

AMENDED BY-LAWS OF  
THE OAKS IMPROVEMENT ASSOCIATION  
AN ILLINOIS NOT-FOR-PROFIT CORPORATION

ARTICLE I  
NAME OF CORPORATION

1.01. The name of the Association is The Oaks Improvement Association, an Illinois not-for-profit corporation.

ARTICLE II  
PURPOSE AND POWERS

2.01. PURPOSES: The purpose of this Association is to administer and maintain the common areas for the property commonly known as "The Oaks" and to act on behalf of its members collectively, as their governing body for civic functions and other purposes. The Association is administered by a duly elected Board of Directors whose responsibility is the preservation, care, maintenance, replacement, improvement, enhancement, operation and administration of both real and personal property and for the promotion of the health, safety and welfare of the members of the Association. These By-Laws are subject to the provisions of the Declaration of Covenants and Restrictions recorded with the Recorder of Deeds for Cook County, Illinois on May 10, 1966 as Document Number 19821584 and as amended by Amendment to Declaration filed on January 17, 1967 as Document Number 20044500 (the "Declaration"). All terms used herein shall have the meanings set forth in the Declaration.

2.02. POWERS: The Association shall have and exercise all powers as are now or may hereafter be granted by the Illinois General Not-For-Profit Corporation Act, the Articles of Incorporation, the Declaration and these By-Laws.

ARTICLE III  
OFFICES

3.01. REGISTERED OFFICE: The Association shall have and continuously maintain in this state a registered office and a registered agent whose office is identical with such registered office, and may have other offices within or without the State of Illinois as the Board may from time to time determine.

3.02. PRINCIPAL OFFICE: The Association's principal office shall be maintained at the Development or at such location as designated by the Board of Directors.

ARTICLE IV  
MEETINGS OF MEMBERS

4.01. VOTING RIGHTS: Any or all Owners may be present at any meeting of the Owners, but the voting rights shall be vested exclusively in the Voting Members. Each Voting Member shall be entitled to one vote. The purchaser of a Dwelling Unit pursuant to an installment contract shall, during such time as he resides in the Dwell-

ing Unit, be counted toward quorum and shall be entitled to vote and serve as a Director, unless the contract seller expressly, in writing, retains any or all of such rights.

4.02. PLACE OF MEETING; QUORUM: Meetings of the Owners shall be held at the principal office of the Association or at such other place in Cook County, Illinois as may be designated in any notice of a meeting. All meetings shall be conducted in accordance with parliamentary procedure. Ten percent (10%) of the Voting Members, in person or by proxy, shall constitute a quorum. If, however, such quorum shall not be present or represented at any meeting, the meeting may be adjourned from time to time without notice other than announcement at the meeting, until a quorum shall be present or represented. At all meetings of the Owners, each Owner 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 of the Lot by the Owner. Unless otherwise expressly provided herein or in the Declaration, any action may be taken at any meeting of the Owners at which a quorum is present upon the affirmative vote of a majority of the Voting Members present at such meeting.

4.03. There shall be an annual meeting of the Owners on the \_\_\_\_\_ of \_\_\_\_\_ of each year at 7:30 p.m., or at such other reasonable time or date (not more than thirty (30) days before or after such date) as may be designated by written notice of the Board delivered to the Owners not less than ten (10) and no more than thirty (30) days prior to the date fixed for said meeting.

4.04. SPECIAL MEETINGS: Special meetings of the Owners may be called at any time for the purpose of considering matters which, by the terms of the Declaration, require the approval of all or some of the Voting Members or for any other reasonable purpose. Said meetings shall be called by written notice, authorized by the President, a majority of the Board of Directors, or by one-fourth (1/4) of the Voting Members and delivered not less than ten (10) and no more than thirty (30) days prior to the date fixed for said meeting. The notices shall specify the date, time and place of the meeting and the matters to be considered.

4.05. NOTICE OF MEETINGS: Notices of meetings required to be given herein may be delivered either personally or by mail to the Owners, addressed to such person at the address given by him to the Board for the purpose of service of such notice or to the Dwelling Unit of the Owner if no address has been given to the Board. A notice of meeting shall include such business and matters to be acted upon or considered at the meeting.

## ARTICLE V BOARD OF DIRECTORS

5.01. GENERAL: The affairs of the Association and the direction and administration of the property shall be vested in the Association Board of Directors (the "Board"), which shall consist of nine (9) Owners. The Board shall have all of the powers granted to it under the Articles of Incorporation, the Declaration, these By-Laws, the Illinois General Not-For-Profit Corporation Act and all other applicable statutes of the State of Illinois.

5.02. NOMINATION: Nomination for election to the Board shall be made by the Nominating Committee. The Board of Directors or the Nominating Committee, at the Board's direction, shall establish the rules and procedures for each election and screen candidates.

5.03. ELECTION: The Voting Members shall elect a Board of nine (9) Directors. Each director shall serve for a term of three (3) years. The terms of three (3) directors shall expire each year. In all elections for members of the Board, voting shall be by secret written ballot. Each ballot shall be entitled to the number of votes equal to the number of Directors to be elected. Cumulative voting shall not be permitted. Candidates receiving the largest number of votes shall be elected. Each Director shall hold office until his successor is elected and qualified.

5.04. ANNUAL MEETINGS: The Board shall hold an annual meeting within ten (10) days after the annual meeting of the Owners at such place as shall be fixed by the Directors at the annual meeting of the Owners. No notice shall be necessary to the Directors in order legally to constitute such meeting, providing the whole Board is present.

5.05. REGULAR MEETINGS: Regular meetings of the Board shall be held monthly at such time and place as shall be determined at the annual meeting or, from time to time, by a majority of the Directors. Notice of regular meetings of the Board shall be given by posting at conspicuous places in the development and/or personally or by mail, telephone, facsimile transmission or telegraph, at least forty-eight (48) hours prior to any such meeting and such notice shall state the time and place of such regular meeting.

5.06. SPECIAL MEETINGS: Special meetings of the Board may be called by the President on forty-eight (48) hours notice to each Director, given personally or by mail, telephone, facsimile transmission or telegraph, which notice shall state the time, place and purpose of the meeting. Special meetings of the Board shall be called by the President or Secretary in like manner to regular meetings and on like notice upon the written request of at least one-third (1/3) of the Directors then serving.

5.07. WAIVER OF NOTICE: Before or at any meeting of the Board any Director may, in writing, waive notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a Director at any meeting of the Board shall be a waiver of notice by him of the time and place thereof, except where a Director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened.

5.08. INFORMAL ACTION: Any action required or permitted to be taken by the Board under the Illinois General Not-For-Profit Corporation Act, the Declaration or these By-Laws 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 and any such consent shall have the same force and effect as a unanimous vote of the Directors at a meeting.

5.09. QUORUM: A majority of the Directors serving from time to time shall constitute a quorum for the election of officers and for the transaction of business at any meeting of the Board, provided, that if less than a majority of the Directors are present at said meeting, a majority of the Directors present may adjourn the meeting from time to time without further notice. Except as otherwise expressly provided herein or in the Declaration, any action may be taken upon the affirmative vote of a majority of the Directors present at a meeting at which a quorum is present.

5.10. COMPENSATION/REIMBURSEMENT FOR EXPENSES: Directors shall receive no compensation for their services as directors, except as expressly provided in a resolution duly adopted by the Voting Members. Upon the presentation of receipts or

other appropriate documentation, a Director may be reimbursed by the Association for reasonable out-of-pocket expenses incurred in the course of the performance of his duties as a Director.

5.11. REMOVAL OR RESIGNATION OF DIRECTOR: Any Director may be removed from office, with or without cause, and replaced by the affirmative vote of at least a majority of the Voting Members at the annual meeting or at a special meeting called for such purpose or as otherwise provided for in the General Not-For-Profit Corporation Act. Any Director may resign at any time by submitting his written resignation to the Board. A successor to fill the unexpired term of a Director who resigns may be elected by the remaining Directors at any regular meeting or at any special meeting called for such purpose. Any successor so elected shall serve until the next scheduled election. The vacancy will then be filled to serve the balance of the preceding term.

5.12. POWERS AND DUTIES OF THE BOARD: The Board shall have all of the powers and duties granted to it or imposed upon it by the Declaration, these By-Laws, the Articles of Incorporation and the Illinois General Not-For-Profit Corporation Act, including, without limitation, the following powers and duties:

(a) To engage the services of a manager or managing agent, who shall manage and operate the Common Area upon such terms and with such authority as the Board may approve, and to review the performance of the manager or managing agent;

(b) To provide for the designation, hiring, supervision and removal of such employees and such other personnel, including attorneys and accountants, as the Board in its discretion may deem necessary or proper for the effective administration of the Common Area;

(c) To provide for any maintenance, repair, alteration, addition, improvement or replacement of the Common Area for which the Association is responsible under the Declaration and these By-Laws;

(d) To procure fire, liability, and extended coverage insurance and other all insurance as provided for under the Declaration;

(e) To cause all officers or employees having fiscal responsibilities to be bonded, as the Board in its discretion may deem appropriate;

(f) To formulate policy for the administration, management and operation of the Common Area, including, without limitation, providing for and setting the rental or fee and other terms for the leasing or granting of licenses or concessions with respect to portions of the Common Area and establishment of reasonable admission and other fees for use of any recreational facility situated on the property as set forth in the Declaration;

(g) To estimate the amount of the annual budget, to provide at least thirty (30) days prior to the adoption thereof to each Owner a copy of the proposed annual budget showing the Common Expenses and to provide written notice to each Owner not less than ten (10) and no more than thirty (30) days prior to any meeting of the Board concerning adoption of the proposed annual budget or increase or the the establishment of an assessment; provided that the assessment must be fixed and the Owners notified of the assessment at least thirty (30) days in advance of each annual assessment period.

(h) To set, give notice of and collect assessments from the Owners as provided in the Declaration;

(i) To pay the Common Expenses;

(j) To borrow money for the purpose of improving the Common Area and facilities; provided, however, that any mortgage of the Property shall be approved in advance by the affirmative vote of two-thirds (2/3) of the Voting Members and that the rights of such mortgagee in said Property shall be subordinate to the rights of the Owners;

(k) To adopt and, from time to time, to amend such reasonable rules and regulations as the Board may deem advisable for the use, enjoyment, administration, management, maintenance, conservation and beautification of the Common Area, and for the health, comfort, safety and general welfare of the Owners and occupants of the property. Written notice of any such rules and regulations or amendments thereto shall be given to all Owners affected thereby and the Common Area and the Lots shall at all times be maintained and administered subject to such rules and regulations;

(l) To suspend the voting rights and the rights to use any recreational facilities located on the Common Area of any Owner not in good standing. (For the purpose of these By-Laws, the term "in good standing" shall mean being current in the payment of all lawful charges, annual and/or special assessments and not subject to any pending disciplinary action or sanction for infraction of the covenants, rules and regulations.);

(m) To levy late fees and/or fines for violation of the Declaration, By-Laws or Rules and Regulations upon advance notice and opportunity to be heard;

(n) To act in a representative capacity in relation to matters involving the Common Areas of the Association or more than one Dwelling Unit on behalf of the Owners as their interests may appear;

(o) To declare the office of a director to be vacant in the event a director shall be absent without cause from three (3) consecutive regular meetings of the Board.

5.13. MEETINGS PROCEDURES: Meetings of the Board shall be open to any Owner, except for the portion of any meeting held:

(a) to discuss confidential legal matters with legal counsel, including but not limited to 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 Board finds that such an action is probable or imminent;

(b) to consider information regarding appointment, employment or dismissal of an employee, contractors and subcontractors; or

(c) to discuss violations of rules and regulations of the Association or unpaid common expenses owed to the Association;

Any vote on these matters shall be taken at a meeting or portion thereof open to any Owner. Any Owner may record the proceedings at the open portion of meetings by

tape, film or other means; provided that the Board may prescribe reasonable rules and regulations to govern the right to make such recordings.

## ARTICLE VI OFFICERS

6.01. OFFICERS: The officers of the Association shall be a President, Vice President, a Secretary, a Treasurer and such assistants to such officer or officers as the Board may deem appropriate. All officers shall be elected at each annual meeting of the Board and shall hold office at the discretion of the Board for a term of one (1) year. The President and Vice President shall be Directors. All other officers may, but need not be, Directors. No person shall hold more than one officer position simultaneously; provided, however, that the Secretary and Treasurer positions may be held by the same person.

6.02. POWERS OF OFFICERS: The respective officers of the Association shall have such powers and duties as are from time to time prescribed by the Board and as are usually vested in such limited to the following:

(a) The President shall be the Chief Executive Officer of the Association and shall preside at all meetings of the Board and Owners;

(b) The Vice President shall, in the absence or the disability of the President, perform the duties and exercise the powers of such office;

(c) The Secretary shall record the votes and keep minutes of the Board and of the Owners, shall have custody of the corporate seal and have charge of such other books, papers and documents as the Board may prescribe and shall serve all required meeting notices;

(d) The Treasurer shall oversee preparation of an annual budget and statement of income/expenditures for distribution to each Owner, shall be the financial officer of the Association and shall monitor financial matters in coordination with the Board, the manager, the managing agent or bookkeeper for the Association and report to the Board concerning all financial matters of the Association.

6.04. COMPENSATION/REIMBURSEMENT FOR EXPENSES: Officers shall receive no compensation for their services as officers except as expressly provided in a resolution duly adopted by the Voting Members. Upon the presentation of receipts or other appropriate documentation, an Officer shall be reimbursed by the Association for reasonable out-of-pocket expenses incurred in the course of the performance of his duties as an Officer.

## ARTICLE VII COMMITTEES DESIGNATED BY BOARD

7.01. AUTHORITY: Each committee designated by the Board may make recommendation to the Board or to the officers as specified in the resolution establishing the committee. No committee shall act on behalf of the Association or bind it to any action.

7.02. DESIGNATION: Committees may be designated by a resolution adopted by a majority of the Directors present at a meeting at which a quorum is present. Except as otherwise provided in such resolution, members of each committee shall be Owners in good standing. The President shall appoint the committee members. Any member thereof may be removed by the President whenever in his judgment the best interests of the Association shall be served by such removal. The powers and the duties of any committee shall be as set from time to time by resolution of the Board.

7.03. The Board shall establish a Nominating Committee consisting of the chairman and two or more members prior to each annual meeting to serve until the close of that annual meeting. The Nominating Committee shall make as many nominations for election to the Board as it shall in its discretion determine, but not less than the number of vacancies that are to be filled. Such nominations must be made from among Owners.

7.04. The Board may establish other committees as deemed appropriate in carrying out its purposes, such as:

(a) Architectural Control Committee: to consider, pursuant to Article VIII of the Declaration, plans and specifications for proposed exterior additions, changes or alterations to or erection of any building, fence, wall or other structure upon the Properties and to advise the Board of its findings;

(b) Recreation Committee: to advise the Board on all matters pertaining to the recreational program and activities of the Association and to perform such other functions as the Board in its discretion determines;

(c) Maintenance Committee: to advise the Board on all matters pertaining to the maintenance, repair or improvement of the Properties and to perform such other functions as the Board in its discretion determines;

(d) Publicity Committee: to inform the members of all activities and functions of the Association and, after consultation with the Board, to make such public releases and announcements as are in the best interests of the Association;

(e) Finance Committee: to assist the Treasurer in supervising the annual audit of the Association's books and to recommend the proposed budget and statement of income/expenditures to be presented to the membership. The Treasurer shall be a member of the committee;

(f) Judiciary Committee: to conduct hearings on violation notices for alleged infractions of the covenants, rules and regulations and to report to the Board its findings and recommendations for fines or other sanctions in accordance with the Declaration, these By-Laws and the Rules and Regulations of the Association; and

(g) Nominating Committee: to establish rules and screen candidates for election to the Board of Directors.

7.05. DUTIES: In addition to the duties set forth in the resolution establishing the committee, it shall be the duty of each committee to receive complaints from members on any matter involving Association functions, duties and activities within its area of responsibility. It shall handle such complaints and recommend to the Board solu-

tions for them as it deems appropriate or refer them to such other committee, director, officer or agent of the Association as is further concerned with the matter presented.

7.06. TERM: Unless otherwise specified, each member of a committee shall continue as such until the next annual meeting of the Board and until his successor is appointed, unless the committee shall be sooner terminated or unless such member shall be removed from such committee or unless such member shall cease to qualify as a member thereof.

7.07. CHAIRMAN: The chairman of each committee may be a Director, who shall act as the liaison between the committee and the Board.

7.08. VACANCIES: Vacancies in the membership of any committee may be filled by appointments made in the same manner as provided in the case of the original appointments.

7.09. QUORUM: Unless otherwise provided in the resolution of the Board establishing the committee, a majority of the whole committee shall constitute a quorum and the act of a majority of the members present at a meeting at which a quorum is present shall be the act of the committee.

7.10. RULES: Each committee may adopt rules for its own government not inconsistent with the Declaration, these By-Laws or with rules adopted by the Board.

7.11. MEETINGS: Committee meetings may be open to the membership, subject to the discretion of the chairman. Any Director may attend or serve as an ex-officio member of any committee.

#### ARTICLE VIII CONTRACTS, CHECKS, DEPOSITS AND FUNDS

8.01. CONTRACTS: The Board may authorize any officer or officers, agent or agents of the Association, in addition to the officers so authorized by these By-Laws, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Association and such authority may be general or confined to specific instances. In the absence of any such authorization by the Board, any such contract or instrument shall be executed by the President or Vice President and attested to by the Secretary or an Assistant Secretary of the Association.

8.02. PAYMENTS: All checks, drafts, vouchers or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Association shall be signed by such officer or officers, agent or agents of the Association, and in such manner as shall from time to time be determined by resolution of the Board. In the absence of such determination by the Board, such instruments shall be signed by the Treasurer or an Assistant Treasurer and countersigned by the President or Vice President of the Association, but in no event shall there be less than two signatures.

8.03. BANK ACCOUNTS: All funds of the Association not otherwise employed shall be deposited from time to time to the credit of the Association in such banks, trust companies or other depositories as the Board shall elect.

8.04. SPECIAL RECEIPTS: The Board may accept on behalf of the Association any contribution, gift, bequest, or devise for the general purposes or for any special purpose of the Association.

## ARTICLE IX FISCAL MANAGEMENT

9.01. FISCAL YEAR: The fiscal year of the Association shall begin on the first day of January each year, except the first fiscal year of the Association shall begin at the date of incorporation, and shall end on the last day of December of such year.

9.02. ANNUAL STATEMENT: Within a reasonable time after the close of each fiscal year, the Board shall furnish each Owner with an itemized accounting of the Common Expenses for the preceding year actually incurred or paid, together 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.

9.03. SPECIAL STATEMENT: Within ten (10) days after receipt of a written request from an Owner (together with payment of a reasonable fee, if any, set by the Board), the Board shall provide the Owner with a statement containing the following information:

(a) The status of the Owner's account and the amount of any unpaid assessments or other charges due and owing from the Owner;

(b) All information required by law with respect to the resale of any Dwelling Unit;

(c) A brief description of any expenditures for major repairs, alterations, additions, or improvements to the Common Areas which are anticipated within the period of twelve (12) months from the date of the statement;

(d) The status and amount of any and all Capital Reserves.

The Board may charge a reasonable fee to cover the cost of providing the information.

9.04. ASSESSMENT PROCEDURE: Annual assessments and special assessments shall be made and collected as provided in Article VI of the Declaration.

## ARTICLE X BOOKS AND RECORDS

10.01. The Association shall keep correct and complete books and records of account and shall also keep minutes of the proceedings of its members, the Board and committees having any of the authority of the Board and shall keep at the registered or principal office of the Association a record giving the names and addresses of the members. All books and records of the Association may be inspected by any Owner or his mortgagee, agent or attorney for any proper purpose at any reasonable time during normal business hours upon forty-eight (48) hours advance written notice. A reasonable fee of \$10.00 per hour of time spent copying and \$0.15 (15) cents per page

copied may be charged by the Association for the cost of copying, and an advance deposit for anticipated fees may be required.

10.02. The following records shall maintained:

(a) Copies of the recorded Declaration and other duly recorded covenants and By-Laws and any amendments, Articles of Incorporation, annual reports and any rules and regulations adopted by the Association or its Board.

(b) Detailed 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 Association.

(c) Minutes of all meetings of the Association and the Board of the Association. The Association shall maintain these minutes for a period of not less than seven (7) years.

(d) Ballots, if any, for any election held for the Board of the Association and for any other matters voted on by the unit owners (shall be maintained for a period of not less than one (1) year).

(e) Such other records of the Association as are available for inspection by members of a not-for-profit corporation pursuant to Section 107.75 of the General Not-For-Profit Corporation Act of 1986 of the State of Illinois.

#### ARTICLE XI SEAL

11.01. The Board may provide for a corporate seal which shall be in the form of a circle and shall have inscribed thereon the name of the Association and the words "Corporate Seal, Illinois."

#### ARTICLE XII AMENDMENTS

12.01. These By-Laws may be amended at any time or from time to time by the vote of a majority of a quorum of the Voting Members present in person or by proxy at a regular or special meeting of the Owners called for the purpose of considering the proposed amendment. No provision of these By-Laws may be amended so as to conflict with the provisions of the Declaration, the remaining By-Laws, the Articles of Incorporation or Illinois law.

12.02. Any amendment to the By-Laws must be recorded.

**RESOLUTION TO AMEND THE BY-LAWS  
FOR THE OAKS IMPROVEMENT ASSOCIATION**

**RESOLUTION**

WHEREAS, THE OAKS IMPROVEMENT ASSOCIATION (hereinafter referred to as "Association"), a not-for-profit corporation, organized and existing under the laws of the State of Illinois, is subject to the Declaration of Covenants, Conditions and Restrictions and By-Laws recorded in the Office of the Recorder of Deeds of Cook County, Illinois, as Document No. 19821584 on May 10, 1966; and

WHEREAS, the Board of Directors of The Oaks Improvement Association has deemed it to be in the best interests of the Association to amend the By-Laws.

NOW, THEREFORE, BE IT RESOLVED THAT the By-Laws shall be amended in their entirety in accordance with the Amendment attached hereto as Exhibit A and made a part hereof.

Except as expressly set forth herein, the By-Laws shall remain in full force and effect in accordance with its terms.

STATE OF ILLINOIS     )  
                                  ) ss.  
COUNTY OF COOK     )

I, Susan Fairbank, do hereby certify that I am the duly elected and qualified secretary for The Oaks Improvement Association, an Illinois not-for-profit corporation, and as such Secretary, I am the keeper of the books and records of the Association.

I further certify that the attached Amended By-Laws of The Oaks Improvement Association were duly adopted by a majority of a quorum of members present in person or by proxy at a meeting of the members and the official minutes of said meeting approving said Amendment are attached hereto and incorporated herein as part of said Amendment.

Susan Fairbank  
Secretary

Dated at Streamwood, Illinois this  
28th day of May, 1991.

(corporate seal)