

BY-LAWS  
OF  
SOUTH BARRINGTON LAKES ASSOCIATION

ARTICLE I

Name and Location

The name of the corporation is South Barrington Lakes Association, hereinafter referred to as the "Association". The principal office of the corporation shall initially be located in Palatine, Illinois, but meetings of members and directors may be held at such places within the State of Illinois, County of Cook, as may be designated by the Board of Directors.

ARTICLE II

Definitions

Section 1: The term "Declaration" shall mean South Barrington Lakes Association Declaration of Covenants, Conditions and Restrictions, to which these by-laws have been attached as an exhibit.

Section 2: The terms "Owner", "Property", "Common Area", "Lot", "HUD" and "VA" shall have those meanings set forth in the Declaration.

Section 3: "Association" shall mean and refer to South Barrington Association a not-for-profit corporation created under the General Not-For-Profit Corporation act of the State of Illinois, which corporation shall be the governing body for all of the Owners with respect to the administration, maintenance, repair, replacement, and architectural control of the Property as provided by these by-laws and the Declaration.

ARTICLE III

Meetings of Members

Section 1: Annual Meetings. The first annual meeting of the members shall be held within one (1) year from the date of the proper recordation of the Declaration in Cook County, Illinois, and each subsequent regular annual meeting of the members shall be held on the same day of the same month of each year thereafter at the hour of 7:00 p.m. If the day for the annual meeting of the members is a legal holiday, the meeting will be held at the same hour on the first day following which is not a legal holiday.

Section 2: Special Meetings. Special meetings of the members may be called at any

time by the President or the Board of Directors, or upon written request of the members who are entitled to vote one-fourth (1/4) of the votes of the Class A membership.

Section 3: Notice of Meetings. Except as may be otherwise provided by the Declaration, written notice of each meeting of the members shall be given by, or at the direction of, the Secretary or person authorized to call the meeting, by mailing a copy of such notice, postage prepaid, at least ten (10) days, but not more than forty (40) days, before such meeting to each member entitled to vote thereat, addressed to the member's address last appearing on the books of the Association, or supplied by such member to the Association for the purpose of notice. Such notice shall specify the place, day and hour of the meeting, and, in the case of a special meeting, the purpose of the meeting.

Section 4: Quorum. The presence at the meeting of members entitled to cast, or of proxies entitled to cast, fifty-one percent (51%) of the votes of each class of membership shall constitute a quorum for any action except as otherwise provided in the Articles of Incorporation, the Declaration, or these by-laws. If, however, such quorum shall not be present or represented at any meeting, the members entitled to vote thereat shall have power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum as aforesaid shall be present or be represented.

Section 5: Proxies. At all meetings of members, each member may vote in person or by proxy. All proxies shall be in writing and filed with the Secretary. Every proxy shall be revocable and shall automatically cease upon conveyance by the member of his Lot.

## ARTICLE IV

### Board of Directors; Selection; Term of Office

Section 1: Number. The affairs of this Association shall be managed by a Board of Directors (the "Board") who need not be members of the Association. Until the first annual meeting, the Board shall consist of three (3) Directors, designated by the Declarant.

Section 2: Election. At the first annual meeting, the number of Directors shall automatically increase to nine (9) and the members shall elect three Directors for a term of one (1) year, three Directors for a term of two (2) years and three Directors for a term of three (3) years; and at each annual meeting thereafter the members shall elect three Directors for a term of three (3) years.

Section 3: Removal. From and after the first annual meeting, any Director may be removed from the Board, with or without cause, by a vote of seventy-five percent (75%) of the members of the Association. In the event of death, resignation, or removal of a Director, his successor shall be selected by the remaining members of the Board and shall serve until the time of the next election of Directors. In the event that the term of the directorship vacated as above shall not have expired at the time of the next election

following the appointment of a successor by the remaining Board members as provided above, in addition to the three directorships normally to be filled at that election, the members shall also elect a Director to serve the remaining unexpired terms of the directorships vacated.

Section 4: Compensation. No Director shall receive compensation for any service he may render to the Association. However, any Director may be reimbursed for his actual expenses incurred in the performance of his duties.

Section 5: Action Taken Without a Meeting. The Directors shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the written approval of all the Directors. Any action so approved shall have the same effect as though taken at a meeting of the Directors.

## ARTICLE V

### Nomination and Election of Directors

Section 1: Nomination. Nomination for election to the Board of Directors shall be made by a Nominating Committee. Nominations may also be made from the floor at the annual meeting. The Nominating Committee shall consist of a Chairman, who shall be a member of the Board of Directors, and two or more members of the Association. The Nominating Committee shall be appointed by the Board of Directors prior to each annual meeting of the members, to serve from the close of such annual meeting until the close of the next annual meeting and such appointment shall be announced at each annual meeting. The Nominating Committee shall make as many nominations for election to the Board of Directors as it shall in its discretion determine, but not less than the number of vacancies that are to be filled. Such nominations may be made from among members or non-members.

Section 2: Election. Election to the Board shall be by secret written ballot. At such election, the members or their proxies may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Declaration. The persons receiving the largest number of votes shall be elected.

## ARTICLE VI

### Meetings of Directors

Section 1: Annual Meetings. Annual meetings of the Board of Directors shall be held at such place and hour as may be fixed from time to time by resolution of the Board.

Should said meeting fall upon a legal holiday, then that meeting shall be held at the same time on the next day which is not a legal holiday.

Section 2: Special Meetings. Special meetings of the Board of Directors shall be held when called by the President of the Association, or by any two Directors, after not less than three (3) days notice to each Director.

Section 3: Quorum. A majority of the number of Directors then constituting the Board shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the Directors present at a duly held meeting at which a quorum is present shall be regarded as the act of the Board.

## ARTICLE VII

### Powers and Duties of the Board of Directors

Section 1: Powers. The Board of Directors shall have power to:

adopt and publish rules and regulations governing the use of the Common Area and facilities, and the personal conduct of the members and their guests thereon, and to establish penalties for the infraction thereof;

suspend the voting rights of a member during any period in which such member shall be in default in the payment of any assessment levied by the Association. Such rights may also be suspended after notice and hearing, for a period not to exceed sixty (60) days, for infraction of published rules and regulations;

exercise for the Association all powers, duties and authority vested in or delegated to this Association and not reserved to the membership by other provisions of these by-laws, the Articles of Incorporation, or the Declaration;

exercise all the powers and duties referred to the General Not-For-Profit Corporation act of the State of Illinois, except those reserved to the membership by the Declaration or other provisions of these by-laws;

enter into and execute contracts, easements and other agreements with and to the Village of South Barrington, Cook County, Illinois, to permit entry onto the Common Area for the purpose of maintaining the storm water drainage system and enforcing health ordinances, and correcting or eliminating nuisances or violations resulting from the failure to exercise maintenance responsibilities by either an Owner or the Association, provided, however that title to the Common Area shall remain free and clear of all encumbrances and liens except as described in the Declaration;

employ a manager (sometimes referred to as “managing agent”), an independent contractor, or such other employees as they deem necessary, and to prescribe their duties,

and fix their compensation, and/or enter into a management agreement with a professional management company for the purpose of managing the affairs of the Association. Any agreement entered into by the Association with a management company shall be for a period of one year, renewable by agreement of the parties for successive one-year periods, and shall provide for the Association's right to cancel said agreement for cause upon the Association's written thirty (30) day notice to the management company of its intent to do so.

The members of the Board of Directors shall not be liable to the Owner or members of this corporation for any mistake of judgment or for any acts or omissions made in good faith as such Board members. The Owners or members of this corporation shall indemnify and hold harmless each Board member against all contractual liability to others arising out of contracts made by the Board on behalf of this corporation unless any such contract shall have been made in bad faith or contrary to the provisions of the Declaration applicable to the Owners' property or contrary to the provisions of the by-laws of this corporation. The liability of any Owner or member arising out of the aforesaid indemnity shall be limited to such proportion of the total liability as the Owner's interest in the Association relates to the total interest of all Owners in the Association.

Section 2: Duties. It shall be the duty of the Board of Directors to:

cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof to the members at the annual meeting of the members, or at any special meeting when such statement is requested in writing by sixty percent (60%) of the Class A members who are entitled to vote;

supervise all officers, agents and employees of this Association and see that their duties are properly performed;

as more fully provided in the Declaration, to:

fix the amount of the annual assessment against each Lot at least thirty (30) days in advance of each annual assessment period; and

send written notice of each assessment to every Owner subject thereto at least thirty (30) days in advance of each annual assessment period; and

foreclose the lien against any property for which assessments are not paid within thirty (30) days after the due date or bring an action at law against the Owner personally obligated to pay the same.

issue, or cause an appropriate officer to issue, upon demand by any person, a certificate

setting forth whether or not any assessment has been paid. A reasonable charge may be made by the Board for the issuance of these certificates. If a certificate states an assessment has been paid, such certificate shall be conclusive evidence of such payment;

procure and maintain adequate liability and hazard insurance on property owned by the Association, as provided by the Declaration;

cause all officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate;

cause the Common Area to be maintained.

## ARTICLE VIII

### Officers and Their Duties

Section 1: Enumeration of Officers. The officers of this Association shall be a president and vice president, who shall at all times be members of the Board of Directors, a secretary, and a treasurer, and such other officers as the Board may from time to time resolution create.

Section 2: Election of Officers. The election of officers shall take place at the first meeting of the Board of Directors following each annual meeting of the members.

Section 3: Term. The officers of this Association shall be elected annually by the Board and each shall hold office for one (1) year unless he shall sooner resign, or shall be removed, or otherwise be disqualified to serve.

Section 4: Special Appointments. The Board may elect such other officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board may, from time to time determine.

Section 5: Resignation and Removal. Any officer may be removed from office with or without cause by the Board. Any officer may resign at any time by giving written notice to the Board, the president or the secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 6: Vacancies. A vacancy in any office may be filled by appointment by the Board. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he replaces.

Section 7: Multiple Offices. The offices of the Secretary and treasurer may be held

by the same person. The president may not hold any other office.

Section 8: Duties. The duties of the officers shall be those usually vested in their respective office of a Not-For-Profit Corporation, including but not limited as follows:

President – The president shall preside at all meetings of the Board of Directors, shall see that orders and resolutions of the Board are carried out; shall sign all leases, mortgages, deeds and other written instruments and shall co-sign all checks and promissory notes.

Vice President - The vice president shall act in the place and stead of the president in the event of his absence, inability or refusal to act, and shall exercise and discharge such other duties or may be required of him by the Board.

Secretary – The secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the members; keep the corporate seal of the Association and affix it on all papers requiring said seal; serve notice of meetings of the Board and of the members; keep appropriate current records showing the members of the Association together with their addresses, and shall perform such other duties as required by the Board.

Treasurer – The treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by resolution of the Board of Directors; shall sign all checks and promissory notes of the Association; keep proper books of account; cause an annual audit of the Association books to be made by a public accountant at the completion of each fiscal year; and shall prepare an annual budget and a statement of income and expenditures to be presented to the membership at its regular annual meeting, and deliver a copy of each to the members.

## ARTICLE IX

### Committees

The Board of Directors shall appoint an Architectural Control Committee, as provided in the Declaration, and Nominating Committee, as provided in these by-laws. In addition, the Board of Directors shall appoint other committees as deemed appropriate in carrying out its purpose.