

Developer or the Association at the time of such mailing.

3. Enforcement of these covenants and restrictions shall be by any proceeding at law or in equity against any person or persons violating or attempting to violate any covenant or restriction, either to restrain violation or to recover damages, and against the land to enforce any lien created by these covenants; and failure by the Association or any Owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter. Invalidation of any one of these covenants or restrictions by judgment or court order shall in no way affect any other provisions which shall remain in full force and effect.

Rules and Regulations For the Operation of the Lake Thunderbird Mutual Water System Putnam and Bureau County, Illinois

The Lake Thunderbird Mutual Water System (hereinafter referred to as the "System") shall be owned and operated by the Lake Thunderbird Association, an Illinois Not-For-Profit corporation, as governed by the Board of Directors (hereinafter referred to as the "Association"), as a mutual system for the use and benefit of all lot Owners at the Lake Thunderbird Subdivision, Putnam and Bureau Counties, Illinois. The following Rules and Regulations have been adopted by the Association for the operation of the system.

1. (A) Unless otherwise defined, terms used herein shall be ascribed the same meaning as in the Lake Thunderbird Association By-Laws.

(B) "Main" or "Main System" as hereinafter used shall mean all pipe or main arteries of a size of 2 inches or larger constituting a part of the water-works system of the Association.

(C) "Service" as hereinafter used shall mean that portion of the water line laying between the Association's mains and lot lines of Owners of lots.

(D) "Service Branches" as hereinafter used shall mean that portion of water line laying beyond the end of the services of the Association and extending into the lots and/or property of Owners thereof.

2. Each lot in the subdivision shall be assessed annually, a Water Availability charge, as determined by the Association, from the List of Fees: Water Rates. The Water Availability charge shall be adjusted annually for Cost-of-Living charges as determined by the United States Government for the availability of water in the mains of the Association for domestic use on any lot and lots or premises adjacent thereto, beginning upon said availability. This amount shall be due whether or not there is an actual use or taking of water.

Following the standard one family water hook-up, a Water Usage charge, shall be assessed annually, as determined by the Association, from the List of Fees: Water Rates/ Home or Vacant Lots with spigot. Additionally, the Water Usage Charge shall be adjusted annually for the Cost-of-Living charges as determined by the United States Government.

3. Accounts will be billed annually and shall be payable in advance. The due date will be the 1st day of June each year.

4. Water service shall not be supplied unless and until all maintenance assessments and water charge are paid up to date, and a written application on forms provided by the Association is made therefore by the Owner requiring service to the lot or lots desired to be served. No Owner of any lot or lots to whom and to which water is supplied by the company shall supply water from said Owner service branches to any other lot or lots. Applications, including the service received there under, are unassignable by applicants.

5. The Owner of a lot or lots is primarily liable, shall be billed for and shall pay the charges herein specified as applicable to each lot. Billing may be made to the actual Owner in care of his lessee or licensee upon application by said lessee or licensee and Owner, but, in any event, all in accordance with the definition of "Owner" herein are primarily liable for said rates and charges.

6. After transfer of title to any of said lot or lots, the Owner, his estate, executor, personal representative, heirs or devisees shall be liable for the rates and charges herein provided until said Owner or Owner's grantees, heirs, or devisees shall notify the Association of the transfer of title with the name and address of the said grantee, heir or devisee.

7. The past due date for all billings shall be the 1st day of July of each year.

8. Payment must be received at the Lake Thunderbird office by July 1st of each year. All bills

not paid on or before the past due date shall be subject to a 7% per annum additional charge. Any bill remaining unpaid thirty (30) days after the due date shall be considered delinquent and the Association shall thereupon serve on the Owner by mail (June 20th) a written final notice of said delinquency. If a delinquent bill is not paid within ten (10) days (July 1st) after date of such final notice, date of final notice being the date of mailing, (June 20th) water may be shut off at the option of the Association, in which case a \$50.00 disconnect fine and a \$20.00 reconnect fee may be charged. In cases of delinquency, the entire bill (including the 7% per annum additional charge) plus an additional penalty charge of One Hundred Dollars (\$100.00) must be paid. Unpaid bills become a lien on Owner's lot on their due date until paid. Any owner who repeatedly and in successive years is delinquent in payment of water fees, the fine will double the second successive year to Two Hundred Dollars (\$200.00) and will triple the third and consecutive and subsequent years to Three Hundred Dollars (\$300.00).

9. Owners requesting an increase in size of service branches are hereby required to pay all construction costs involved.

10. All taps and connections to mains shall be made by the Association, its agents or representatives.

11. All lot Owners, upon making application, are required to pay to the Association the actual cost of installation and the Association shall thereupon install a service or water connection from the main to the property line of said property Owner. Owners requesting an increase in size of service are hereby required to pay all construction costs involved.

12. The company shall install services and service branches at its expense, except as provided in Paragraph 11 above, including the necessary tap, fittings, and shut-off valves.

13. The service branch shall be the property of the Owner of the lot into which said service branch extends, said branch to be maintained by the Owner in proper condition in good repair at all times in the sole judgment of the Association. All service branch pipes and fixtures are subject to inspection and approval by an authorized agent of the Association. The minimum earth cover of service branches shall be four feet. Lot Owners shall be required to keep service branches and associated fixtures and valves in good repair and condition at their own expense.

14. The Owner shall install and maintain at his expense the service branches, including stop and waste valves at the end of the house or building side of his service branch through a competent plumber as his authorized agent. The Association, however, must first approve the location of the proposed service branches, the plans and specifications for said installation and the competency of the plumber, whereupon the Association will issue to the plumber a permit to proceed with the work. All service branch pipes and fixtures are subject to inspection and approval by an authorized agent of the Association before water is turned on.

15. No person, except an authorized agent of the Association, shall be permitted to turn water on or off.

16. The stop and waste valve aforesaid furnished by Owner shall be conveniently placed inside the dwelling or building under the control of the Owner, to be used for making repairs or to prevent freezing and must be placed at the point where the service branch comes through the building foundation wall.

17. Upon written notification, winter shut-off and spring service will be free of charge. Pipes broken during winter due to the failure to use shut-off service, causing excess waste of water, a fee not to exceed \$250.00, unless the actual cost is greater, will be imposed on the Owner.

18. The Association reserves the right to request a nominal sum be placed on deposit with the Association for the purpose of establishing and maintaining any Owner's credit. Any deposit so requested shall be subject to such terms and conditions as may be established by the Association.

19. Owners, their lessees or licensees, having boilers and/or pressure vessels receiving a supply of water from the Association must have a check valve on the water supply line and a vacuum valve on the steam line to prevent collapse in case the water supply from the Association is disconnected or interrupted for any reason with or without notice.

20. The Association reserves the right, at any time, without notice, to shut off the water in the mains for the purpose of making repairs or extensions. When water is to be temporarily discontinued for such purposes by the Association, it will give reasonable notice, to the extent practicable, to all Owners to be affected by the discontinuance, stating the purpose for which the discontinuance is made and probable duration of the interruption of service, provided, however, that the Association is not required to give notice of discontinuance of service in the event of an emergency.

21. The lines receiving a supply of water and services, service branches, and fixtures of every kind

and character, including fixtures within said lot lines, shall be subject to inspection by duly authorized employees of the Association at all reasonable hours.

22. Services, whether located on public or private property, are property of the Association, and the Association reserves the right to repair, replace and maintain them at any time, as well as to remove them.

23. Water supplied for construction purposes shall be discharged through a hose or pipe directly upon material to be wetted, or into a barrel or other container, and in no case upon the ground or into or through a ditch or trench and all use of water for any purpose or upon any premises not so stated or described in any application, must be prevented by Owner, or water service may be discontinued without notice or liability to the Association.

24. No mains, services, or service branches carrying the Association's water supply shall or may be connected on any lot with any service pipe or piping which is connected with any other source of water supply, nor shall or may be connected with any piping, tank, vat, or other apparatus which contains liquids, chemicals or other matter which may flow back into the Association's mains or services. Owner shall not drill or permit the drilling of a water well upon any lot.

25. Owners or those in possession of any lot, by virtue of these rules and regulations expressly agree that the Association shall not be liable for damages of any kind or character, for any deficiency in pressure, for failure of water supply, for the bursting or breaking of any mains, services, service branches, stops, valves or fixtures, wherever located, for any deficiency in any attachment to mains, services, service branches or any other facilities used by the Association for any other interruption of water supply caused by breaking of machinery, stoppage for repairs or for any reason or occurrence. By virtue of these rules and regulations, Owners, their lessees or licensees, or those in possession of any lot, expressly agree that the Association shall not be liable for any damage to their property or that of others caused by any of the foregoing reasons in this paragraph stated, nor shall Association be so liable for damages by reason of destruction of property of Owners or other caused by fire or otherwise resulting from the total or partial failure of water service or pressure failure for any reason to provide sufficient or any facilities for fire protection or for any other cause.

26. Any Owner, his lessee or licensee, may be cancelled and water discontinued and a fine not to exceed \$500.00 without any liability of the Association of any kind or character for violation of any rule or regulation specified herein and especially for any of the following reasons:

(a) Misrepresentation in an application as to the property to be supplied with water, or fixtures to be supplied or used by Owner or use to be made of water.

(b) Failure to report to the Association any addition to the property or fixtures to be supplied or any additional use to be made of the water.

(c) Resale or giving away of water.

(d) In the sole judgment of the Association, an unusual use of water constituting waste or a misuse of water, or the failure to keep service branches or fixtures in a suitable state of repair.

(e) Tampering with service or valves or permitting such tampering by others.

(f) Connection, cross-connection, or permitting same of any separate water supply to a lot which receives water from the Association.

(g) Non-payment of bills.

27. The Association reserves the right, at any time, to alter, amend, change, or add to these rules and regulations or to substitute other rules and regulations for same. (Eff: 2-15-09)

By-Laws of Lake Thunderbird Association

ARTICLE 1 – Definitions

The following terms as used in these By-Laws are defined as follows:

(a) "**Lake Thunderbird Association**", hereinafter referred to as the "**Association**", means and refers to the Association of Owners of properties of the community.

(b) "**Board**" means the Board of Directors of the Association.

(c) "**By-Laws**" means the By-Laws of the Association.

(d) "**Common Properties**" means and refers to those areas and other parcels of property together with any building(s) or other improvements thereon or thereto owned, maintained or under the jurisdiction of the Association.

(e) **“Declaration”** means the Declaration of Restrictive Covenants imposed upon the Development, as duly recorded in the Recorder’s Office of Putnam County, State of Illinois, and applicable as restrictions upon title to all properties within or without the Development.

(f) **“Development”** means “Lake Thunderbird”, a recreational community developed by American Central Corporation, as the same may be shown on maps thereof recorded from time to time.

(g) **“Developer”** means American Central Corporation and its successors.

(h) **“Lot”** means any parcel within the Development as defined by Lot Number or Tract Number on the plat defining the Development.

(i) **“Owner”** means and refers to any person who purchases or otherwise acquires title to any lot including purchasers under installment sales agreements entitling such person to use and occupancy of such lot.

(j) **“Regulation”** means the rules and regulations adopted and published by the “Board”, as from time to time amended and then in effect.

ARTICLE II - Purpose

Section 1. To foster and advance matters deemed to be in the best interests of the members of the Association.

Section 2. To assist in establishing and maintaining high community standards; to seek enforcement of the “Declaration of Restrictions” set forth in the Certificate of Incorporation and to take whatever action is necessary and advisable in these respects.

Section 3. To promote and maintain social and recreational facilities for the exclusive benefit of the Association members.

Section 4. To develop and maintain the properties and common properties for the benefit and exclusive use of the Association members.

ARTICLE III – Membership

Section 1. Classes of Members. There shall be (1) Members, (2) Associate Members, (3) Honorary Members, and (4) Temporary Members.

Section 2. Member. Each owner shall, by reason of ownership, become a member of the Association. There shall be one voting member for each “Residential Lot” regardless of the number of persons who may have ownership interest in such lot. The voting member shall be designated in writing at the request of the Board.

Section 3. Associate Member. If not otherwise a member, each of the following shall be entitled to Associate Membership in the Association:

(a) The spouse and children, or legal wards, of a Member or Honorary Member who have the same principal residence as the Member or Honorary Member. Associate Members shall have no vote or right to notice of any regular or special meeting of Members. The privileges and duties of Associate Members shall be as those of Members unless otherwise established from time to time by the Board by resolution.

Section 4. Honorary Members. If not otherwise a member, the following shall be entitled to honorary membership in the Association: Any person whose services contribute directly to the Association, or any person who may be adversely affected or in any way inconvenienced because of the Regulations of the Association or the activities of its members.

Honorary membership shall require nomination by petition signed by no less than fifty (50) members in good standing and shall require unanimous approval by the Board. Membership shall be limited to fifty (50) Honorary Members and shall extend for a period of one year unless suspended or otherwise terminated. Honorary Members shall have no vote or right to notice of any regular or special meeting of members. The privileges and duties of honorary members shall be established from time to time by the Board by resolution. The privileges and duties of honorary members need not be the same as those of the members.

Section 5. Temporary Members. Invited guests are considered temporary members while accompanied by a regular member or associate member. Lessees are also considered temporary members but with all rights of a regular member except voting.

Section 6. Privileges of Members. Members and Associate Members shall have a license to use the Common Areas subject to the provisions of the Declaration and subject to such other rules and conditions as may be established by the Board.

Section 7. Suspension of Privileges of Membership.

1. The Board may suspend the voting privileges (if any) and the right to use the common properties of the Association of any members, associate member or honorary member for:

(a) Any period during which any Association charge (including fines or penalties, if any, assessed under Section V of the Declaration) owned by the member or associate member remains unpaid.

(b) The period of any continuing violation of the Declaration after the existence of such violation has been declared by the Board and notice of such violation has been given to the member in writing by the Board.

(c) For a period not to exceed thirty (30) days for any infraction of its published rules and regulations. Membership shall be automatically reinstated upon satisfactory payment of any dues, debts, late charges and fines imposed on the delinquent. Assessments not paid when due shall be a continuing lien upon the property as described under Section V of the Declaration.

2. The Board of Directors or an individual so authorized by the Board may suspend the right to use of the common properties of the Association by any member, associate member or honorary member for any continuous infraction of any published rules or regulations or for conduct abusive or in any way objectionable to other members of the Association. Suspensions shall not exceed twenty-four (24) hours without approval of the Board.

ARTICLE IV – Evidence of Membership and Transfer

Section 1. Membership Certificates. Certificates of membership in the Association may be issued to members, associate members, and honorary members. Such certificates shall be in such form as the Board shall from time to time designate and shall be issued over the signature of the president or other officer of the Association. Such certificate shall indicate whether or not the holder is a member, an associate member, or honorary member and shall also indicate the Lot the ownership of which gives rise to membership. Such certificate shall also clearly state on its face that the Association is a not-for-profit corporation. Adequate records shall be maintained at the registered office of the Association showing the names of the members and associate members and honorary members of the Association, the type of membership and the date of membership.

Section 2. Transfer. When a member ceases to be an Owner, such person’s membership, and those associate members existing through relationships to such person, shall cease, but such person shall remain liable for all Association charges incurred prior to the giving of written notice to the Association that such person is no longer an Owner.

ARTICLE V – Meetings of Members

Section 1. Place of Meeting. Any meeting of the members of the Association shall be held in the State of Illinois at such place therein as may be stated in the notice of such meeting.

Section 2. The Annual Meeting. The Annual Meeting of the Association will be held on December 8, 1974, and every first Sunday of November thereafter.

Section 3. Special Meetings of the Association. Special meetings of the Association may be called by the Board at any time in the manner herein provided. A special meeting may also be called upon the written petition of twenty-five per-cent (25%) of the members of the Association who would have the right to vote at such special meeting.

Section 4. Notice of Meetings of the Association. Written notice of the place, date and hour of the meeting and, in the case of a special meeting, the purpose or purposes for which the meeting is called, shall be delivered not less than ten (10) days nor more than forty (40) days before the date of the meeting, either personally or by mail, to each person entitled to vote at such meeting. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail, addressed to the person at his address as it appears on the records of the Association, with postage prepaid, or such notice may be published in any newspaper or publication printed under the auspices of the Association and distributed generally among members of the Association. At a special meeting, no business shall be conducted except that stated in the notice of said meeting.

Section 5. Quorum. A quorum at either a special meeting or the Annual Meeting shall be ten percent (10%) of the members entitled to vote at such meeting in person or by proxy. The vote of a majority of the votes entitled to be cast at any meeting at which a quorum is present shall be necessary for the adoption of any matter voted upon by the members, unless a greater proportion is required by law.

ARTICLE VI – The Directors

Section 1. Powers. The Board shall:

(a) Manage and control the affairs of the Association.

(b) Adopt a corporate seal as the seal of the Association.

(c) Designate a banking institution or institutions as depository for the Association’s funds; and the officer or officers and agents authorized to make

withdrawals therefrom and to execute obligations on behalf of the Association.

(d) Negotiate, discuss and enter into agreements with Developer concerning all matters pertinent to the development, including but not limited to agreements relating to the orderly transfer of common properties from the Developer to the Association. Such agreements may contain such provisions as the Directors feel are appropriate and in the best interests of the Association and its members. However, the existence of such agreements and provisions and the terms thereof shall be approved by a majority of those present in person or by proxy at a special or annual meeting.

(e) Perform other acts, the authority for which has been granted herein or by law, including the borrowing of money for Association purposes. A resolution by the Board that the interests of the Association require the borrowing of money shall be sufficient evidence for any person that the borrowing is for a proper corporate purpose. The Board may, if it determines that the same shall be reasonably necessary, assign, pledge, mortgage, or encumber any Association property as security for such borrowings, and they may pledge or assign future revenues of the Association as security therefore.

(f) The Board shall adopt such rules and regulations (herein called Regulations) relating to the use of Association property, and sanctions for noncompliance therewith, as it may deem reasonably necessary for the best interests of the Association and its members. The Board may also establish and levy reasonable fees for the issuance of building permits or the use of Association property. The Board shall also employ a sufficient number of persons to adequately maintain Association property. Further, the Board may adopt reasonable rules or order for the conduct of the meetings of the Association, and with reference thereto, on procedural questions upon which no rules have been adopted. The Board may, by resolution, adopt Robert’s Rules of Order as a guide for the conducting of all meetings.

(g) The Board shall, prior to the annual meeting of the Association in each year commencing with the year 1973, adopt an operating budget to be presented for approval by the members at such annual meeting. Upon approval, the Board shall, taking into consideration other sources of income that the Association may have, levy the annual assessment per Article V of the Declaration for each Lot for the following year. Upon the adoption and approval of the budget, the Board shall be bound by the same and shall not authorize expenditures which may exceed the total amount budgeted as aforesaid by more than fifteen percent (15%) without having called a special meeting of the Association to approve such variations. The budget shall be adopted only after the members of the Association shall have had an opportunity to review the same and to comment thereon, either at hearings held thereon or through such other means as the Board may direct.

(h) The Board of Directors may, by resolution, appoint committees of the Association. Such committees may be temporary or permanent. They shall have such powers and responsibilities as the Board may by resolution direct.

Section 2. Number of Directors. The number of Directors shall be five (5). However, the Board of Directors by resolution, may increase the number of Directors to seven (7). Directors need not be members. No Director shall receive a salary for services performed unless he is also an employee of the Association. Directors and officers may be compensated for reasonable expenses incurred while so acting.

Section 3. Term. The initial Board shall serve until the first annual election in 1974. At the first election, five (5) Directors will be elected, two (2) to serve for a period of one (1) year, and three (3) to serve for a period of two (2) years. Thereafter, elected Directors will serve for a term of two (2) years.

Section 4. Election of Directors.

(a) When petitioners for Directors do not exceed the number of vacancies as outlined in Article VI, Section 3, there need not be an election. The petitioners are automatically elected Directors and assume office at the end of the Annual Meeting.

(b) Between the first and fifteenth day of June of each year, commencing with the year 1974, any member in good standing may file with the Secretary of the Association a statement of his or her candidacy for election as a Director of the Association for the term beginning immediately following the first Annual Meeting of the Association held after the filing of such statement, together with endorsements of his or her candidacy signed by fifty (50) members in good standing. The Secretary of the Association shall cause notice of each candidacy and a brief biographical statement of each candidate to be included in the notice of such Annual Meeting.

(c) All elections to the Board shall be made on written ballot which shall:

1. Describe the vacancy to be filled, and,
2. Set forth the names of those persons who have become candidates for the office of

Director in the order in which they filed their statement and endorsements of candidacy with the Secretary of the Association.

Such ballots shall be prepared and mailed by the Secretary to each person entitled to vote simultaneously with the mailing of the notice of the Annual Meeting of the Association. Ballot for Election of Board Members – “No copies allowed” will be printed on the ballot and colored paper will be issued. (*Eff: 5-21-06*)

(d) Each member entitled to vote shall receive one (1) ballot for each Lot for which he is the voting member.

(e) The completed ballots shall be returned as follows: Each ballot shall be placed in a sealed envelope marked “Ballot” but not marked in any other way. Each such “Ballot” envelope shall contain only one (1) ballot, and each voting member shall be advised that because of the verification procedures hereinafter set forth, the inclusion of more than one (1) ballot in any one “Ballot” envelope shall disqualify the return. Such “Ballot” envelope shall be placed in another sealed envelope which shall bear on its face the name and signature of the member, his Lot number, and such other information as the Board may determine will serve to establish his right to cast the vote or votes presented in the ballot or ballots contained therein. The ballots shall be returned to the Secretary of the Association at such address as the Board may from time to time determine no later than ten (10) days prior to the Annual Meeting.

(f) Upon receipt of each return, the Secretary shall immediately place it in a safe or other locked place until the day fixed by the Board for the counting of such “Ballot” envelopes shall be turned over, unopened, to an Election Committee consisting of the Secretary, the then existing Board, and a representative of each candidate for the office of Director. The Election Committee shall then adopt a procedure which shall establish:

1. That the signatures of the member on the outside envelope is genuine; and,
2. That such member is a member in good standing. Such procedure shall be taken in such manner that the vote of any member shall not be disclosed to anyone, including the Election Committee. The outside envelopes shall thereupon be placed in a safe or other locked place, and the Election Committee shall proceed to the opening of the “Ballot” envelopes and the counting of the votes. If any “Ballot” envelope is found to contain more than one (1) ballot, all ballots contained therein shall be disqualified. The Election Committee shall certify the results of the count at the Annual Meeting, and the terms of office of the Directors so elected shall commence immediately following such Annual Meeting.

(g) All outside envelopes, ballots and statements of candidacy shall be retained by the Secretary for a period of one (1) year.

Section 5. Proxies. Except in connection with the election of Directors, every member entitled to vote or execute consents shall have the right to do so either in person or by an agent or agents authorized by a written proxy executed by such member or his duly authorized agent and filed with the Secretary of the Association. Anyone not voting in person or not returning the proxy by mail shall be deemed to have given a default proxy to the Lake Thunderbird Board of Directors. These default proxies must be voted by the Board in accordance with the majority of those members who voted either in person or by written proxy. Said proxy shall be voted for the issue at hand only and after the vote on that issue the proxy shall be null and void. (*Eff: 2-17-02*)

Section 6. Removal of Directors. A Director may be removed only for just cause with formal charges stated in writing and bearing the signatures of twenty-five percent (25%) of the active membership of the Association. Upon receiving said charges, the Board will appoint a committee of twelve (12) to hold hearings on the charges. No signer of the charges or no officer or member of the Board shall be a member of the impeachment committee. The chairman of this committee shall be elected by the members, and shall have full voting powers in the committee. A finding of “just cause for impeachment” sustained by two-thirds (2/3) vote of the committee, and ratified by two-thirds (2/3) vote of the active membership of the Association, shall automatically remove the impeached officer from his office.

Section 7. Meetings of the Board of Directors. The Board shall meet at least three times a year, on the third (3rd) Sunday of February, May and August – each meeting shall be open to members in good standing. Special meetings of the Board may be called by the President or by a majority of the Board and shall be held at such place in the State of Illinois as the call or notice of meeting shall designate.

Notice of a special meeting may be given in writing or orally at least twenty-four (24) hours prior to the date of said special meeting, or notice thereof may be waived by the Directors in writing. After adoption of a resolution setting forth the time of regular meetings, no notice of such meetings shall be required, or waived, but notice of special meetings of the Board shall be given.

Section 8. Action Without Meeting. Unless prohibited by law, any action which may be taken at a meeting of the Board may be taken without a meeting if authorized in writing signed by all of the Directors who would be entitled to vote upon said action at a meeting, and filed with the Secretary of the Association.

Section 9. Quorum. A majority of the Directors shall constitute a quorum to transact business of the Board, and the act of the majority of the Directors present at any meeting shall be deemed to be the act of the Board.

Section 10. Vacancies. If any vacancy exists on the Board, such vacancy shall be filled by the remaining Directors even though those remaining Directors shall serve out the unexpired term of the Director whom he has replaced.

Section 11. Succession. No Director shall be eligible to succeed himself more than once.

ARTICLE VII – The Officers

Section 1. Officers. The officers of the Association shall be the President, one or more Vice-Presidents, the Secretary, the Treasurer and such other officers and assistant officers as the Board may from time to time elect. Officers shall serve at the will of the Board. Any two (2) or more offices may be held by the same person, except the offices of President and Secretary.

Section 2. President. A President shall be the executive officer of the Association. He shall be ex-officio a member of all committees except the Nominating Committee and the Rules Committee. He shall conduct the affairs of the Association in accordance with these By-Laws and those policies promulgated by the Board of Directors. He shall be responsible for the preparation of a full and true report as to the prior year to be submitted to the annual meeting and shall file said report with the Secretary where it shall be available for inspection by the membership.

Section 3. Vice-President. In the absence of the President, or in the event of his inability or refusal to act, the Vice-President is empowered to act and shall thereupon be vested with the power and duties of the President.

Section 4. Secretary. The Secretary of the Association shall keep the minutes of the business and other matters transacted at the meetings of the members and of the Board. He shall mail, or cause to be mailed, all notices required under the By-Laws. He shall have the custody of the Corporate seal and records and maintains a list of the members and their addresses and perform all other duties incident to the office of Secretary. The Secretary may appoint Recording and Correspondence Assistants.

Section 5. Treasurer. The Treasurer shall have custody of the funds of the Association, collect monies due, pay the obligations of the Association out of its funds, and perform such other duties as are incident to the office of Treasurer.

All checks shall be signed by the Treasurer and countersigned by the President or the Vice-President, in the absence of the president, unless otherwise specifically authorized by the Board.

The Treasurer, and such other officer as may be designated by the Board of Directors, shall be bonded in an amount by each surety as determined by the Board. Indemnity bond premiums shall be paid by the Association.

Section 6. Removal of Officers. Any officers may be removed when, in the judgment of the Board, the best interest of the Association will be served by such removal.

Article VIII – Distribution of Assets after Termination

Section 1. No member of this Association shall have, as an individual, any interest in or title to the assets of Lake Thunderbird Association, and such assets shall be devoted exclusively to the purposes of the Association.

Section 2. In the event of dissolution or other termination of this Association, all of its assets shall be assigned to an institution that qualifies for tax exemption (under the Internal Revenue Code of 1954 as provided in Section 501 (c) (3) or any amendments thereto) as selected by the Board of Directors.

ARTICLE IX – Obligation to Comply with Rules and By-Laws

Section 1. Each member and associate member of the Association, and others, shall abide by the provisions of these By-Laws as well as any Regulation adopted by the Board of Directors of the Association pursuant to these By-Laws. Failure to do so shall justify the Board in imposing sanctions upon such member or associate member as is herein provided.

ARTICLE X – Indemnification of Directors, Officers and Employees

Any person who is involved without his consent in any legal action due to the fact that he is or was a Director, officer or employee of the Association shall be indemnified by the Association against all expenses reasonably incurred by him in connection with or resulting from such legal action. Such expenses shall also include amounts paid by him with the consent of the Association acting through its Board of Directors in reasonable settlement of such actions except for those matters as to which it shall be determined that such person was derelict in the performance of his duties to the Association. This right of indemnification shall apply to matters arising both before and after the time of adoption of this By-Law and shall not exclude any other legal right of indemnification to which such person may be entitled.

ARTICLE XI – Duties of Members

The charges levied by the Association as provided in Section V of the Declaration shall be paid to it as provided therein. Written notice of the charge and the date of payment shall be sent to each Owner at the address last given by such Owner to the Association. If any charge levied or assessed against any Lot shall not be paid when due, it shall then ipso facto become a lien upon the Lot or Lots owned by the persons owing such charge or charges, and shall remain a lien against said Lot or Lots until paid in full, together with interest as is hereinafter provided and other charges or costs which might become due as a result of non-payment, or as is hereinafter provided. Such charges as are provided for in the Declaration shall bear interest at the rate of seven percent (7%) per annum until paid in full. If, in the opinion of the Board, such charges have remained due and payable for an unreasonably long period of time, they may, on behalf of the Association, institute such procedures, either in law or in equity, either by way of foreclosure of such lien or otherwise, to collect the amount of said charge in any court of competent jurisdiction. The Owner of the Lot or Lots subject to the charge, shall, in addition to the amount of the charge at the time legal action is instituted, be obliged to pay any expense or cost, including attorneys' fees, incurred by the Association in collecting the same.

ARTICLE XII – Amendments

These By-Laws may be amended by a majority vote of the Board of Directors until the annual meeting in December, 1974. After the 1974 meeting, these By-Laws may be amended in any regular or special meeting of the Association, provided that the call for the meeting contains in full the proposed amendment. The amendment may be revised during the meeting provided the amendments are germane. An affirmative vote of a majority of the members present and voting shall be required to carry the amendment, provided at least ten percent (10%) of the members eligible to vote at said meeting are present either in person or by proxy.

Lake Thunderbird Association

Rules and Regulations

PREAMBLE

Lake Thunderbird is a community restricted to members and their guests. The Board of Directors of the Lake Thunderbird Association has, under the rights granted in Article VI, Section 1, Paragraph (f) of the by-laws, adopted a set of rules and regulations as well as penalties for violation of said rules.

The rules and regulations have been written to provide for the safety and well being of all LTA members and guests, as well as the enjoyment of the recreational activities and amenities, and to remain a member in good standing, all members must comply as set forth in Article IX of the by-laws. Members are responsible for the actions of their guests, so it is suggested that all guests be made aware of these rules and regulations.

Rules are enforced by Security, the Lake Manager, the Board of Directors, Water Safety, and Architectural Control, Conservation or any person appointed by the Board to do so.

RESOLUTION

Whereas, the Association has determined that multiple owners of the same lot create an undo burden on the Common Properties to the detriment of other lot owners;

AND

Whereas, the Lake Thunderbird Association has the right pursuant to the Declaration of Restrictive Covenants to charge