the members having voting rights.

Section 4. Place of Meeting. The Board of Directors may designate any place within Sherman, Illinois or within a location sufficiently convenient to the membership, as the place of meeting for any annual meeting or for any special meeting called by the Board of Directors. If no designation is made or if a special meeting be otherwise called, the place of meeting shall be the registered office of the corporation in the State of Illinois, provided, however, that if the Board of Directors shall meet at any time and place, and consent to the holding of a meeting, such meeting shall be valid without call or notice, and at such meeting any corporate action may be taken.

Section 5. Notice of Special Meetings. Written, printed, or electronic notice stating the place, day, and hour of any meeting of members shall be delivered, either physically or digitally, to each member entitled to vote at such meeting, not less than five nor more than forty days before the date of such meeting, by or at the direction of the President, or the Secretary, or the officers or persons calling the meeting. The Agenda shall be posted on the Corporation website, on the Corporation's social media page, or can be obtained by calling a Board member. In the case of a special meeting or when required by statute or by these by-laws, the purpose for which the meeting is called shall be stated in the notice. The notice of a meeting shall be deemed delivered when deposited in the United States mail addressed to the member at his/her address as it appears in the records of the Association, with postage thereon prepaid; when hand delivered the notice of a meeting shall be deemed delivered when the placed at the

homeowners' residence; or when sent electronically, shall be deemed delivered when sent by the President or Secretary of the Board of Directors or other designated Board Member.

Section 6. Quorum. At any regular or special meetings of the Board of Directors, a quorum shall be constituted of a majority of the Board of Directors. If a quorum is not present at any meeting of the Board of Directors, a majority of the members present shall adjourn with meeting without further notice.

Section 7. Voting Methods and Requirements. Any vote by the members on any action, other than the election of Board members and changes in the Covenants, requires at least a majority of those casting ballots. In any vote to change the Covenants, a two-thirds vote by all members casting ballots is required.

Section 7a. Non-In-person Voting. Voting by the Board of Directors when not at an in-person or conference call meeting requires unanimous consent in writing. Facsimile and electronic votes may be taken, but all Board members entitled to vote on the issue under consideration must vote in favor of the action. If any Board members do not vote, or if any oppose the action, it does not pass. In any voting by the members, ballots may be dispersed through any means approved by the Board of Directors.

Section 8. Proxies. At any meeting of members of the Board of Directors, a member or Board member entitled to vote may do so either in person or by proxy executed in writing by the member or Board member or by his duly authorized attorney-in-fact, providing that a letter, signed by the voting member along with the address of the property, is on file with the Board of Directors which designates the individual to whom the proxy is granted. No proxy shall be valid after eleven months from the date of signing. Thereafter, a new proxy must be executed and filed with the Board of Directors or his/her designated proxy must utilize the Official Ballot developed by the Board of Directors.

Section 9. Absentee Ballots. A member shall be entitled to vote on an absentee basis. To vote in this manner, the member shall contact the President or Vice President and request the absentee ballot and must complete and return it in a sealed envelope noted as FPHA Absentee Ballot to either the President or Vice President.

Section 10. Parliamentary Procedures for Board Meetings. The Board of Directors shall conduct their meetings in accordance with the attached "*Simplified Parliamentary Procedure- Based on Robert's Rules of Order.*"

Section 11. Ineligible Voting. Any member who is not current in his/her annual Fees and/or assessments shall not have the right to vote.

ARTICLE V  
**Board of Directors**

Section 1. General Powers. The affairs of the corporation shall be managed by its Board of Directors. Board, Board of Directors, Board Members, Officers, and Directors may be used to describe the Board of Directors.

Section 2. Number, Tenure, and Qualifications. The number of directors shall be four (4). Retroactive to the May 1972 election, two (2) of the directors elected shall serve a one-year term and two (2) of the directors elected shall serve a two-year term. Commencing with the year 1973 and each year thereafter, two (2) new directors shall be elected at the annual meeting of members and shall serve a two-year term. All directors of the corporation shall hold office until their successors shall have been elected and qualified. In the event that a new director is not elected, the existing director shall assume a new two-year term until such time as a replacement may be found. All directors shall be a resident of Illinois and property owner in Flagglad Parks and be current in any required Fees and/or Assessments. Directors shall begin their term on January 1st of the following year or sooner if accepted by the current Board.

Section 3. Regular Meetings. Regular meetings, which include the Annual Meeting, of the Board of Directors shall be held without other notice than by this by-law, immediately after, and at the same place as, the annual meeting of members. All Officers and Directors of the Flagglad Parks Homeowners' Association must attend three quarters (3/4) of regular meetings per year with or without prior notification to the President or Vice-President of intended absences.

Section 4. Replacement of Directors. If for any reason an Officer or Director cannot attend the required number of meetings due to circumstances beyond his or her control, then the President shall nominate and the Board shall appoint a person or persons to fill the position(s) open until such time the elected officer or director can return and the Board shall approve by a majority present at a special or regular meeting. Legitimate reasons include military services, family emergencies, and short-term illness.

Section 5. Manner of Acting. The act of a majority of the directors present at a meeting at which a quorum is present shall be the act of the Board of Directors, except where otherwise provided by law or by these by-laws.

Section 6. Permanent Vacancies. Any permanent vacancy occurring in the Board of Directors or any directorship to be filled by reason of an increase in the number of directors shall be filled by vote of the Board of Directors through the nomination by the President who shall nominate a person or persons to fill the position(s). A director elected to fill a vacancy shall serve for the unexpired term of his/her predecessor in office.

Section 7. Compensation to Directors and Officers. Directors and Officers shall not receive any stated salaries for their services. ~~however, they are not charged for regular fees~~

~~upon taking office on the Flagglad Parks Homeowners' Association Board. Fees shall be prorated to the date any Officer or Director should leave office before the Restoration/Maintenance fund will be collected from each Officer and Director. By the annual meeting of 2004, the Board of Directors shall establish a cap on the compensation they may receive, along with any rules regarding this requirement.~~

Section 8. Enforcement and revisions of the Subdivision Covenants. The Board shall be responsible for the enforcement of the Subdivision Covenants. The Board shall not have any authority to take action or enforce any local, state, or federal laws, rules and regulations. When such issues occur within the Subdivision when discovered directly by the Board, the Board shall make the appropriate referral(s) to the entity responsible for the governmental enforcement of the law, rule and regulations, the Board shall advise the homeowner(s) to make a direct report to the entity responsible for the governmental enforcement of the law, rule and regulation. The Board shall not make complaints upon behalf of homeowners without a majority vote by the Board.

## ARTICLE VI

### **Officers**

Section 1. Officers. The officers of the corporation shall be a President, Vice President, Treasurer, Secretary, and Grounds and Property Director as described in the proceeding sections.

Section 2. Election and Term of Office. The Board Members of the corporation shall be elected annually by the members at the regular annual meeting. The Board Members elected shall serve a two-year term. The Board of Directors shall send to the membership an official "Call for Nominations" within a reasonable time frame prior to the annual elections by any accepted form of media of the present day. Election of the officers shall be staggered, with the President, Secretary, and Grounds and Property Director being elected one year and the Vice President and Treasurer, being elected the succeeding year. Directors/Officers shall begin their term on January 1st of the following year.

Section 3. Removal. Any officer or agent elected or appointed by the members or Board of Directors may be removed by the vote of a majority of the members whenever, in their judgement, the best interests of the corporation would be served thereby but such removal shall be judged without prejudice to the contract rights, if any, of the person so removed.

Section 4. Vacancies. A vacancy in any office because of death, resignation, removal, disqualification or otherwise, may be filled by the Board of Directors for the unexpired portion of the term.

Section 5. President. The President shall be the principal executive officer of the corporation and shall in general supervise and control all of the business and affairs of the corporation. He shall preside at all meetings of the members and of the Board of Directors. He

may sign, with the Secretary or any other proper officer of the corporation authorized by the Board of Directors, any deeds, mortgages, bonds, contracts, or other instruments which the Board of Directors have authorized to be executed, except in cases where the signing and execution thereof shall be expressly to some other officer or agent of the corporation and in general shall perform all duties as may be prescribed by the Board of Directors from time to time.

Section 6. Vice President. In the absence of the President or in the event of his inability or refusal to act, the Vice President) shall perform the duties of the President, and when so acting, shall have all the powers of and be subject to all the restrictions upon the President. Any Vice President shall perform such other duties as, from time to time, may be assigned by the President or by the Board of Directors. The Vice President shall also assume the position of Ponds Director.

Section 7. Treasurer. The Treasurer shall have charge and custody of and be responsible for all funds and securities of the corporation; receive and give receipts for moneys due and payable to the corporation from any source whatsoever, and deposit all such moneys in the name of the corporation in such banks, trust companies, or other depositories as shall be selected in accordance with the provision of Article VIII of these By-Laws; and, in general perform all the duties incident to the office of Treasurer and such other duties as, from time to time, may be assigned by the President or Board of Directors.

Section 8. Secretary. The Secretary shall keep the minutes of the meetings of the members and of the Board of Directors in one or more books provided for that purpose; see that all notices are duly given in accordance with the provisions of these by-laws or as required by law; be custodian of the corporate records and of the seal of the corporation and see that the seal of the corporation is affixed to all documents, the execution of which on behalf of the corporation under its seal is duly authorized in accordance with the provisions of these by-laws; keep a register of the post office address of each member which shall be furnished to the Secretary by such member; and in general perform all duties incident to the office of Secretary and such other duties as, from time to time, may be assigned by the President of Board of Directors.

Section 9. Grounds and Property Director. The Grounds and Properties Director is responsible for evaluating the conditions of the structural items within the Common Grounds, and vegetative portions of the Flagglan Parks Common Grounds and making recommendations to the Board of Directors on improvements and maintenance needs, and taking any actions when necessary which are within the current budget.

Section 10. Other Officer Duties. The Board of Directors shall determine the duties and responsibilities of duly elected Officers.

ARTICLE VIII  
**Contracts, Checks, Deposits and Funds**

Section 1.       Contracts. The Board of Directors may authorize any officer or officers, agent or agents or the corporation, in addition to the officers so authorized by these by-laws, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the corporation and such authority may be general or confined to specific instances.

Section 2.       Checks, Drafts, Etc. All checks, drafts, or other orders for the payment of money, notes, or other evidences of indebtedness issued in the name of the corporation, shall be signed by such officer or officers, agent or agents of the corporation and in such manner as shall, from time to time, be determined by resolution of the Board of Directors. In the absence of such determination by the Board of Directors, such instruments shall be signed by the Treasurer and countersigned by the President or a Vice President of the corporation.

Section 3.       Deposits. All funds of the corporation shall be deposited, from time to time, to the credit of the corporation in such banks, trust companies, or other depositories as the Board of Directors may select.

Section 4.       Gifts. The Board of Directors may accept on behalf of the corporation any contribution, gift, bequest, or devise for the general purposes or for any special purpose of the corporation. No Officer shall accept any personal gift or gratuity given because of his/her affiliation as an Officer or director of the Corporation.

Section 5.       Pond Restoration Fund. The Board shall establish a separate Pond Restoration Fund (Fund) for the deposit of all Pond Assessment fees. All collected funds in excess of any annual loan payments shall remain within the Fund for future pond restoration use. Any transfer from the Fund shall require a majority vote from the homeowners who vote on the question.

Section 6.       Financial Reserve. The Board shall vote by December of each year on the amount of Assessment funds to be held in Reserve for the following year. Expenditures out of this fund shall require a three fourths majority vote of the Board. Nothing shall prohibit the Board from periodically eliminating the Reserve with a three fourths majority vote of the Board.

ARTICLE IX  
**Books and Records**

The corporation shall keep correct and complete books and records of account and shall also keep minutes of the proceedings of its members, Board of Directors, and Committees having any of the authority of the Board of Directors, and shall keep at the registered or principal office a record giving the names and addresses of the members entitled to vote. All books and records of the corporation may be inspected by any member, or his agent or attorney for any proper purpose at any reasonable time. The cost of providing any copies of any records shall be



paid by the requesting member, or his agent or attorney. The Corporation shall at each fiscal year-end provide an accounting of income and expenditures to the members in such a manner to be determined by the Board of Directors. The Corporation shall also at each fiscal year-end provide a budget for the coming year to the members in such a manner to be determined by the Board of Directors.

## ARTICLE X

### **Fiscal Year**

The fiscal year of the corporation shall begin on the first day of January and end on the last day of December in each year.

## ARTICLE XI

### **Member Fees and Assessments**

Section 1. Annual Member Fees. The Board of Directors may determine, from time to time, the amount of the annual fees payable to the corporation by members of the corporation.

Section 2. Payment of Member Fees. Fees shall be payable on the first day of January in each year. Fees of a new member shall be prorated from the first day of the month in which such new member closes on the purchase of the property, for the remainder of the fiscal year of the corporation.

Section 3. Default and Termination of Membership. A member cannot be terminated from membership in the Flaggland Parks Homeowners' Association; however, no member shall be entitled to vote on any corporation matters or elections at any meeting or by proxy unless all fees and assessments have been paid prior to the date of any such meeting.

Section 4. Collection of annual Fees and Assessments. Fees and Assessments are billed January 1 and members have 60 days to pay. After 60 days a late payment charge of \$30.00 is added to the account and an additional late payment charge of \$30.00 is added to the account for each additional month in delinquent payment. If not paid within 60 days, in addition to the \$30.00 late payment charges, the delinquent amount will be submitted for collection by court litigation of the same. All attorneys' fees and costs, court costs will be collected from the delinquent homeowner for litigation and/or collection efforts, as well as the Fees, Assessments, and all late payment charges. No payment plans shall be permitted unless said payment plan falls within the first sixty (60) days after issuance of the first notice. In such payment plans, the monthly late fee charges still apply. Further, a \$30.00 charge will be added to the member account for each check which is returned for insufficient funds.

## ARTICLE XII

### **Seal**

The Board of Directors shall provide a corporate seal which shall be in the form of a circle and shall have inscribed thereon the name of the corporation and the words, "Corporate Seal, Illinois."

## ARTICLE XIII

### **Waiver of Notice**

Whenever any notice is required to be given under the provisions of the General Not For Profit Corporation Act of Illinois or under the provisions of the articles of incorporation or the by-laws of the corporation, a waiver thereof in writing signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice.

## ARTICLE XIV

### **PONDS RESTORATION AND MAINTENANCE**

Section 1. Assessments Collected For Ponds. Any Assessments collected from each homeowner of Flagglan Parks Homeowners' Association and set aside for the purpose of ponds restoration and/or maintenance and any other expenses incurred for those purposes can only be used in that manner. The money collected will be put in a special fund in a banking institution to collect interest at whatever the best rate and plan at that particular time and entitled, "Ponds Restoration/Maintenance Trust Account."

Section 2. Assessment Collected For Ponds. If it becomes necessary to charge an assessment to each homeowner of Flagglan Parks for ponds restoration and/or maintenance and related expenses then that assessment can only be used for those purposes and those purposes only. The assessment dollar amount determined by the FPHA Board will be charged each homeowner and used to pay off outstanding debts incurred for ponds restoration and/or maintenance and will not be charged once the debt is paid in full. Any monies leftover or rebated for any reason will be transferred to the Ponds Restoration/Maintenance Trust Account for future ponds maintenance. The Board of Directors may extend the Assessment if necessary to maintain a fund for future pond restoration purposes as recommended by the original developers and engineering firms hired by the Board of Directors.

ARTICLE XVI  
**INDEMNIFICATION**

Section 1. The Flagglan d Parks Homeowners' Association shall indemnify and hold harmless each person who is now, or shall hereafter serve as an Officer, Director, employee, or agent of the Flagglan d Parks Homeowners' Association from and against any and all claims and liabilities, whether the same are settled or processed to judgement, to which such person has become subject by reason of his or her having heretofore or hereafter been an Officer, Director, employee, or agent of The Flagglan d Parks Homeowners' Association, or by reason of any action alleged to have been heretofore or hereafter taken or omitted by him or her as such Officer, Director, employee, or agent and shall remain reimburse each such person for all legal and other expenses (including the cost of settlement) reasonably incurred by him or her in connection with any such claim, liability, suit action, or proceedings; provided, however, that no such person shall be indemnified against, or be reimbursed for, any claims, liabilities, costs, or expenses incurred in connection with any claim or liability or threat or prospect thereof, based upon or arising out of his or her own negligence or willful mis performance of his or her duties as such Officer, Director, employee, or agent. The determination of all questions as to the existence of negligence or willful misconduct, as to the right to indemnification and reimbursement hereunder and the reasonableness of such costs and expenses may be made, and shall be final and conclusive if made, by the Flagglan d Parks Homeowners' Association to indemnify or reimburse such person in any case even though not specifically provided for herein.