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THIRD AMENDED AND RESTATED COVENANTS AND RESTRICTIONS FOR DUNLAP LAKE SUBDIVISION

WHEREAS, "Restrictions Governing Dunlap Lake Subdivision" were Recorded October 11, 1946 and several amendments thereto where thereafter made and Recorded (the "Initial Indenture"); and

WHEREAS, on August 17, 1998, the Initial Indenture was superseded by an amended and fully restated set of Restrictions, which were thereafter twice amended, in November, 2008, and October, 2009, respectively (collectively, the "Prior Restrictions"); and

WHEREAS, the Board now desires to amend and fully restate the restrictions and covenants applicable to the Community to conform to the Illinois Common Interest Community Act;

NOW, THEREFORE, the Prior Restrictions are hereby repealed, in their entirety, and the following terms, restrictions and covenants are adopted in lieu thereof, and will govern the Community, as provided herein and in the Act:

ARTICLE 1

Definitions

As used in this Amendment, unless the context otherwise requires:

"Act" means the Illinois Common Interest Community Association Act", 765 ILCS 160/1-1, et seq., as amended from time to time.

"Amendment" means this Third Amended and Restated Covenants and Restrictions for Dunlap Lake Subdivision.

"Association" means Dunlap Lake Property Owners Assoc., Inc., an Illinois Not-for-Profit corporation, acting pursuant to bylaws through its duly elected board of directors.

"Board" means the Board of Directors of the Association.

"Building" means all structures, attached or unattached.

"Common Areas" means the portion of the Property other than a Single Family Lot or Parkway, including, but not limited to, the designated areas owned by the Association that provide Lot Owners whose Lot does not adjoin the Parkway with access to the lake.

"Common Expenses" means the proposed or actual expenses affecting the Common Areas and/or the business of the Association, including, but not limited to, reserves, if any, and the expenses incurred in enforcing the restrictions contained in the Declaration.

"Community" means the Dunlap Lake development, in Edwardsville, Illinois.

"Community Instruments" means all documents and authorized amendments thereto recorded and/or adopted by the developer of the Community or the Association, including, but not limited to, the Declaration, the Association's Articles of Incorporation and Bylaws, the Plat, and rules and regulations adopted pursuant to the foregoing, all as amended from time to time.

"Declaration" means, collectively, the Restrictions Dunlap Lake Subdivision recorded August 17, 1998 in Book 2410, at Page 504, of the Madison County Recorder of Deeds Office; its first two amendments recorded in Book 4262, at Page 1795; and this Amendment.

"Lot Owner" means the Person or Persons whose estates or interests, individually or collectively, aggregate fee simple absolute ownership of a Single Family Lot.

"Majority" or "Majority of the Voters" means more than 50% in the aggregate of the Voters entitled to vote on an issue.

"Majority" or "Majority of the Board" means more than 50% of the total number of persons constituting the Board of Directors pursuant to the Association's bylaws. Any specified percentage of the members of the Board means that percentage of the total number of persons constituting such Board pursuant to the Association's bylaws.

"Management Company" means an individual, partnership, corporation, or other legal entity entitled to transact business on behalf of others, acting on behalf of or as an agent for the Association, for the purpose of carrying out the duties, responsibilities, and other obligations necessary for the day to day operation and management of the Common Areas and the Community.

"Meeting of the Board" or "Board meeting" means any gathering of a quorum of the members of the Board held for the purpose of conducting Association business.

"Member" means the person(s) or entity designated as the owner of a Single Family Lot.

"Membership" means the collective group of Members entitled to vote on matters affecting the Community, as provided in the Community Instruments.

"Owners of Record" shall mean the actual holders of title to a Single Family Lot or Lots.

"Parcel" means a lot or tract designated in the Plat or other recorded instrument as a separate part of the Community.

"Parkway" shall mean the land between the Lot line and the lake shoreline.

"Person" means a natural individual, corporation, limited liability company, partnership, trustee, or other legal entity capable of holding title to real property.

"Plat" means the plat or plats of survey recorded to designate the tracts to be included in the Community, including, but not limited to those recorded in the Madison County Recorder's Office at Plat Book 21, pp. 72, 86, and 87.

"Prescribed Delivery Method" means mailing, personally delivering, posting in an Association publication that is routinely mailed and/or e-mailed to all Members, mailing by first class mail or e-mail, or any other delivery method that is approved in writing by the Member and authorized by the Community Instruments.

"Property" means all the land, property, and space comprising the Community, all improvements and structures erected, constructed or contained therein or thereon, including any Building, and all easements, rights, and appurtenances belonging thereto, and all fixtures and equipment intended for the mutual use, benefit, or enjoyment of the Members, under the authority or control of the Association.

"Purchaser" means any person or persons who purchase a Single Family Lot in a bona fide transaction for value.

"Record" means to record in the office of the Recorder of Deeds of Madison County, Illinois.

"Reserves" means those sums paid by Members which are separately maintained by the Association for purposes specified by the Declaration and/or the Association's bylaws.

"Single Family Lot" means each separately platted Parcel in the Property designated for construction of a residence.

"Unit" means a part of the Property designed and intended for any type of independent use. Each Single Family Lot and each separate Parcel in the Common Areas is a separate Unit.

"Unit Owner" means the Person or Persons whose estates or interests, individually or collectively, aggregate fee simple absolute ownership of a Unit.

"Voter" means any Member designated, formally or informally, by the Person(s) who own a Voting Lot to vote the two (2) votes such Person(s) hold in connection with such Voting Lot.

"Voting Lot" means a Single Family Lot; provided, however, that in instances were two (2) or more adjoining Single Family Lots (or parts of Single Family Lots) are owned by the same Person or Persons, all such lots and/or part lots, collectively, shall be treated as a single Voting Lot, for purposes of determining the number of votes to which such Person(s) are entitled.

ARTICLE 2

Amendments to Governance

(a) The administration of the Community shall be governed by the Declaration and the Association's bylaws, a true copy of which is attached hereto as **Exhibit A**. No modification or amendment of the Declaration or Association's bylaws shall be valid unless the same is set forth in an amendment thereof and such amendment is duly recorded. An amendment of the Declaration or bylaws shall be deemed effective upon recordation, unless the amendment sets forth a different effective date.

(b) Unless otherwise provided by the Act, amendments to Community Instruments authorized to be recorded shall be executed and recorded by the President of the Board or such other officer as is authorized by the Board or the Community Instruments.

(c) If the Association amends the Declaration, Association's bylaws, or rules and regulations to prohibit leasing, nothing in the Declaration, Association's Bylaws, and/or the rules and regulations of the Association shall prohibit a Unit Owner incorporated under 26 USC 501(c)(3) which is leasing a Unit at the time of the prohibition from continuing to do so until such time that the Unit Owner voluntarily sells the Unit; and no special fine, fee, dues, or penalty shall be assessed against the Unit Owner for leasing its Unit.

(d) No action to incorporate the Community as a municipality shall commence until an instrument agreeing to incorporation has been signed by two-thirds of the Members.

(e) This Amendment is intended to conform the Declaration to the Act; and any revisions to the Act and/or any future statutes or regulations that are lawfully imposed may be incorporated in the Declaration by an amendment approved by the Board of Directors in accordance with paragraph (2) of Article 7.

ARTICLE 3

Board of Directors and Officers Duties, Elections, and Voting

Section 1. Board and Officers.

(a) Elections shall be held in accordance with the Association's bylaws, provided that an election, for the Board of Directors, shall be held no less frequently than once every 24 months, from among the Members.

(b) No member of the Board or officer shall be elected for a term of more than 4 years, but officers and board members may succeed themselves.

(c) The members of the Board of Directors shall serve without compensation, unless the Association's bylaws are amended, pursuant to Article 2, hereafter, to indicate otherwise.

(d) (Intentionally Blank.)

(e) If there is a vacancy on the Board, the remaining members of the Board may fill the vacancy by a two-thirds vote of the remaining Directors, until the next annual meeting of the Membership or until Members holding 20% of the votes of the Association request a meeting of the Members to fill the vacancy for the balance of the term. A meeting of the Members shall be called for purposes of filling a vacancy on the Board no later than thirty (30) days following the filing , with the Association's Secretary, of a petition signed by Members holding at least 20% of the votes of the Association requesting such a meeting.

(f) From among the members of the Board, there shall be an election of a:

(i) President, who shall preside over the meetings of the Board and/or meetings of the membership;

(ii) Secretary, who shall keep the minutes of all meetings of the Board and/or of the membership, and who shall, in general, perform all the duties incident to the office of secretary; and

(iii) Treasurer, who shall keep the financial records and books of account.

The Board may elect such other and additional officers for the Association as provided in the Association's bylaws.

(g) If no election is held to elect Board members within the time period specified in the bylaws, or within a reasonable amount of time thereafter, not to exceed ninety (90) days, then 20% of the members may bring legal action to compel compliance with the election requirements specified in the Association's bylaws. If the court finds that an election was not held to elect members of the Board within the required period due to the bad faith acts or omissions of the Board of Directors, the Members shall be entitled to recover their reasonable attorney's fees and costs from the Association. If the relevant notice requirements have been met and an election is not held solely due to a lack of a quorum, then this subsection (g) does not apply.

(h) A Member may vote:

(i) subject to sub-section (i), below, by proxy executed in writing by the Member or by his or her duly authorized attorney in fact, provided, however, that the proxy bears the date of execution and, if more than one Person is an owner of the Voting Lot to which such Member vote relates, such proxy must be signed by all such owners or their attorneys in fact. Unless the Community Instruments or the written proxy itself provide otherwise, a proxy will not be valid for more than eleven (11) months after the date of its execution; or

(ii) by submitting an Association-issued ballot in person at the election meeting; provided that each Voting Lot shall be entitled to two votes, no matter how many Persons have an ownership interest in such Voting Lot; and, if only one (1) of the multiple owners of a Voting Lot is present at a meeting of the Membership, the single Lot Owner who is present is entitled to cast the two votes associated with that Voting Lot; or

(iii) by submitting an Association-issued ballot to the Association or its designated agent by United States mail or other means of delivery specified in the Declaration and/or the Association's bylaws; provided that each Voting Lot shall be entitled to two votes, no matter how many Persons have an ownership interest in such Voting Lot; and such ballot may be signed by any one (1) Owner of such Lot. If more than one ballot is returned for any Voting Lot by the due date, none of such ballots shall be counted; and all such ballots shall, collectively, be considered as spoiled ballots.

(i) The Association may, upon adoption of the appropriate rules by the Board, conduct elections by secret ballot, distributed by the Association, whereby the voting ballot is marked only with the voting interest for the Member and the vote, itself, provided that the Association shall further adopt rules to verify the status of the Member casting a ballot and provided further that proxies shall not be allowed in such a vote. A candidate for election to the Board or such candidate's representative shall have the right to be present at the counting of ballots at such election.

(j) Upon proof of purchase, the Purchaser of a Single Family Lot pursuant to the installment contract for purchase shall, during such times as he or she resides in the home on such Single Family Lot, be counted towards a quorum, for purposes of election of members of the Board at

any meeting of the Membership called for purposes of electing members of the Board; have the right to vote for the members of the Board; and be eligible to be elected to and serve on the Board, unless the seller expressly retains, in writing, any or all of such rights.

Section 2. Board Duties, Obligations, and Records.

(a) The Board shall meet at least four (4) times annually, or as more frequently designated in the Association's bylaws.

(b) Special meetings of the Board may be called by the President, by 25% of the members of the Board, or by any other method that is prescribed in the Community Instruments.

(c) The Board shall give the Members notice of all Board meetings at least 48 hours prior to the meeting by sending notice by using a Prescribed Delivery Method or by posting copies of notices of meetings in entranceways, or other conspicuous places in the Common Areas of the Community at least 48 hours prior to the meeting (except where there is no common entranceway for 7 or more Single Family Lots the Board may designate one or more locations in the proximity of these Lots where the notices of meetings shall be posted). For meetings concerning the adoption of (i) the proposed annual budget, (ii) regular assessments, or (iii) a separate or special assessment, the Board shall give Members notice of such meeting, through a Prescribed Delivery Method, not less than ten (10) nor more than sixty (60) days prior to the meeting, unless otherwise provided in the Act.

(d) Meetings of the Board shall be open to any Lot Owner, except for the portion of any meeting held (i) to discuss litigation when an action against or on behalf of the Association has been filed and is pending in a court or administrative tribunal, or when the Association finds that such an action is probable or imminent, (ii) to consider third party contracts or information regarding appointment, employment, or dismissal of an employee, or (iii) to discuss violations of rules and regulations of the Association or a Member's or Lot Owner's unpaid share of Common Expenses. Any vote on these matters shall be taken at a meeting or portion thereof open to any Member.

(e) The Board must reserve a portion of each Board meeting for comments by Members; provided, however, the duration and meeting order for the Member comment period is within the sole discretion of the Board.

(f) The Association may not enter into a contract with a current Board member, or with a corporation or partnership in which a Board member or a member of his or her immediate family has 25% or more interest, unless notice of intent to enter into the contract is given to Members within twenty (20) days after a decision is made to enter into the contract and the Members are afforded an opportunity, by filing a petition, signed by Owners of 20% of the Voting Lots, for an election to approve or disapprove the contract; such petition shall be filed within twenty (20) days after such notice and such election shall be held within thirty (30) days after filing the petition with the Association's Secretary. For purposes of this subsection, a Board member's immediate family means the Board member's spouse, parents, and children. For purposes of the

preceding, "spouse" shall include both a spouse by marriage and a domestic partner or person of other similar legal designation.

(g) The Association's bylaws shall provide for the maintenance, repair, and replacement of the Common Areas and payments therefor, including the method of approving payment vouchers.

(h) Special meetings of the Board may be called by the President, by 25% of the members of the Board, or by any other method that is prescribed in the Community Instruments.

(i) The Association may engage the services of a Management Company, if authorized in the Community Instruments.

(j) The Association shall have one class of membership unless the Association's bylaws provide otherwise; however, this subsection (f) shall not be construed to limit the operation of subsection (c) of Article 2.

(k) The Board shall have the power, after notice and an opportunity to be heard, to levy and collect reasonable fines from Members or Lot Owners, for violations of the Declaration, the Association's bylaws, and/or rules and regulations adopted by the Board in accordance with the Association's bylaws and/or the Declaration.

(l) Other than attorney's fees and court or arbitration costs, no fees pertaining to the collection of a Member's or Lot Owner's financial obligation to the Association, including fees charged by a Management Company then acting, shall be added to and deemed a part of a Member's or Lot Owner's respective share of the Common Expenses unless: (i) the Management Company fees relate to the costs to collect Common Expenses for the Association; and (ii) the fees are set forth in a contract between the Management Company and the Association. If both (i) and (ii) aply, this provision shall act as authority and directive to add such conforming management fees to a Member's or Lot Owner's respective share of the Common Expenses.

(m) Board records:

(i) The Board shall maintain the following records of the Association and make them available for examination and copying at convenient hours of weekdays by any Member or Lot Owner, and/or their mortgagees, and their duly authorized agents or attorneys:

(A) Copies of the recorded Declaration, other Community Instruments, other duly recorded covenants and bylaws and any amendments, articles of incorporation, annual reports, and any rules and regulations adopted by the Board.

(B) Detailed and accurate records in chronological order of the receipts and expenditures affecting the Common Areas, specifying and itemizing the maintenance and repair expenses of the Common Areas and any other expenses incurred, and copies of all contracts, leases, or other agreements entered into by the Board.

(C) The minutes of all meetings of the Board, which shall be maintained for not less than seven (7) years.

(D) Ballots and proxies, which shall include a written statement of a proper purpose, for any election held for Board members and for any other matters voted on by the Members, which shall be maintained for not less than one (1) year.

(E) With a written statement of a proper purpose, such other records of the Board as are available for inspection by members of a not-for-profit corporation pursuant to Section 107.75 of the Illinois General Not For Profit Corporation Act of 1986, as amended from time to time.

(F) With respect to Units owned by a land trust, a living trust, or other legal entity, the trustee, officer, or manager of the entity may designate, in writing, a person to cast votes on behalf of the Member or Lot Owner, and such designation shall remain in effect until a subsequent document is filed with the Association. Such designations shall be maintained until they have been superceded and for a period of one (1) year thereafter.

(ii) Where a request for records under this section is made in writing to the Board or its agent, failure to provide the requested record or to respond within thirty (30) days shall be deemed a denial by the Board.

(iii) A reasonable fee, as set in rules adopted by the Board, may be charged by the Board for the cost of retrieving and copying records properly requested.

(iv) If the Board fails to provide records properly requested under paragraph (i) of this section within the time period provided in paragraph (ii), the Member may seek appropriate relief and shall be entitled to an award of reasonable attorney's fees and costs if the Member prevails and the court finds that such failure is due to the acts or omissions of the Board of Directors.

(n) The Board shall have standing and capacity to act in a representative capacity in relation to matters involving the Common Areas or more than one Unit, on behalf of the Members or Lot Owners, as their interests may appear.

(o) The Board shall have the authority to interpret the Declaration. The decision of the Board shall be final and binding upon any Owner.

Section 3. <u>Indemnification of Directors</u>.

(a) The Association shall indemnify and hold harmless each person who shall serve at any time hereafter as a Director or officer of the Association from and against any and all claims and liabilities to which such person shall become subject by reason of his or her having heretofore or hereafter been a Director or officer of the Association, or by reason of any action alleged to have been heretofore or hereafter taken or omitted by him as such Director or officer, and shall reimburse each such person for all legal and other expenses reasonably incurred by him in connection with any such claim or liability, provided, however, that no such person shall

be indemnified against, or be reimbursed for, any expense incurred in connection with any claim or liability arising out of his or her willful misconduct.

(b) The right accruing to any person under Paragraph (a) above shall not exclude any other right to which s/he may be lawfully entitled. The Association, its Directors, officer, employees and agents shall be fully protected in taking any action or making any payment under this Section 3 or in refusing to do so, in reliance upon the advice of counsel.

ARTICLE 4

MEMBERS

Section 1. Member Powers, Duties, And Obligations.

(a) The provisions of the Act, this Declaration, the Association's bylaws, other Community Instruments, and rules and regulations that relate to the use of an individual Unit or the Common Areas shall be applicable to any Person leasing a Unit and shall be deemed to be incorporated in any lease executed or renewed on or after the effective date of this Amendment. With regard to any lease entered into subsequent to the effective date of this Amendment, the Unit Owner leasing the Unit shall deliver a copy of the signed lease to the Association or if the lease is oral, a memorandum of the lease, not later than the date of occupancy or ten (10) days after the lease is signed, whichever occurs first.

(b) If there are multiple owners of a Single Family Lot, only one of the multiple owners shall be eligible to serve as a member of the Board at any one time, unless such owners, severally, own another Single Family Lot.

(c) Two-thirds of the Membership may remove a Board member as a Director at a duly called special meeting.

(d) In the event of any sale of a Single Family Lot by a Member or Lot Owner, the Board shall make available for inspection to the prospective Purchaser, upon demand, the following:

(i) A copy of the Declaration, other Community Instruments, and any rules and regulations then enforce.

(ii) A statement of any liens filed by the Association, including a statement of the account of the Single Family Lot setting forth the amounts of unpaid assessments and other charges due and owing.

(iii) A statement of any capital expenditures anticipated by the Association within the current or succeeding 2 fiscal years.

(iv) A statement of the status and amount of any Reserve or replacement fund and any other fund specifically designated for Association projects.

(v) A copy of the statement of financial condition of the Association for the last fiscal year for which such a statement is available.

(vi) A statement of the status of any pending suits or judgments in which the Association is a party.

(vii) A statement setting forth what insurance coverage is provided for all Members or Unit Owners by the Association for Common Areas.

The President or such other officer as is specifically designated by the Board shall furnish the above information within thirty (30) days after receiving a written request for such information. A reasonable fee covering the direct out-of-pocket cost of copying and providing such information may be charged by the Association or the Board to the Unit seller, for providing the information.

Section 2. Meetings.

(a) Notice of any Membership meeting shall be given detailing the time, place, and purpose of such meeting, no less than ten (10) and no more than thirty (30) days prior to the meeting, through a Prescribed Delivery Method.

(b) Special meetings of the Membership may be called by the President, the Board, Owners of 20% of the Voting Lots, or any other method that is prescribed in the Community Instruments.

(c) Members representing twenty percent (20%) of the Voting Lots shall constitute a quorum, unless the Community Instruments indicate a lesser amount.

(d) The Membership shall hold an annual meeting in accordance with the Association's by-laws.

Section 3. New Owners.

It is the responsibility of new Lot Owners to know and adhere to the terms of this Declaration. The Declaration runs with to title to each Unit and is binding upon a Purchaser of any Single Family Lot, the same as if it had been included in the deed transferring title to such Unit.

ARTICLE 5

FINANCES

(a) Each Member shall receive, through a Prescribed Delivery Method, at least thirty (30) days but not more than sixty (60) days prior to the adoption thereof by the Board, a copy of the proposed annual budget together with an indication of which portions are intended for Reserves, capital expenditures, repairs, or payment of real estate taxes.

(b) The Board shall provide all Members with a reasonably detailed summary of the receipts, common expenses, and Reserves for the preceding budget year. The Board shall (i) make available for review to all Members an itemized accounting of the Common Expenses for the preceding year actually incurred or paid, together with an indication of which portions were for Reserves, capital expenditures, repairs, or payment of real estate taxes and with a tabulation of the amounts collected pursuant to the budget or assessment, and showing the net excess or deficit of income over expenditures plus Reserves or (ii) provide a consolidated annual independent audit report of the financial status of all fund accounts within the Association.

(c) Subject to subsection (e), below, if an adopted budget or any separate assessment adopted by the Board would result in the sum of all regular and separate assessments payable in the current fiscal year exceeding 115% of the sum of all regular and separate assessments payable during the preceding fiscal year, the Association, upon written petition by Members with 20% of the votes of the Association delivered to the Board within fourteen (14) days of the Board action, shall call a meeting of the Members (within thirty (30) days of the date of delivery of the petition) to consider the budget or separate assessment; unless a Majority of the total votes of the Voters are cast at the meeting to reject the budget or separate assessment, it shall be deemed ratified.

(d) If total Common Expenses exceed the total amount of the approved and adopted budget, the Board shall disclose this variance to all the Members and specifically identify the subsequent assessments needed to offset this variance in future budgets.

(e) Separate assessments for expenditures relating to emergencies or mandated by law may be adopted by the Board without being subject to Member approval or the provisions of subsection (c) or (f) of this Section. As used herein, "emergency" means a danger to or a compromise of the structural integrity of the Common Areas or any of the common facilities of the Community. "Emergency" also includes a danger to the life, health or safety of the Membership.

(f) Subject to subsection (e) above, assessments for additions and alterations to the Common Areas or to Association-owned property not included in the adopted annual budget, shall be separately assessed and are subject to approval of 2/3rds of the Voters returning ballots in a duly constituted election to approve such assessment.

(g) The Board may adopt separate assessments payable over more than one (1) fiscal year. With respect to multi-year assessments not governed by subsections (e) of this Section, the entire amount of the multi-year assessment shall be deemed considered and authorized in the first fiscal year in which the assessment is approved.

(h) The Board shall have the authority to establish and maintain a system of master metering of public utility services to collect payments in conjunction therewith, subject to the requirements of the Tenant Utility Payment Disclosure Act.

ARTICLE 6

FIDELITY

Section 1. Fidelity Insurance.

The Association shall obtain and maintain fidelity insurance covering persons who control or disburse funds of the Association for the maximum amount of coverage that is commercially available or reasonably required to protect funds in the custody or control of the Association. All Management Companies which are responsible for the funds held or administered by the Association shall maintain and furnish to the Association a fidelity bond for the maximum amount of coverage that is commercially available or reasonably required to protect funds in the custody of the Management Company at any time. The Association, as a budgeted Common Expense, shall bear the cost of the fidelity insurance and fidelity bond, unless otherwise provided by contract between the Association and a Management Company.

Section 2. Management Company.

A Management Company holding reserve funds of the Association shall at all times maintain a separate account for such funds, unless by contract the Board authorizes the Management Company to maintain Association reserves in a single account with other associations for investment purposes. With the consent of the Board, the Management Company may hold all operating funds of associations which it manages in a single operating account, but shall at all times maintain records identifying all moneys of each association in such operating account. Such operating and reserve funds held by the Management Company for the Association shall not be subject to attachment by any creditor of the Management Company. Funds of the Association held by any Management Company shall not, in any event, be commingled with funds of the Management Company. The maintenance of these accounts shall be custodial, and the accounts shall be in the name of the Association.

ARTICLE 7

AMENDMENTS

Section 1. Conforming Amendments.

(a) If there is an omission or error in the Declaration or other instrument of the Association, the Association may correct the error or omission by an amendment to the Declaration or other instrument, as may be required to conform it to the Act, to any other applicable statute, or to the Declaration. The amendment shall be adopted by vote of two-thirds of the members of the Board or by a Majority vote of the Voters at a meeting called for that purpose, unless the Act or the Declaration specifically provides for greater percentages or different procedures.

(b) If, through a scrivener's error, a Single Family Lot has not been designated as owning an appropriate undivided share of the Common Areas or does not bear an appropriate share of the Common Expenses, or if all of the Common Expenses or all of the common elements have not

been distributed in the Declaration, so that the sum total of the shares of common areas which have been distributed or the sum total of the shares of the Common Expenses fail to equal 100%, or if it appears that more than 100% of the common elements or common expenses have been distributed, the error may be corrected by operation of law by filing an amendment to the Declaration, approved by vote of two-thirds of the members of the Board or a Majority vote of the Voters at a meeting called for that purpose, which proportionately adjusts all percentage interests so that the total is equal to 100%.

(c) If a scrivener's error in the Declaration or other instrument is corrected by vote of two-thirds of the members of the Board pursuant to the authority established in subsection (a) or subsection (b), the Board, upon written petition by Members with 20% of the votes of the Association received within thirty (30) days of the Board action, shall call a meeting of the Members (within thirty (30) days of the filing of the petition) to consider the Board action. Unless a Majority of the votes of the Voters are cast at the meeting to reject the action, it is ratified whether or not a quorum is present.

Section 2. General Amendments and Extension.

Except for conforming amendments adopted pursuant to Section 1, above, this Declaration may be removed, extended, changed, altered, or modified, at any time, only by approval of both (i) 2/3rds of the Board and (ii) the Majority of Voters that return ballots in a duly called election in regard to such issue. Such removal, extension, change, alteration or modification shall be duly acknowledged and recorded, prior to becoming effective. Notwithstanding the foregoing, should this Declaration otherwise be required to expire, by operation law, absent an extension, this Declaration shall automatically extend for the longest term for which any such extension is permitted.

Section 3. Enforceability. In the event any of the Declaration's provisions are held to be invalid or unconstitutional, such holding shall not render any of the remaining provisions invalid or unenforceable.

ARTICLE 8

AUTHORIZED DISPLAYS AND STRUCTURES

Section 1. Display of American Flag or Military Flag.

(a) Notwithstanding any provision in the Declaration, the Association's bylaws, the other Community Instruments, rules, regulations, or agreements or other instruments of the Association, or the Board's construction of any of those instruments, the Board may not prohibit the display of the American flag or a military flag, or both, on or within a Single Family Lot. The Board may adopt reasonable rules and regulations, consistent with Sections 4 through 10 of Chapter 1 of Title 4 of the United States Code, regarding the placement and manner of display of the American flag and the Board may adopt reasonable rules and regulations regarding the placement and manner of display of a military flag. The Board may not prohibit the installation

of a flagpole for the display of the American flag or a military flag, or both, on or within a Single Family Lot, but the Board may adopt reasonable rules and regulations regarding the location and size of flagpoles.

(b) As used in this Section:

i. "American flag" means the flag of the United States (as defined in Section 1 of Chapter 1 of Title 4 of the United States Code and the Executive Orders entered in connection with that Section) made of fabric, cloth, or paper displayed from a staff or flagpole or in a window, but "American flag" does not include a depiction or emblem of the American flag made of lights, paint, roofing, siding, paving materials, flora, or balloons, or any other similar building, landscaping, or decorative component.

ii. "Military flag" means a flag of any branch of the United States armed forces or the Illinois National Guard made of fabric, cloth, or paper displayed from a staff or flagpole or in a window, but "military flag" does not include a depiction or emblem of a military flag made of lights, paint, roofing, siding, paving materials, flora, or balloons, or any other similar building, landscaping, or decorative component.

Section 2. Renewable Energy Facilities and Antennas.

Facilities intended to provide renewable energy and/or water for the residence located on any Single Family Lot and antennas shall be allowed, in accordance with all applicable statutes; provided, however, that such structures shall comply with Article 10, Sections 7 (h) and (i), below.

ARTICLE 9

PURPOSE

The purpose of this Declaration is to provide a standard for all Unit Owners to follow. The enforcement of the restrictions contained herein is to ensure that the Community continues to be a desirable, private residential subdivision for outdoor recreation, fishing, boating, and swimming in a private lake.

ARTICLE 10

RESTRICTIONS

Section 1. Unlawful Use of Premises.

No premises shall be used for any unlawful purposes, or for any purpose which would tend to injure the quality of reputation of the Community.

Section 2. Animals and Nonindigenous Species.

No animals of any kind, except domestic household pets, will be permitted to be raised, fed, housed or maintained in any portion of the Property. No nonindigenous fish or plants, nor flora or fauna of any type that is not native to Dunlap Lake shall be released, planted, placed, kept, allowed, or maintained in Dunlap Lake nor on the adjacent Parkway.

Section 3. Sub-Lease or Rental of Lots.

Any Member wanting to lease or rent their Single Family Lot must submit a written request to the Board. No Single Family Lot in the Subdivision shall be leased or rented for more than twelve (12) consecutive months. Property owners may re-apply at the end of the twelve (12) consecutive months. A copy of the lease must be given to the Board. The Board's written consent for leasing or renting of a Single Family Lot may be revoked by action of the Board, if the owner(s) or their lessee fail to maintain the premise and/or to adhere to this Declaration and/or any other Community Instrument.

Section 4. Resale Conditions.

No resale of a vacant Single Family Lot, or part of any vacant Single Family Lot, shall be consummated without first giving the Board, and the Owner(s) of Record of the adjoining Lots, ten (10) days written notice of an intention to sell and the terms of such a sale; either the Association or the Owner(s) of Record of the adjoining lots, in that order, shall then have the right to purchase such Lot, Lots, or parts of such Lot for a period of ten (10) days after the date of receipt of said notice. Such notice may be served personally or by certified mail, and a certified mail receipt shall be sufficient evidence of service by certified mail. If personal service or service by certified mail cannot be accomplished, sufficient notice may be given by publication thereof in an Edwardsville newspaper of general circulation for three (3) successive days, and by giving a written notice to the President of the Board. An affidavit of personal service shall be sufficient evidence, for all purposes, of actual service.

Section 5. Grass, Leaves, Weeds, Brush, Rubbish, and Garbage.

Lot Owners must keep the grass on their Single Family Lot and any adjoining Parkway leased to them mowed to prevent unsightly conditions. Lot Owners are prohibited from blowing or dumping leaves into the lake. No refuse, garbage, cans, bottles, tires, logs, parts of trees, or any other deleterious material of any kind shall be thrown or disposed in the lake or on any Common Area or Parkway. Lot Owners shall not leave rubbish on any Lot(s), shoreline, Parkway(s), or Common Areas.

Section 6. Utility Installations.

The Board shall have the right, without permission of the Lot Owners, to authorize within the Property the laying of sewer pipe, water pipe, gas pipe, or to construct telephone or electric wires and appurtenances thereto, through, across, or under the surface of the Lots, roads, lanes, and highways, and shall have the right, at all times, to authorize ingress and egress for the purpose of

construction, repair and maintenance of same, provided, however, the premises shall be left in as good a condition as before such work began. Utility companies shall compensate the Owners of Record for any damages caused.

Section 7. Building Restrictions.

(a) There shall be no limit or restriction as to the cost or true value of any residence, but a complete comprehensive set of plans and specifications must be submitted to the Building Committee of the Board for approval before construction of any Building may be started. Plans and specifications for any Building submitted to the Board for approval shall contain a lot plan or plat, showing the location of the structure to be erected with the dimensions of the front, sides, and rear yards. The location of the proposed Building and the location of the property lines of the Single Family Lot shall be physically marked on the Lot for visual review by the Building Committee, while the plans are pe3nding review. Upon approval, a building permit for the dwelling will be issued. An electronic copy (in PDF format) of the approved plans must be furnished to the Board for its permanent record.

(b) All carports and garages shall be attached to, or be made a part of, the main dwelling.

(c) The front of any new dwelling shall face the street and no part of the Building shall be less than twenty-five (25) feet from the front property line. The rear of any dwelling, including any part of the Building structure (e.g., decks, etc.), shall not be less than thirty (30) feet from the back property line of the lot(s) adjoining the lake. The side of any dwelling, including any part of the Building structure, shall not be less than ten (10) feet or ten percent of the total width of the lot or lots whichever is greater, measured across the front of the Parcel, from the boundaries of the property lines upon which it is constructed. Where a side yard adjoins a street, the minimum width of the side yard shall be fifteen (15) feet.

(d) Dwellings shall contain no less than 1,200 square feet of finished livable floor space on the main floor of such dwelling excluding garage, carports, or basements used for storage.

(e) All dwellings shall be completed within one (1) year of approval of plans for construction by the Building Committee.

(f) Before an unattached building will be permitted, a special application must be submitted to the Building Committee for Board approval as to the size, location, structure, and color. (Only one unattached building will be allowed on a Single Family Lot. An unattached building shall be built on one level and contain a minimum of 80 square feet and a maximum of 120 square feet. An unattached building shall not be located any closer than ten (10) feet to a property line. Unattached buildings may not be located in the limit yard of any dwelling or in the back yard of any dwelling adjoining the lake. Unattached buildings must be constructed of like materials (siding, roof, and color) as the dwelling. Upon approval, a building permit for the unattached building will be issued. A copy of the special application approved plans must be furnished to the Board for its permanent record.

(g) Dwellings shall have the type of roof construction meeting the standard for fire regulation established by the State of Illinois and no roll or sheet type base material may be used for roofing material. No asbestos siding, tar base siding, canvas, or other flimsy material shall be used on any building exterior.

(h) Renewable Resources. Any structure, facility, or apparatus for the collection of energy, water, or other resources to be constructed on or attached to the exterior of any Single Family Lot, dwelling, or other structure within the Property shall require the written consent of the Building Committee (or, in its absence, the Board of Directors), including any exterior solar collection system, wind generator system, rain water collection system, or any other similar type system or appliance; and the Building Committee (or, in its absence, the Board of Directors) may establish Rules and Regulations for the location and installation of same, so long as such Rules and Regulations comply with all then applicable laws and regulations concerning the use of renewable resources. In addition, all rain water collection systems must have the collection reservoir located underground. Plans submitted for approval of a solar energy collection system shall show the degree, nature, kind, shape, size, square footage, height, elevation, materials, colors, location and configuration of the proposed system(s); provided, however, that no plans for a solar system shall be denied, so long as the system will meet the applicable requirements of the State and local permitting authorities and the solar system will be installed on a roof with an orientation to the rear of the structure, if such location will not impair the effective operation of the system. Additional rules regarding installation of renewable resource facilities are attached hereto as **Exhibit B** and incorporated herein by this reference.

(i) Antennas. No exterior television or radio antenna, towers, direct broadcast satellite dishes or antennas used to receive multichannel or multi-point distribution (wireless cable) signals may be installed on any Lot in the Property without the prior approval of the Building Committee (or, in its absence, the Board of Directors); provided, however, in reviewing a request for approval of any such device, the Building Committee (or Directors) shall comply with all Federal, State and local laws, ordinances and regulations, and shall not impose any restriction which will preclude a Lot Owner's receipt of an acceptable quality signal. In addition, all satellite dishes shall either be mounted to a dwelling and/or be obscured with landscaping on the Single Family Lot and shall not be noticeably visible from the street. Each Lot Owner shall be responsible for the repair, maintenance and/or replacement of any such approved antennas or dishes.

(j) Any other additions or structures not covered by this Article 10, requires an application for a special permit or variance from the Board.

(k) The Building Committee and/or Board consideration of plans and specifications which are submitted shall be separate from, and in addition to, any permit required by the City of Edwardsville or any other government unit.

Section 8. Boat Docks.

(a) Boat docks on Parkways shall be constructed so as to be parallel to the shoreline. These boat docks shall not exceed in dimension eight (8) by sixteen (16) feet, the sixteen-foot

dimension running parallel to the shoreline. These docks shall not be more than ten (10) feet from the shoreline, as measured by the normal spillway level of the lake and shall be erected so the dock platform is not in excess of four (4) feet above the water level. These boat docks must be twenty (20) feet, where possible, from the adjacent property line, or the owner must apply for a variance approved by the Board.

(b) Boat docks on Common Areas shall be constructed so as to be perpendicular to the shoreline and/or parallel to existing dock(s). These boat docks shall not exceed in dimension four (4) feet by sixteen (16) feet, the sixteen-foot dimension running perpendicular to the shoreline and/or parallel to existing dock(s). These boat docks shall be erected so the dock platform is not in excess of four (4) feet above the water level as measured by the normal spillway level of the lake.

(c) Plans and specifications for any boat dock or floating raft must be submitted to the Building Committee of the Board for approval before any building operations are started. Only one boat dock and floating raft will be allowed per Single Family Lot. Floating rafts shall not exceed in dimension eight (8) by eight (8) feet and must be constructed of material safe for use in the lake. Boat dock permits will be issued in Common Areas based on most efficient shoreline utilization. Upon approval, a building permit for the boat dock will be issued. Any Lot Owner building a boat dock thus becomes the owner of that boat dock. No new boathouses or any other type of Building (other than docks installed pursuant to sections (a) – (c), above) will be permitted on Parkways or Common Areas.

(d) Existing docks and boathouses shall be maintained in a safe and attractive manner. Paint colors on boat docks and boathouses shall blend with the colors of the Lot Owner's dwelling. Removal of abandoned and/or derelict boat houses, boat docks, rafts, floats, etc. shall be the responsibility of the assigned Lot Owner(s).

(e) Boat docks on Common Areas must be identifiable as to who the assigned Lot Owner is by placing their Lot number(s) on the boat dock.

Section 9. <u>One Residence on Each Lot.</u>

No more than one single family residence shall be located on any Single Family Lot.

Section 10. <u>Sight Distance on Parkways and Common Areas.</u>

No new fence, wall, hedge, or shrubs shall be permitted on Parkways or Common Areas. Trees may be planted with the approval of adjoining Lot Owners on each side.

Section 11. <u>Businesses.</u>

No business shall be permitted, allowed, conducted, or maintained where customers come to a Single Family Lot in the Community or to any residence located thereon.

Section 12. Clubs, Etc.

No clubs, fraternities, or organizations of any nature may operate from, or use any residence or Building in the Community.

Section 13. Fences, Obstructions, Etc.

No new fences of any kind over four (4) feet high shall be permitted. Fences must have twenty-five (25) percent air flow. Solid fences shall be permitted for the purposes of enclosing patio areas for the provision of privacy for such areas, upon specific approval by the Board. A complete set of plans and specification for a fence must be submitted to the Building Committee of the Board. Upon approval, a construction permit will be issued.

Section 14. Signs or Advertising.

No signs or advertising of any kind, business or otherwise, will be permitted in the Community, except an identifying name or number of the home and occupant or a "For Sale" sign. The Board shall have the authority to determine whether any sign is unsightly or inappropriate.

Section 15. Patios.

All patios, not abutting or connected to a residence Building, shall be constructed so that the patio(s) shall not exceed twelve (12) inches above ground at its lowest point, and such patios shall measure no more than sixteen (16) by sixteen (16) feet. No permanent covering or any type of roof will be permitted on any unattached patios. Construction of any patio over any part of the water of the lake is prohibited. A complete set of plans and specifications for the patio must be submitted to the Building Committee. Upon approval, a construction permit will be issued.

Section 16. Fishing.

Fishing is by pole and line only. No trotlines, nets, set lines, bank lines, limb lines, trap, "jugging", or bow and arrows, etc. shall be used for fishing in the lake. All state regulations apply to Dunlap Lake.

Section 17. No Entrance to Other Property.

No Unit, or parts of any Unit, shall be used for ingress or egress to any tract of land not included in the Community.

ARTICLE 11

ASSESSMENTS

Section 1. Annual Assessments

Subject to Article 5, above, the Board shall have the right to assess the Lot Owners, on each successive June 1st, such sum as the Board shall deem necessary for the upkeep and maintenance

of the dam, lake, and other Association properties in the Community and for the expenses incurred in managing the Community; provided however, that no annual assessment for any year shall exceed the sum of one cent per square foot of area of each Lot, and further provided, that the assessment as levied each year shall be and become a lien, without the filing of suit or legal procedure, upon such Lot, if such assessment shall not be paid within thirty (30) days after assessments are mailed. No assessment shall be made on any Lot not sold or conveyed by the original grantors of the subdivision or their heirs, executors, or administrators. The Board shall have the right to raise the annual assessment each year by no more than .001 dollar per year per square foot of each Lot, up to a maximum .015 dollars per square foot.

Section 2. Special Assessments.

(a) Subject to Article 5, above, and the requirement for 2/3rds of the Voters who cast votes in a duly constituted election to approve such assessment, the Board shall additionally have the right to assess a special assessment for the upkeep and maintenance of the dam, lake, and other Association properties and business; and the assessment as so levied shall be and become a lien, without the filing of suit or legal procedure, upon each Lot, if such assessment shall not be paid within thirty (30) days after the due date.

(b) It is the responsibility of the Purchasers to pay any special assessment due that was previously approved in accordance with Section (a) above.

ARTICLE 12

COMMON AREAS AND PARKWAYS

Section 1. Use of Common Areas.

(a) Lot Owners with lots not on the lake are assigned Common Areas for their use. As assigned Common Areas become full, the Board reserves the right to re-assign Lot Owners to the next nearest Common Area that is not full.

(b) The Association may use the Common Areas for any legal purpose and may build and/or purchase a headquarters building, the activities of which shall not be inconsistent with the intent and purposes of this Declaration.

Section 2. No Structures on Parkways.

No Building or construction of any kind may be made on the Parkways surrounding the lake, without the written consent of the Board. Use of Parkways, other than by the adjacent Lot Owner, is for emergency use only.

Section 3. Leased Parkways – Shorelines.

(a) Lot Owners of Lots adjoining the lake must accept a nonrevocable lease at the cost of one (1) dollar per year for the Parkway from the water's edge to adjoining property line of the Owner's Lots. The property line between two (2) Lots will be decided by an imaginary line

perpendicular from the water's edge to the property marker between the two (2) adjacent Lots. If the Owners cannot agree, the Board will decide where the imaginary line lies. (Lots E27 through E38 and Lots F I, 5, 14, 15, 16 will be exempt from the shoreline responsibility.)

The lease of the Parkway by the Association to the Lot Owner shall require the Lot Owner to maintain the Parkway and its shoreline. (This includes removing trees that have fallen into the lake.)

(i) If an owner(s) property is adjacent to a Common Area, the determining property marker will be to the front of the Lot(s).

(ii) If an owner(s) property has water on three sides, the determining property marker will be to the front of the Lot(s).

(iii) If an owner(s) property has water on three (3) sides next to a Common Area(s), the determining property marker will be to the front of the Lot(s).

(iv) If the Lots are adjacent, the determining property marker will be to the back of the Lots.

(v) If the owners cannot agree, the Board will decide where the imaginary line lies.

(vi) Notwithstanding anything to the contrary contained herein, Lots E19 through E38; and Lots F1, 5, 14, 15, 16 will be exempt from the shoreline responsibility.

(b) The Lot Owner must construct and maintain a retaining wall *or shoreline intervention that effectively prevents erosion of the shoreline*. Construction and materials used in the wall or intervention must be clean and of a concrete, concrete products, or rip rap type material or other material approved by Army Corps of Engineers. The use of broken asphalt, concrete with exposed rebar, railroad timbers treated with creosote, etc. are not allowed. Most repair activities do not require a permit from either the state or federal authorities, but it is recommended that notice be given to the local Army Corp Office and Lake Board Officials. Lake officers can assist with contact of Army Corp officials. Notice must be given to the Board and permits must be acquired from the Board and Corp of Engineers for first time construction or changes or replacement of the material used to repair shorelines.

(c) Failure of Owner(s) to comply with this restriction and/or who fail to maintain the shoreline will be enforced by the Board under Article 13.

Section 4. Lowering of the Lake.

The Board has the right to lower the lake for the upkeep and maintenance of shorelines, dam, and spillway. The Board will try to adhere to a schedule of lowering the lake once every five (5) years (in years ending in 1 or 6), or any time the Board deems necessary to make repairs.

Section 5. Use of the Lake.

(a) Lot Owners shall, subject to compliance with the Declaration, have license, personally, and for their family and guests, to have the use and privileges of the lake in the Community, which shall include boating, swimming, fishing, and the use of Parkways and assigned Common Areas, including the right to moor boats on said Parkways and assigned Common Areas, subject to the rules and regulations prescribed by the Board from time to time.

(b) For each Single Family Lot, the Lot Owner(s) shall be entitled to own, and operate on the lake, a total of three (3) boats that have a rated capacity of two (2) or more persons and each may be powered within the limits described below. Only one (1) of these boats shall be a pontoon boat. The maximum length of a pontoon boat on the lake shall not exceed 24 foot, not including the outboard mount and motor projection. All other boats shall not exceed 20 foot in length. With permission of the Lot Owner, who owns a boat, a resident or guest may operate the owner's boats subject to compliance with all applicable restrictions and government regulations, and subject to the Lot Owner assuming responsibility for the conduct of the operator.

(c) For each Unit, the Lot Owner(s) shall be entitled to own and operate on the lake a total of six (6) individual watercraft with a capacity of no more than one (1) person. The individual watercraft shall not be powered in any way other than wind or the occupant's physical strength. With permission of the Lot Owner, who owns such craft, a resident or guest may operate the owner's individual watercraft subject to compliance with all applicable restrictions and government regulations, and subject to the Lot Owner assuming responsibility for the conduct of the operator. The term "individual watercraft" shall mean any non-motor powered watercraft with a buoyancy capacity of less than 350 pounds and specifically designed to accommodate only one person.

(d) Boats used on the lake are limited to a 7.5 horsepower outboard motor except pontoon boats which are limited to a 9.9 horsepower motor. Electric motors used as the main propulsion source shall meet the same power limitations. No more than one outboard motor per boat will be allowed. Inboard and inboard/outboard motors are not permitted on the lake. It is not the intent of this requirement to restrict the mounting and use of a 12 volt electric trolling motor in addition to one outboard motor.

(e) Boats and individual watercraft must be owned by a Lot Owner, registered with the State of Illinois if required by regulation or law, and be in compliance with all safety requirements defined by the U.S. Coast Guard and the State of Illinois. All boats and individual watercraft operating between sunset and sunrise are to be equipped with, and operating, navigational lights.

(f) All boats and individual watercraft used on the lake shall be registered with the Association and have permanently attached legible Dunlap Lake boat stickers which are clearly visible at all times. The procedure for registering and obtaining stickers from the Association along with defining the displaying requirements shall be established by the Board in rules from time to time.

(g) Owners who lease or rent their property may elect to transfer the rights of boat ownership to their lessee or renter. Owners choosing to do so must include this transfer of rights specifically in a written lease/rental agreement which is filed with the Board. If the owner chooses to transfer these rights, s/he must remove from the lake and Property all boats and watercraft s/he owns.

(h) The Owner of Record is responsible for fines that are assessed as a result of a resident, tenant, or guest violating the Declarations. A representative of the Board shall notify the responsible Lot Owner, in writing, of the violation of the Declaration. The Lot Owner will be given ten (10) days to correct the violation. If the Lot Owner does not correct the condition within the designated time, the Board may impose a fine, which shall be a lien against the Lot Owner's Lot.

ARTICLE 13

VIOLATIONS

Section 1. Enforcement.

(a) This Declaration shall be subject to enforcement by any Owner of Record, group of Owners of Record, the Board, or the Association. Members (in good standing) wanting to report violations shall do so in writing to the Board at P.O. Box 5. After contacting the Owner(s) of Record, duly authorized and designated representative(s) of the Board may enter upon any Single Family Lot for the purpose of inspection for enforcement of the Declaration. Any Owner(s) of Record found to be in violation of the Declaration will be sent a notice giving the Owner(s) of Record thirty (30) days to comply with the Declaration.

(b) Any Owner of Record, group of Owners of Record, the Association, or the Board shall have the right to prevent or stop any violation of any of the Declaration, by injunction or other lawful procedure, and to recover damages resulting from such violations. Violation(s) brought to the Board's attention and the Owner(s) of Record failure to comply with the Declaration after being duly notified, shall be subject to a $500 annual fine, per violation, as voted by the Board. Failure of Owner(s) of Record to pay the fine will result in court action brought by the Board against the Owner(s) of Record along with legal costs of the action, attorney's fees, and court costs incurred by the Board. Said fines, costs of suit, and attorney's fees shall be collectible as a lien upon such Owner(s) of Records Single Family Lot.

Section 2. Assessment Collectible

(a) In the event assessments shall remain unpaid for sixty (60) days from the date when due, such sum or sums, together with interest at the rate of eighteen percent (18%) per annum thereon, and attorney's fees, plus court costs shall be enforceable and collectible as a lien upon such Unit by suit or other proceedings in the Circuit Court of Madison County, Illinois. Such suit, action or other proceedings shall be instituted by the Board, in its sole discretion.

(b) Renters or people leasing a Single Family Lot must adhere to the Declaration. Lot Owners who rent or lease their premise relinquish their rights to use the lake, but are responsible for the actions of their tenants. Fines for violations of restrictions by tenants will be assessed against the Lot Owner and shall be a lien against their Lot.

DUNLAP LAKE SUBDIVISION, an Illinois not-for-profit corporation.

By: _____
ALAN ORTBALS, PRESIDENT

By: _____
CRAIG LOUER, SECRETARY

STATE OF ILLINOIS)
) **ss.**
COUNTY OF MADISON)

I, the undersigned, a Notary Public, in and for said County, in the State aforesaid, DO HEREBY CERTIFY THAT **ALAN ORTBALS**, as the President of DUNLAP LAKE SUBDIVISION, an Illinois not-for-profit corporation, being the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that he signed and delivered the said instrument pursuant to authority given by the Members of said Illinois not-for-profit corporation, as their own free and voluntary act and as the free and voluntary act of said Illinois limited liability company, for the uses and purposes therein set forth.

Given under my hand and Notarial Seal this 22nd day of December, 2014.

Official Seal
Camille Michel Lane
Notary Public State of Illinois
My Commission Expires 10/22/2018

_____

STATE OF ILLINOIS)
) **ss.**
COUNTY OF MADISON)

I, the undersigned, a Notary Public, in and for said County, in the State aforesaid, DO HEREBY CERTIFY THAT **CRAIG LOUER**, as the Secretary of DUNLAP LAKE SUBDIVISION, an Illinois not-for-profit corporation, being the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that he signed and delivered the said instrument pursuant to authority given by the Members of said Illinois not-for-profit corporation, as their own free and voluntary act and as the free and voluntary act of said Illinois limited liability company, for the uses and purposes therein set forth.

Given under my hand and Notarial Seal this 22nd day of December, 2014.

Official Seal
Colleen P Vrenick
Notary Public State of Illinois
My Commission Expires 09/10/2017

_____

EXHIBIT A

BYLAWS

I. Name and Purpose

The name of this organization shall be the Dunlap Lake Property Owners Association, Inc. Its purpose shall be to a) enforce the Declaration of the Dunlap Lake subdivision to which these By-Laws are attached, b) promote the Dunlap Lake Community as a desirable, private, single family residential area, c) assist property owners of the subdivision in the enjoyment of outdoor recreation, and (d) provide for the maintenance, repair, and replacement of the Common Areas within the Community, and to charge the Common Expenses to the Members, through the assessments authorized in the Declaration. All capitalized terms not expressly defined herein shall have the meaning given to them in the Declaration.

II. Membership

All owners of record and licensees in the Dunlap Lake Community are Members of this Association and shall be entitled to all rights and privileges of the Association.

III. Board of Directors

Section 1: Governance of the Association shall be vested in the Board of Directors. The Board of Directors may engage the services of a Management Company, at the expense of the Association, in accordance with the provisions of Third Amended and Restated Covenants and Restrictions for Dunlap Lake Subdivision, as amended from time to time.

Section 2: The Board of Directors of the Association shall consist of 15 members, whose terms of office shall be three (3) years. Five (5) members of the Board of Directors shall be elected each year for a term of three (3) years.

Section 3: At least two (2) months before the annual meeting in February, the President of the Board shall appoint a nominating committee of three (3) members of the Board who shall prepare a list of nominees for Board vacancies. The nominees selected by the nominating committee shall be reported at the January meeting and be announced to the Association at the annual meeting. Additional nominations from the floor will be permitted at the annual meeting or may be submitted in writing to the Secretary of the Board prior to the annual meeting. No additional nominations will be accepted after the annual meeting.

Section 4: New Board members shall be elected by the Members at the annual meeting of the Members held during the month of February.

Section 5: The five (5) nominees receiving the largest number of votes in the annual election for members of the Board of Directors shall fill the vacancies that exist due to the expiration of the terms of office and will take office at the February Board meeting. The nominees acceptance and length of term should be noted in the minutes of the Board meeting following his or her acceptance.

Section 6: If a vacancy on the Board of Directors exists, the Board will fill the unexpired term by a two-thirds (2/3) vote of the Board. Non-elected nominees receiving the highest number of votes in the last election will be considered to fill the Board vacancy(s). Notwithstanding the foregoing, Members holding at least 20% of the votes of the Membership may request a special meeting of the Membership to have the vacancy(ies) filled, for the unexpired term, by a vote of the Members. In such event, a special meeting shall be called, within thirty (30) days after the Members have filed with the Association's Secretary a Petition signed by Members holding at least 20% of the votes requesting such vote; and the Director(s) elected by the Members shall fill the vacancy(ies) for the remainder of the unexpired term(s).

Section 7: Any Board member missing three (3) consecutive meetings of the Board of Directors without prior notification to an officer of the Board shall be removed from the Board. Any Board member missing a total of six (6) meetings of the Board in a twelve (12) month period, may be removed from the Board, by a Majority vote of the other Board members.

Section 8: All Board members and nominees shall be in compliance with all restrictions in order to serve on the Board. (If a nominee is not in compliance, it shall be noted in the minutes that the individual will not be allowed to serve on the Board for that reason.)

Section 9: Voters holding at least two-thirds (2/3) of the votes of the Membership, may remove any Director from the Board, with or without cause; provided, that notice of such vote shall be given at least twenty (20) and not more the thirty (30) days prior to such vote; and the Director proposed to be removed shall have been given a reasonable opportunity to be heard, prior to such vote.

IV. Officers of the Association

Section 1: The officers of the Association shall consist of a President, a Vice-President, a Secretary, and a Treasurer.

Section 2: The officers shall be elected annually by the Board of Directors at the regular meeting held in February and shall hold office until their successors are elected.

Section 3: The duties of the President shall be to preside at all Board meetings of the Association and at the Board of Directors' meetings, unless he or she has designated the

Vice-President to preside in his or her stead; and to perform such other functions as may be incidental to the office or may be assigned to him or her by the Board of Directors from time to time.

Section 4: The duties of the Vice-President shall be, in the absence of the President, to exercise the powers and to perform all the duties of that office and to perform such duties as the President or Board of Directors may assign him or her.

Section 5: The duties of the Secretary shall be to keep minutes of all meetings of the Members and of the Board of Directors; to issue all calls and notices; to make and publish the agenda for all meetings; to keep the roll of the Board and the Membership; to supervise the balloting at all elections; and to perform such other functions as may be incidental to the office or may be assigned to him or her by the Board of Directors.

Section 6: The duties of the Treasurer shall be to collect and to receive all money due the Association; to be custodian of funds received and to disburse monies. The Treasurer shall present a monthly report to the Board of Directors and an annual report to the Members at their annual meeting. The books of the Treasurer, at the discretion of the Board, shall be audited at the end of each fiscal year (March to February) by such agency or persons as the Board of Directors may determine. (The audit must be noted in the minutes of the Board of Directors.)

V. Meetings

Section 1: A monthly meeting of the Board shall be held on the last Monday of the month. The Board of Directors, however, may change the date of any regular monthly meeting or call a special meeting provided the members of the Board are notified by mail or by telephone at least one week in advance of such meeting and the Members are given notice, in accordance with Article 3, Section 2(c) of the Declaration.

Section 2: The monthly Board meeting in February shall be known as the annual meeting and shall be for the purpose of nominating Board members, presenting reports from officers and committees, and for any other business that may arise.

Section 3: A quorum for the transaction of business of the Board of Directors shall consist of a Majority of the Board (i.e., 8).

Section 4: The Board may go into executive session, as authorized by the Declaration.

VI. Committees

Section 1: The Association shall have the following permanent committees, the Members of which, subject to Section 2, below, shall be selected by the Board: Finance, Building, Safety, Dam and Maintenance, Silt, Common Areas, Declaration, Fish and Wildlife, and Meetings and Elections. The President of the Board shall have the authority to establish other special committees as needed.

Section 2: The Finance Committee shall be composed of the President, Vice President, Secretary and Treasurer with the Treasurer as chairperson. It shall be the duty of this committee to prepare a budget for the fiscal year.

Section 3: It shall be the duty of the Building Committee to review plans and issue permits according to the Declaration.

Section 4: The Safety Committee shall be responsible for water safety, lake security, and boat registration within the Dunlap Lake subdivision,

Section 5: The duties of the Dam and Maintenance Committee are to ensure the maintenance of the dam and to promote and maintain the ecological balance of the lake and the contiguous land environs.

Section 6: The Silt Committee is to manage lake siltation.

Section 7: The Common Areas Committee is to oversee the maintenance of the Common Areas.

Section 8: The Declaration Committee is to process violations of the Declaration and to recommend changes to the Declaration to the Board.

Section 9: The Meetings and Elections Committee is to plan the holiday social, the annual meeting of the Members, and to preside over elections and votes.

Section 10: The Fish and Wildlife committee is to oversee fish and wildlife management of the lake and the annual fishing derby.

VII. Parliamentary Authority

Roberts Rule of Order shall govern the Association in all cases to which they are applicable and in which they are not inconsistent with these by-laws, the Declaration, or any special rules of order the Association may adopt.

VIII. Amendment of By-Laws

These By-Laws may be amended at any regular meeting of the Board of Directors by a two-thirds (2/3) vote, provided that the amendment has been submitted in writing at the previous regular meeting; and provided, further, that the amendment must be Recorded, as contemplated by the Declaration, to be effective.

EXHIBIT B

Additional Rules for Solar and Rain Water Collection Installations

1. Solar units not mounted on the roof (ground mounted) should be installed according to the local jurisdiction's zoning "setback" requirements. Any such structure shall be concealed from neighbors' views, to the extent possible.

2. Aluminum trim, if used and visible, shall be color treated to match the color of the structure on which the system is mounted or, if mounted on the ground, to compliment the surrounding colors.

3. Solar collectors, whenever possible, should be installed on the plane of roof materials (flush mounted).

4. Solar units must be firmly secured to the roof in accordance with local building codes.

5. All exterior plumbing lines should be painted in a color scheme consistent with the structure and materials adjacent to the pipes (e.g., pipes on a wall should be painted the color of the wall, while roof plumbing should be the color of the roof).

6. A sample or illustrated brochure of the proposed solar unit(s), which clearly depicts the unit(s) and depicts the materials to be used, should be submitted with the application for approval submitted pursuant to Article 10, Section 7.

7. Construction drawings for the proposed installation should be provided with the submittal made pursuant to Article 10, Section 7. They should be drawn to show the location and number of collectors, attachment of roof structure, and location of any other exterior system components.

8. Calculations should be provided, with the submittal made pursuant to Article 10, Section 7, showing the number and area of the collectors and/or turbines required. Such calculations should be certified by a contractor or engineer fully trained and experienced in solar and/or rain water system construction, as the case may be; and such person shall provide a summary of their training and experience to establish the sufficiency thereof.

9. Except as required by law, the Association retains all authority provided to it pursuant to the Declaration in regard to installation of solar energy collection systems; with the policy of the Association being to comply with Illinois law and allow the use of such systems while, to the extent reasonably practicable, minimizing any negative impact of such systems on neighboring properties and/or the Community.

10. This Exhibit has been entered into and shall be construed in accordance with Illinois law, including, but not limited to the Homeowners' Energy Policy Statement Act, 765 ILCS 165/1 et seq.