

**SOMMERS
WOODCREST
ASSOCIATION

CONSTITUTION
& BY-LAWS**

Article I. NAME

Article II. PURPOSE

Article III. MEMBERSHIP

Article IV. RIGHTS & OBLIGATIONS OF THE MEMBERSHIP

Section 1. Fiscal Year

Section 2. Membership responsibilities

Section 3. Dues & Assessments

Section 4. Formal Requests by membership to the Architectural Committee

Section 5. Voting Rights

Article V. ORGANIZATIONAL STRUCTURE

Section 1. Board of Directors

Section 2. Officers

Section 3. Committees

Article VI. MEETINGS

Section 1. Membership Meetings

Section 2. Board Meetings

Section 3. Committee Meetings

Section 4. Parliamentary procedure

Article VII. AMENDMENTS

SOMMERS WOODCREST ASSOCIATION

CONSTITUTION & BY-LAWS

Article I. NAME

The name of this corporation shall be Sommers Woodcrest Association, Inc. hereafter referred to as the Association.

Article II. PURPOSE

The purpose of the Association is to uphold and enforce the Woodcrest Subdivision Covenants & Restrictions as recorded in Book 1072 of Records page 247 in the Recorder's Office of Winnebago County, Illinois. As an Association we hold title to common properties including but not limited to those described in the Covenants & Restrictions. The Association is organized under the Not-for-Profit Corporation Act of the State of Illinois and under section 528-1 of the Internal Revenue Code now or as subsequently amended. The Association is not formed for pecuniary or financial gain, and no part of its assets, income or profit is distributable to or inures to the benefit of its directors, officers or members.

Article III. MEMBERSHIP

The plat of the Woodcrest Subdivision is recorded in Book 27 of Plats on Page 18 in the Recorder's Office of Winnebago Co., Illinois. Each party who acquires legal title to one or more lots in the Subdivision shall automatically become a member of this association. Membership in the Association is defined by lot ownership and cannot be forfeited.

Article IV. RIGHTS & OBLIGATIONS OF THE MEMBERSHIP

Section 1. Fiscal Year

The fiscal year of the Association is January 1 through December 31.

Section 2. Membership responsibilities

Each member is responsible to pay fees (annual dues or special assessments) and to observe and uphold the By-Laws and Covenants and Restrictions. It is expected that members who are selling their property will pass along copies of all Association documents to the purchasers.

Section 3. Dues & Assessments:

Sub-section A. DUES

The Association will levy annual dues equally upon each lot in the Subdivision; these dues will not be pro-rated according to frontage, acreage, multiple lot ownership or other formula. These dues shall be levied to maintain and improve property of the Association, uphold the Covenants & Restrictions, and manage the business of the Association. The amount of the annual dues is set by the general membership at any meeting; all changes in rates must be approved by the membership in accordance with Article VI Section 1.

Sub-section B. SPECIAL ASSESSMENTS

When major expenses are incurred by the Association to enforce its Covenants and Restrictions and exceed the cash reserves of the Association, then and only then, a special assessment may be levied by the Board of Directors without prior approval of the general membership.

Sub-section C. NOTICE OF ANNUAL DUES AND SPECIAL ASSESSMENTS

Notice of annual dues will be prepared by the Treasurer of the Association for the annual mailing by January 15; special assessment notice will be issued within 30 days of levy. Payment is due within 30 days of invoice. If payment is not received in 45 days, a second notice will be sent. If payment is not received 60 days after the initial notice, the member will be considered delinquent in payment. If payment is not received 90 days after initial notice, a lien will be filed against the property of the delinquent member. This lien will remain until such time that the member pays back dues, special assessments, and related expenses (including but not limited to lien filing fees and lien satisfaction fees).

Section 4. Formal Requests by membership to the Architectural committee

Members are required to submit plans in writing for 1) construction of permanent buildings, fences or other structures; 2) water and waste disposal systems; and 3) alteration of the exterior of any building or structure. These plans and a cover letter detailing the timetable and other pertinent information, shall be sent to the Chairperson or other member of the Architectural Control Committee.

Section 5. Voting Rights

Members are entitled to one vote for each lot to which they hold legal title. In the event legal title to any lot is held by a corporation, trust, or joint owners, such corporation/trust/joint owners shall file with the Corresponding Secretary a designation of the voting party. These voting rights will only be suspended when the member is delinquent in payment of the annual dues or special assessments as detailed in Section 3 of this Article. Voting rights will be restored immediately upon payment of these obligations.

Article V. ORGANIZATIONAL STRUCTURE

Section 1. Board of Directors

Sub-section A. Governance

The affairs of the Association shall be governed and managed by a Board of Directors except as reserved elsewhere in these By-Laws. The Board shall be comprised of five (5) voting members in good standing.

Sub-section B. Membership

Election and terms - Board members shall be elected at the annual meeting of the membership of the Association. The Nominating Committee shall present a slate of nominees at the meeting and run the election; other nominations shall be accepted from the floor. Terms of office shall be two (2) years, commencing with the Annual Meeting of the Board of Directors. Terms shall be staggered into two (2) classes so that annual elections include two (2) Directors one year, and three (3) the next. Board members shall hold office until their successors have been elected and hold their first meeting. No Board member may serve more than two (2) consecutive terms nor more than a total of four (4) consecutive years of service.

Resignation - The resignation of a Director shall be written and provide 30 days notice to the Board.

Removal - A Director may be removed with or without cause by a majority of the voting members of the quorum present at the beginning of a regular or special meeting of the Association. Before a vote is taken, the Director involved in the removal action will be heard at the meeting. A successor may be elected to fill the unexpired term of the removed Director at that meeting. If a new Director is not elected at that meeting, the Board shall appoint a temporary replacement to serve until the next meeting of the general membership, at which time a permanent Director will be elected to serve the balance of the unexpired term.

Vacancy - In the event of a vacancy in the Board of Directors, the remaining Board members shall appoint a temporary replacement to serve until the next meeting of the general membership at which time a permanent Director will be elected to serve the balance of the unexpired term.

Sub-section C. Duties of the Board

Covenants and Restrictions - It is the duty of the Board of Directors to uphold the covenants and Restrictions, Constitution and By-Laws and other legal documents binding on the Association. With regard to Architectural Committee work or other issues involving members of the Association, the Board shall attempt to resolve conflicts in accordance with the By-Laws. In the event of potential legal action involving the Association (with the exception of liens and injunctions), the board shall notify Association members of pertinent meetings.

Business management - The Board of Directors shall be vested with final authority and responsibility for the management of the affairs of the Association, except as reserved by the covenants and Restrictions or Constitution and By-Laws. The Board shall have the power to:

- * Appoint and remove agents, contractors or employees of the Association, prescribe their duties, fix their compensation, and require surety or fidelity bonds as necessary.
- * Establish, levy, and collect special assessments as required (per Article IV Section 3 Sub-section B). Collect dues as approved by the membership.

- * Approve all expenditures required to manage the Association. The President, Treasurer and one other Director will be designated as signatories on the bank accounts of the Association; two (2) signatures are required on each check.
- * Maintain complete record of all activity and corporate affairs.

Communications with membership - It is the responsibility of the Board to provide:

- * Copies of the Constitution and By-Laws as well as Covenants and Restrictions to new members within one (1) month of notice to the Board of purchase. When practical, the delivery shall be in person.
- * An annual mailing (by January 15) consisting of: 1) a current Association membership list; 2) annual financial statement (January 1 through December 31); 3) minutes of the last Annual Meeting of the membership; and 4) the annual bill for dues.
- * Regular updates of Board activity or any legal action (except liens and injunctions) between Annual Meetings.

Empowerment of Committees - The Board shall authorize and define the powers and duties of each Committee with the exception of the Architectural Committee (responsibilities detailed in the Covenants & Restrictions and this document under Article V Section 3).

Section 2. Officers

Sub-section A. Membership

The Officers of the Association shall be: President, Vice-President, Secretary, Treasurer, and Architectural Committee Chairman.

Sub-section B. Election and Terms

Officers shall be elected for terms of one (1) year at the Annual Meeting of the Board of Directors (immediately following the Annual Meeting of the membership). They shall serve until their successors are elected and hold their first meeting. Consecutive terms are allowed.

Sub-section C. Duties

President - The President is vested with powers attendant to the office, except as reserved in the By-Laws or by action of the Directors. The President shall:

- * *Meetings* - Chair all meetings of the Directors and the membership; convene special meetings of the membership and Board;
- * *Committee Chairs* - Appoint committee chairs with the exception of the Architectural Chair.

Vice-President - The VP shall:

- * *Acting President* - Fulfill responsibilities of President in the absence, inability or refusal of the President;
- * *Notice* - Mail written notice of each Annual and Special meeting of the general membership; provide notice of all Board meetings where potential legal action involving the Association (with the exception of liens and injunctions) is on the agenda;
- * *Annual mailing* - Prepare the annual mailing to the membership (see Article V Section 1 Sub-section C: Communications);
- * *Proxies* - Accept and validate proxies for membership meetings; record the name of the voting member for each lot prior to the opening of each meeting of the membership and provide the final list of voting members to the President;
- * *Special membership meetings* - Accept and validate requests to convene special meetings of the membership (Article VI Section 1 Sub-section B); notify the President who is responsible to convene the meeting;
- * *Mail ballots* - Tabulate and report to the Board and membership the result of mail ballots (see Article VI Section 1 Sub-section C).

Secretary - The Secretary shall;

- * *Minutes* - Attend all meetings of the Board or membership and take minutes; if unable to attend, the Secretary shall recruit another Officer to take minutes;
- * *Corporate records* - Maintain a formal record of business matters and corporate activities of the Board and Association. This record may be reviewed by the membership and shall be passed on to the next Secretary;
- * *Membership list* - Maintain the membership list.

Architectural Committee Chairman - The Architectural Committee Chairman shall:

- * *Architectural Committee* - Chair the Architectural Committee;

Treasurer - The Treasurer shall:

- * *Financial records* - Maintain fiscal records for the Association. He/she shall prepare a written report for each meeting of the membership;
- * *Budget* - Prepare a proposed budget for Board review prior to presentation to the membership;
- * *Annual Meeting of the membership* - Present the budget for approval by the membership and review the financial activities of the current year;

- * *Assessments* - Collect all dues, special assessments and other moneys owed the Association. As part of the collection process, the Treasurer shall prepare the notice of annual dues and present to the Corresponding Secretary by January 1 for inclusion in the annual mailing. The Treasurer shall also prepare and mail notice of special assessments;
- * *Late notice & liens* - Send the second notice if a member is delinquent in the payment of dues or special assessments (see Article IV Section 3 Sub-section C). If payment is not received in 90 days after initial notice, the Treasurer will file a lien;
- * *Check signatory* - The Treasurer shall be one of the two (2) signers of every check.

Section 3. Committees

Sub-section A. Structure

Committees shall be either "standing" (authorized for an indefinite time) or "select" (authorized only to fulfill a temporary purpose). Standing Committees shall be: 1) the Architectural Committee and; 2) the Nominating Committee.

Sub-section B. Membership

The Architectural Committee shall be comprised of five (5) members as designated in the Covenants and Restrictions. All five (5) members of the Architectural Committee shall be appointed by the Board. The President of the Board of Directors shall appoint other committee chairs subject to confirmation by the Board. Chairpersons will serve until the appointment of successors. With the exception of the Architectural Committee, chairpersons shall appoint committee members from within the Association. The Nominating Committee shall be comprised of three (3) members.

Sub-section C. Duties

The duties of each select committee shall be authorized and defined by the Board. The duties of standing committees are listed below:

Architectural Control Committee - This Committee shall be responsible to approve or disapprove 1) construction of permanent buildings, fences or other structures; 2) water and waste disposal systems; and 3) alteration of the exterior of any building or structure. A Committee member shall acknowledge in writing receipt of the request. Specifics are detailed in the Covenants and Restrictions.

Nominating Committee - This Committee shall be responsible to seek and present nominees for open Board positions at the annual meetings and at other meetings of the membership when Board vacancies exist. The Chair, who may not seek election to the Board, shall officiate at all elections of Board members.

Article VI. MEETINGS

Section 1. Membership Meetings

Sub-section A. Annual Meeting

The annual meeting of membership shall be held on the third (3rd) Thursday in October at a time and place designated by the Board of Directors. Fourteen (14) days notice of the time and location will be given to all members. The business at this meeting shall include the annual election of the Board of Directors and the review of the budget for the current and coming year.

Sub-section B. Special Meetings

Special meetings of the membership may be called by a majority of the Directors, or written petition of one-fourth (1/4) of the voting membership. This resolution shall be presented to the Vice President. The President is responsible to convene the special meeting with fourteen (14) days written notice to all members of the date, time, place and agenda of the meeting. No business shall be conducted except as stated in the written petition of request.

Sub-section C. Quorum

To conduct business at meetings of the membership, it is necessary to have one-fourth (1/4) of the voting membership present. If a quorum is not present, decisions requiring the action of the membership can be conducted by mail ballot. Votes totalling one-fourth (1/4) of the voting membership shall constitute a mail ballot quorum.

Sub-section D. Votes

Passage of a motion requires a majority of the votes counted except in the case of Amendments to the By-Laws (see Article VII).

Sub-section E. Proxies

At any meeting of the membership, a voting member in good standing (see Article IV Section 5) may vote in person or by proxy, executed in writing by that member. The proxy may be designated in one of two ways: 1) specific vote (issued in writing, this proxy will only be valid if the wording of the motion remains unchanged from the proxy) and 2) issued vote (a voting member's proxy may be issued to another voting member in good standing, and will be valid on all issues considered for vote throughout that meeting).

Section 2. Board of Directors Meetings

Sub-section A. Annual Meeting and Election of Officers

The annual meeting of directors shall be held immediately following the annual meeting of the membership. Officers will be elected at this meeting. The immediate past President shall serve as convener of this meeting and chair the meeting until a new President is elected.

Sub-section B. Other Meetings.

Regular Board of Directors meetings required to conduct the business of the Association will be set by the Directors. Special meetings of the Board of Directors may be called by the President or two (2) other Directors with notice stating the date, time and place of the meeting. If legal issues (except liens and injunctions) are on the agenda, fourteen (14) days notice is required to all membership.

Sub-section C. Quorum

To conduct business at Board meetings, the attendance of a majority is necessary.

Sub-section D. Attendance of Membership at Meetings of the Board

Members are welcome to attend Board Meetings. Attendance may be limited by the Board.

Section 3. Committee Meetings

Meetings shall be convened by the chairperson of the Committee or a majority of the committee members. Each committee empowered by the Directors will meet at least once during the year and will file a written report of activities with the Board before the Annual Meeting of the Association membership. At committee meetings, a majority of members shall constitute a quorum.

Section 4. Parliamentary procedure

All meetings shall be governed by Robert's Rules of Order when they are not inconsistent with these By-Laws.


Article VII. AMENDMENTS

These By-Laws may be amended at any membership meeting by a vote of two-thirds (2/3) of the total voting membership, provided notice of such meeting contains the proposed amendment.

Prepared by By-Laws Committee:

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Approved by membership: October 20, 1994



Bill Collum (President)



Connie Good (Secretary)