

BY-LAWS

OF

CRYSTAL LAWNS ADDITION IMPROVEMENT ASSOCIATION

REVISED JULY, 1982

ARTICLE I

LOCATION, AGENT, OBJECT

The principal office of the Association in the State of Illinois shall be located in the Township of Plainfield and County of Will. The registered office of the Corporation required by the General Not For Profit Act to be maintained in the State of Illinois may be, but need not be, identical with the principal office in the State of Illinois, and the address of the registered office may be changed from time to time by the Board of Directors.

The object of the Association is primarily to provide and furnish water facilities at scheduled rates, without pecuniary profit, also seek and provide ways and means for such public improvements as from time to time may be deemed necessary for all members of the Association, and for all plots and tracts or parcels of land in the Crystal Lawns Addition Subdivision hereafter made a part of this Association and to own and operate the necessary plants, equipment and distribution system.

ARTICLE II

MEMBERSHIP

SECTION 1. MEMBERSHIP. Membership in the Association is to begin at the time of tapping into the Association's water mains. Upon becoming a member of the Association the member is subject to the regulations contained in the By-Laws of said Association. The collective membership of the Association shall consist of all persons of each household who shall pay for water service to said Association. As applied to voting privileges and election, an individual Association member shall be defined as husband and wife, or single adult, who either own or rent a home to which water is furnished by the Association. One vote shall be allowed for each residence within the Association's jurisdiction.

SECTION 2. MEETINGS. Special meetings of the membership may be called by the president, by the Board of Directors, or by 10% of the membership. Any member may attend any regular meeting of the Board of Directors at any such regular meeting.

SECTION 3. NOTICE OF MEETINGS. Written or printed notice stating 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 or more than forty days before the date of the meeting, either personally or by mail, by or at the direction of the president, or the secretary, or the officer or persons calling the meeting, to each member 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 member at his address as it appears on the records of the Association, with postage thereon prepaid.

SECTION 4. QUORUM. Fifty percent of the voting members of the Association, represented in person or by proxy, shall constitute a quorum at any meeting of the membership, provided that if less than a majority are represented at said meeting, a majority of the members so represented may adjourn the meeting from time to time without further notice. If a quorum is present, the vote of the members represented at the meeting shall be the act of the membership.

SECTION 5. PROXIES. At all meetings of the membership, a member may vote by proxy executed in writing by the member. Such proxy shall be filed with the secretary of the Association before or at the time of the meeting. No proxy shall be valid after 90 days from its date of execution, unless otherwise provided in the proxy.

### ARTICLE III

#### DIRECTORS

SECTION 1. GENERAL POWERS. The business and affairs of the Association shall be managed by its Board of Directors.

#### ARTICLE III SECTION 2

NUMBER, TENURE, QUALIFICATIONS. The number of directors of the corporation shall be sixteen (16). Each director shall hold office for a term of two years, or until his successor shall have been elected and qualified. Directors must be residents of the Crystal Lawns Addition Subdivision.

SECTION 3. REGULAR MEETINGS. A regular meeting of the directors must be held a minimum of once every two months. The Board of Directors may provide by resolution, the time and place, for the holding of additional regular meetings without other notice than such resolution.

SECTION 4. SPECIAL MEETING. Special meetings of the Board of Directors may be called by or at the request of the President or any five directors. The person or persons authorized to call special meetings of the Board of Directors may fix any reasonable place, as the place of holding any special meeting of the Board of Directors called by them. Written notice of any special meeting shall be delivered in person or by mail five days before each meeting.

SECTION 5. QUORUM. A majority of the number of directors fixed by these By-Laws shall constitute a quorum for transaction of business at any meeting of the Board of Directors, provided that if less than a majority of such number of directors are present at such meeting, a majority of the directors present may adjourn the meeting from time to time without further notice.

SECTION 6. MANNER OF ACTING. The act of the majority of the directors present at a meeting at which a quorum is present shall be the act of the Board of Directors.

SECTION 7. VACANCIES. Any vacancy occurring in the Board of Directors by reason of an increase in the number of directors, will be filled in accordance with Article IV, Section 3 through 6 with the dates of nominations and election being set by the Board of Directors.

SECTION 8. INFORMAL ACTION BY DIRECTORS. Any action required to be taken at a meeting of the Board of Directors, or any other action which may be taken at a meeting of the Board of Directors, may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all of the directors entitled to vote with respect to the subject matter thereof.

ARTICLE III SECTION 9. COMPENSATION

The Board of Directors, by the affirmative vote of directors then in office, and irrespective of any personal interest of any of its members, shall have authority to establish reasonable compensation of all directors for services to the corporation as directors, officers, or otherwise. The compensation may be or may not be in the form of water service without charge, but if compensation is not in the form of water without charge, compensation shall not exceed current crafts rates for services performed.

SECTION 10. MAINTENANCE AND REPLACEMENT FUND. The Board of Directors will, from time to time, review the water rate schedule and recommend alterations of the schedule if required to assure adequate fund for future replacement of major components of the water system. It will be the responsibility of the Board of Directors to see that such monies which have been set aside as a sinking fund for the maintenance and replacement of the water system facilities be used for no other purpose.

ARTICLE IV

ELECTION OF THE BOARD OF DIRECTORS

ARTICLE IV. SECTION 1. REPRESENTATION

The board of directors, shall consist of sixteen members. One director shall be elected as representative, for each block as defined below. In the event that no member from that block chooses to represent that block, the President may appoint an Association member to represent said block with approval of the board of directors. Appointed member shall serve for a term as specified in Article III, Section 2.

- Block 1. Both sides of Eastline Drive from Caton Farm Road.
- Block 2. Both sides of Cosmic Drive from Caton Farm Road.
- Block 3. Both sides of Satellite Drive from Caton Farm Road.
- Block 4. Both sides of Meridian Drive from Caton Farm Road.
- Block 5. Both sides of Nuclear Drive from Caton Farm Road.
- Block 6. Both sides of Vesta Drive from Caton Farm Road.
- Block 7. Both sides of Westline Drive from Caton Farm Road.
- Block 8. Both sides of Willardshire from the West end to Satellite Drive.
- Block 9. Both sides of Willardshire Drive from Satellite Drive to Essington Road and the west side of Essington Road to Caton Farm Road.
- Block 10. Both sides of Helmar Lane and homes connected to the system on Caton Farm Road.
- Block 11. The East side of Von Esch Road and the first six homes on Prieboy Lane East of Von Esch Road.

- Block 12. From 2424 Byrum Blvd. South to Helmar Lane (both sides) of street.
- Block 13. Both sides of Byrum Blvd. from 2426 Byrum north to Prieboy and the first five homes on Prieboy west of Byrum Blvd.
- Block 14. Both sides of Regan Road.
- Block 15. Lockner south.
- Block 16. Lockner north.

SECTION 2. NOMINATIONS. The Board of Directors shall no later than March 1 of each year select a list of candidates for the directors to be filled in that year. At least two candidates will be selected for each vacancy in the board which will exist at the end of the year. Candidates for the office of directors must have lived in the subdivision a minimum of one year. Nominations in addition to those on the list may be made by the membership. A petition signed by five Association members from the block in which the petition is circulated will be required to nominate each additional candidate. Residents from a particular block are prohibited from circulating petitions in another block. However, they may encourage the members of another block to case such a petition to be circulated.

SECTION 3. FINAL LIST OF CANDIDATES. The secretary will prepare a list of recommended candidates which will be published and presented to all Association members no later than March 25 of each year. After examination of this list, the membership may circulate the petitions for additional candidates. All petitions will be presented to the secretary no later than May 1 of each year.

SECTION 4. BALLOTS. The secretary shall cause a ballot to be printed containing the names of all candidates for presentation to all Association members. The ballots shall be marked to restrict voting for only those candidates from the block in which a given ballot is presented. The ballots shall be delivered either in person or by mail to all Association members no later than May 15 of each year.

SECTION 5. PROCESSING OF RETURNED BALLOTS. The ballots shall be returned to the secretary in person, or by mail, not later than June 1st. of each year. The ballots are to be dated by the secretary and delivered to a committee of at least four board members appointed by the president. The committee will tally and canvass the votes and report to the secretary the outcome of the election. Ballots received by the secretary after June 1 of each year will not be valid.

SECTION 6. ELECTED BOARD MEMBERS. Candidates receiving the greatest number of votes shall be named to the board. In case of ties, a second ballot will be presented to the Association members in the affected block or blocks no later than June 10 of each year and be returned for counting as prescribed in Article IV, Section 5, by no later than June 25 of each year. Newly named directors will assume his or her place on the board at the first meeting of each fiscal year.

## ARTICLE V

### OFFICERS

SECTION 1. NUMBER. The Officers of the Association shall be a President, one Vice-President, a Treasurer, and a Secretary. The vice-president shall be elected or appointed by and from the Board of Directors, and he shall retain his voting privileges at regular meetings of the Board of Directors. The secretary and treasurer shall be appointed by the president with the approval of the board of directors, and if done, either or both will maintain their board membership and power to vote as a Board of Director member. If the secretary or treasurer are non-board members at the time of appointment, then either or both will not have voting powers at board of directors meetings. The president shall be elected annually by the Association membership in accordance with Section 2 of this article. Any two or more offices may be held by the same person, except the office of the president and secretary.

SECTION 2. ELECTION OF PRESIDENT. The Board of Directors shall, no later than March 1 of each year, compile a list of candidates for the office of president. The persons selected as candidates for this office shall be required to have had at least one year's experience as a member of the Board of Directors. Any person elected to the office of president may not serve more than two consecutive terms or two years in that office. A person who has served in the capacity of president for the maximum of two consecutive years may be selected, and re-elected only after a period of retirement from this particular office for a minimum period of one year. This list of recommended candidates shall be entered upon the same list as that prepared for the recommended candidates for the Board of Directors, and presented as stated in Article IV, Section 3, to all members of the Association. Candidates for the office of president may be nominated by the members of the Association and entered on the final ballot if that person is qualified as stated above. This petition must be signed by ten per cent of the Association voting members. Election of the president will be in accordance with Section 4, 5, and 6, Article IV. Newly elected presidents will assume office at the annual meeting of the board of directors each fiscal year.

SECTION 3. REMOVAL. Any officer or agent elected or appointed by the board of directors may be removed by the board of directors whenever, in its judgment, the best interest of the corporation would be served thereby, but such removal shall be without prejudice right, if any, of the person so removed. The president may also be removed by the board of directors under the same conditions stated here.

SECTION 4. VACANCIES. A vacancy in any office because of death, resignation, removal, disqualification or otherwise, may be filled by the board of directors for the unexpired term.

SECTION 5. PRESIDENT. The president shall be the principal executive officer of the Association and shall in general supervise and control all business and affairs of the Association. He shall preside at all meetings of the membership, and of the board of directors, but shall not vote on any question before the board except in case of a tie. He may sign, with the secretary or any other proper officer of the corporation thereunto authorized by the board of directors, any instrument which the board of directors has authorized to be executed, except in case where the signing and execution thereof shall be expressly delegated by the



board of directors or by these By-Laws to some other officer or agent of the Association, or shall be required by law to be otherwise signed or executed; and in general shall perform all duties incident to the office of president and such other duties as may be prescribed by the board of directors from time to time.

SECTION 6. VICE-PRESIDENT. In the absence of the president, or in the event of his inability or refusal to act, the vice-president shall perform the duties of president, and when so acting, shall have all the powers of, and be subject to, all the restrictions upon the president. The vice-president shall perform such other duties as from time to time may be assigned to him by the president or by the board of directors.

SECTION 7. TREASURER. If required by the board of directors, the treasurer shall be bonded for the faithful discharge of his duties in such sum and with such surety or sureties as the board of directors shall determine. The cost of such bond or surety shall be paid by the Association. He shall (a) have charge and custody of and be responsible for all funds and securities of the corporation; receive and give receipts for moneys due and payable to the corporation from any source whatsoever, and deposit all such money in the name of the corporation in such banks, trust companies, or other depositories as shall be selected in accordance with provisions of Article VI of these By-Laws; (b) shall render a financial report at each board meeting; (c) shall notify the board of directors, in writing, of any delinquent water bills exceeding a length of time as approved by the board of directors; (d) in general perform all the duties incident to the office of treasurer and such other duties as from time to time may be assigned to him by the president or by the board of directors.

SECTION 8. SECRETARY. The secretary shall (a) keep the minutes of the members and of the board of directors meetings in one or more books provided for that purpose; (b) see that notices are duly given in accordance with the provisions of these By-Laws or as required by law; (c) be custodian of the corporate records and of the seal of the corporation and see that the seal of the corporation is affixed to all documents, the execution of which on behalf of the corporation under its seal is duly authorized in accordance with these By-Laws; (d) keep a register of the post office address of each member, which shall be furnished to the secretary by such member; (e) sign with the president or vice-president instruments authorized by the board of directors; (f) have responsibility for the composing, printing and so forth of a regular bulletin to be issued to all members of the Association as authorized by the board of directors; (g) in general, perform all duties as from time to time may be assigned to him by the president or by the board of directors.

SECTION 9. FINANCIAL SECRETARY. If required by the board of directors, the financial secretary shall be bonded for the financial discharge of his duties in such sum and with such surety or sureties as the board of directors shall determine. He shall be charged with the calculation and preparation of the billing for water service to each dwelling and deposit said bills for delivery in the U.S. Mail in a timely manner as directed by the board of directors. He shall maintain records of all accounts current and accounts in arrears and shall report and disclose said records to the board of directors at its monthly meetings. He shall make adjustments to the bills for service to include such special assessments etc. as directed by the board of directors. The financial secretary shall maintain the computer billing system in the best possible condition and implement changes and improvements

as directed by the board of directors. He shall coordinate his duties with those of the treasurer. He shall carry out all duties inherent to the office and such other duties as from time to time may be assigned by the president or the board of directors.

SECTION 10. COMPENSATION. All officers, appointed or elected, shall be compensated for services in accordance with Section 9, Article III, but in no case shall an officer who is also a member of the board of directors, be compensated for service in more than one office.

#### ARTICLE VI

##### CONTRACTS, LOANS, CHECKS, DEPOSITS, AND RECORDS

SECTION 1. CONTRACTS. The board of directors may authorize any officer or officers, agent or agents, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the corporation, and such authority may be general or confined to specific instances.

SECTION 2. LOANS. No loans shall be contracted on behalf of the corporation and no evidence of indebtedness shall be issued in its name unless authorized by the board of directors. Such authority may be general or confined to specific instances. But in any case, the board shall not have the authority to borrow money except by referendum.

SECTION 3. CHECKS, DRAFTS, ETC. All checks, drafts, or other orders for the payment of money, issued in the name of the corporation shall be signed by such officers (a minimum of two) and in such manner as from time to time be determined by resolution of the board of directors.

SECTION 4. DEPOSITS. All funds of the corporation not otherwise employed shall be deposited from time to time to the credit of the corporation in such banks, trust companies, or other depositories as the board of directors may select.

SECTION 5. RECORDS. The more important contracts, agreements, insurance policies, etc., shall be maintained in a selected safety deposit box as determined by the board of directors. The Association's books and records shall be open for inspection for members of the Association at such times and subject to such regulations as the board of directors may prescribe. All Association books shall be audited for report at the end of each fiscal year.

#### ARTICLE VII

##### WATER SYSTEM AND OTHER UTILITIES

SECTION 1. OPERATION AND MAINTENANCE. The operation and maintenance of the water pumping stations and distribution mains, and any other utilities owned by the Association, will be directly supervised by the president with the approval of the board of directors. The furnishing of water by the Association to Association members shall be in accordance with and subject to the rules and regulations which from time to time may be adopted by the board of directors.

SECTION 2. REPAIRS AND IMPROVEMENTS. The board of directors shall have the power to authorize any and all repairs which may become necessary, or any improvements to the pumping stations and to the distribution pipes and mains so as to carry out the purpose for which the Association was organized, and for this purpose the officers privilege and power of entering upon the land or premises where such pipes and facilities are located, for the purpose of accomplishing maintenance and repairs, as deemed necessary.

SECTION 3. MAINTENANCE AND REPAIR RESPONSIBILITY. The Association shall be responsible for the maintenance of the water system to the buffalo box only. In the event of a water line leak on the Association member's side of the buffalo box, it will be the responsibility of that member to have repairs made within a reasonable length of time. If this not done, the board of directors will arrange and contract the necessary repairs, with the cost of such repairs being added to the Association member's waterbill. In the event of damage to the distribution mains, or to the water pumping station, or equipment, by an Association member or by his or her authorized agent through acts of negligence, it shall be the responsibility of the member to notify proper Association authorities of the damage and to reimburse the Association for the cost of repairs. The board of directors shall have the power to obtain insurance protection for the entire well system as deemed necessary to assure payment for damage arising either from natural causes or through acts of negligence.

SECTION 4. WATER RATES AND ASSESSMENT. At the time of adoption of these By-Laws the water rate shall be .04 cents per hundred gallons. Also an assessment of \$2.00 per month payable against the cost of purchasing the wells and water system will continue to be levied against each dwelling in the subdivision. The board of directors shall be authorized to vary the water rate in .02 cent increments per hundred gallon to cover maintenance and operating costs incurrences based on history data of maintenance costs. Special assessments may be levied and applied to the quarterly billing for services for the purpose of offsetting costs for capital improvements and emergency repairs to insure proper functioning of the supply and distribution system. The total assessment levied against each dwelling shall be equal.

SECTION 5. BILLING PROCEDURES. Billing procedures will be adopted by the board of directors and approved by resolution. Billing procedures may be changed from time to time as deemed necessary. Written or printed notice, clearly describing the change, the reason for the change, and the effective date of the change, shall be delivered no less than thirty days before the effective date of the change. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail, addressed to the member at his address as it appears on the record of the Association, with postage thereon prepaid.

SECTION 6. DELINQUENT WATER BILLS. In the event of non-payment of a water bill after a reasonable period as prescribed in an adopted billing procedure resolution, the board of directors shall order that water service be discontinued. The president and two members of the board of directors selected by the president shall terminate the water service to the delinquent Association member. A minimum fee of five dollars plus any labor cost incurred will be paid in advance to the Association before water service is resumed. A delinquent charge will be added to any water bill that is unpaid after a given length of time as covered in a billing procedure resolution.