

BY-LAWS

of

BORDEAUX ESTATES HOMEOWNERS ASSOCIATION, INC.

Article I. NAME

The name of this corporation is **BORDEAUX ESTATES HOMEOWNERS ASSOCIATION, INC.**

Article II. PURPOSES

The purposes for which the corporation is formed are as follows:

- a. To own, manage, and develop for recreational use, certain areas of green space located in the residential housing development commonly known as Bordeaux Estates in Bourbonnais Township, Kankakee County, in the State of Illinois;
- b. to collect periodic homeowners' association dues;
- c. to pay expenses in connection with such green space;
- d. to maintain insurance on such green space;
- e. to enforce the restrictive covenants filed in the Kankakee County Recorder's Office on April 16, 2002 as Document Number 200208048 (the "**Declaration**"); and
- f. to perform such other and further acts as necessary and appropriate to accomplish the foregoing purposes. In the event of a conflict between these By-Laws and the Declaration, the Declaration shall govern and control.

Article III. GEOGRAPHIC LIMITS

The area in which the corporation will operate shall be principally in Bourbonnais Township, Kankakee County, in the State of Illinois.

Article IV. MEMBERSHIP

Section 1. Any person owning real property in the development known as Bordeaux Estates shall be a member of the association. Where property is owned by more than one person there shall be but one vote among the owners. Such owners must designate in writing which of them shall be entitled to vote. All owners shall be entitled to speak at any meeting.

Section 2. Annual membership dues shall be set by the Board of Directors (the "**Board**") at the annual meeting each year. Dues shall be mandatory. Unpaid dues shall be a lien

against the real property owned by the delinquent member as set forth in the Declaration. Annual dues maybe increased by the members as set forth in the Declaration.

Section 3. The Board may suspend the voting rights of a member for willful failure to comply with the By-Laws or the requirements of membership; such individuals shall have any opportunity for hearing before the Board.

Section 4. At any meeting of members, a member entitled to vote may vote either in person or by proxy executed by the member in writing or by his or her duly authorized attorney-in-fact. No proxy shall be valid for more than eleven (11) months after the date of its execution.

Article V. BOARD OF DIRECTORS

Section 1. The operations of the corporation shall be managed by a Board of Directors, consisting of five (5) members, each of whom shall be a citizen or permanent resident of the United States and all of whom shall reside in Bordeaux Estates. The Board shall be vested with and possess all of the rights, powers, options, duties and responsibilities as are provided in the Declaration.

Section 2. The Board shall be elected from and by the general membership at the annual meeting of the corporation.

Section 3. The Board shall only act in the name of the corporation when it shall be regularly convened by the President after due notice to all the Directors, and shall have passed a resolution regarding the particular matter.

Section 4. A majority of the members of the Board shall constitute a quorum.

Section 5. Each Director shall have one vote and voting may not be done by proxy.

Section 6. The Board shall hold regular meetings at least once every three (3) months. Notice shall be sent by mail to all Board members not less than five (5) nor more than ten(10) days prior to such meetings, unless waived by attendance by such member at such meetings.

Section 7. The Board may make such rules and regulations covering its meetings as it may determine necessary.

Section 8. Whenever a vacancy shall occur on the Board it shall be filled without undue delay until the next annual meeting by a majority vote of the remaining Board members.

Section 9. A Director may be removed by a majority vote of those present on the Board when s/he misses three (3) consecutive meetings without good cause. A Director shall be notified by mail of the Board's intention to hold a removal hearing prior to the meeting.

Section 10. Special meetings of the Board may be called by the President or must be called at the request of two (2) Board members, such request to be made in writing at least two (2) days before the requested scheduled date to the Secretary of the Board. Members may waive such notice.

Section 11. Term of Directors. The initial directors of the Board shall serve for a term of one (1) year. At the 2006 annual meeting, the directors elected at such meeting shall be randomly divided into two (2) classes. Three (3) directors shall serve for a term of one (1) year and two (2) directors shall serve for a term of two years. At each annual meeting thereafter beginning in 2007, board members being elected at such meeting shall serve for terms of two (2) years each, such that three (3) directors will be elected in odd-numbered years beginning in 2007 and two (2) directors will be elected in even-numbered years beginning in 2008.

ARTICLE VI. OFFICERS

The Board shall, from among its members, elect the following officers:

Section 1. President The President shall be the chief executive officer of the corporation. S/he shall perform all the duties incident to the office of President and such other duties as may be ordered by the Board. S/he shall be an ex-officio member of all committees except the nominating committee. In addition, s/he has the following responsibilities:

- a. to present at each annual meeting an annual report of the operation of the corporation; and
- b. to sign checks, up to an amount to be established by the Board.

Section 2. Vice President. The Vice President shall also be responsible for any assignments delegated by the Board. The Vice President shall assist the President. In the absence of the President, the Vice President shall take over executive authority.

Section 3. Secretary, The Secretary shall:

- a. keep the minutes and records of the corporation;
- b. file any certificates required by law;
- c. serve all notices to members of the corporation;
- d. be official custodian of the records and seal of the corporation;
- e. submit to the Board and the general membership all communication addressed to the Secretary of the corporation;
- f. attend to all corporate correspondence and exercise all duties incident to the office of Secretary.

Section 4. Treasurer. The Treasurer shall:

- a. be responsible for all monies belonging to the corporation;
- b. maintain in the checking account a reasonable amount as determined by the Board;
- e. deposit the balance in a savings account;
- d. sign checks;
- e. render a written account of the finances of the corporation which shall be included in the minutes of the Board's meetings;
- f. exercise any other duties incident to the office of Treasurer.

Section 5. Member-At-Large. The Member-At-Large shall serve as liaison to the Board's legal counsel and corporate advisors. The Member-At-Large shall also act as parliamentarian to the extent required and shall perform such other duties as the President may delegate.

Section 6. Checks of the corporation may be signed by the President and the Treasurer; provided, however, that the President may, with Board approval, delegate such duties to the Member-At-Large. The officers authorized to sign checks shall not be bonded. The Board may accept, on behalf of the association, any contribution, gift, bequest or devise for general purposes or for a special purpose of the association.

Section 7. Officers of the association shall be re-elected each year by the Board at a meeting to be held immediately following the annual meeting of the association.

Article VII. STAFF

The staff shall consist of such positions as the Board shall deem reasonably necessary, if any. In lieu of hired staff, the Board may contract with a management company or independent contractors to fulfill the duties of the staff, including, without limitation, landscaping, maintenance and dues collection. Any contract with a management company shall not exceed one (1) year in duration.

Article VIII. MEETINGS

Section 1. The annual meeting of the corporation shall be held in the month of February each year; the date, place and hour to be designated by the Board. Notice of this meeting or any other general membership meetings signed by the Secretary, shall be advertised by flyers and other appropriate means to every member in good standing at least five (5) but not more than forty (40) days prior to the annual meeting.

Section 2. A quorum at any membership meeting shall be twenty percent (20%) of the voting members, but a lesser number may adjourn the meeting for not more than three weeks from the scheduled date of the meeting.

Section 3. Special meetings of the membership may be called by the President or must be called at the request of two (2) Board members or ten general

members, such request to be made in writing at least fifteen (15) days before the requested scheduled date to the Secretary of the Board.

Section 4. No other business but that specified in the notice may be transacted at a special meeting.

Section 5. All questions of parliamentary procedure shall be settled by Roberts Rules of Order Revised, when they are not inconsistent with these By-Laws.

Section 6. Any member may attend a Board meeting.

Article IX. VOTING

Section 1. At all meetings voting shall be by voice unless otherwise requested; for election of the Board, ballots shall be provided.

Section 2. At all votes by ballot the chairperson shall appoint a committee of three inspectors of election who shall certify in writing the results; the certified copy shall be attached to the minutes of that meeting.

Section 3. No inspector of election may be a candidate for office or have made or seconded the motion to be voted on.

Article X. COMMITTEES

Section 1. There shall be the following standing committees, which shall perform such functions as the Board may direct:

- a. Landscaping;
- b. Finance;
- c. Social;
- d. Plan Review;
- e. Street; and
- f. Developer/Declarant Liaison

Section 2. The Board may create other standing and special committees as necessary.

Section 3. All members shall be eligible to serve on committees.

Section 4. The Board shall appoint the chair of each committee.

Section 5. The President or his or her designee shall be an ex-officio member of all committees except the nominating committee.

Article XI. FISCAL YEAR

The fiscal year of the corporation shall be the calendar year.

Article XII. SEAL

The seal of the corporation shall be in such form as the Board shall determine.

Article XIII. AMENDMENTS

Any proposed amendment to these By-Laws must be presented by notice to all members. Such notice must consist of a copy of the proposed change to be mailed not less than ten (10) days nor more than twenty (20) days prior to the meeting of the Board. Any amendment shall be deemed adopted if approved by a simple majority of the members of the Board.

Article XIV. BOOKS AND RECORDS

Section 1. 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.

Section 2. The Association shall maintain the following records of the Association and make such records available for examination and copying at convenient hours on weekdays by the members:

a. Copies of the recorded Declaration, Bylaws, other governing documents, other duly recorded covenants, Articles of Incorporation of the Association, if incorporated, annual reports, if incorporated, any rules and regulations adopted by the Association or the Board, and any amendments to each such document.

b. Detailed accurate records in chronological order of the receipts and expenditures affecting the subdivision and the association, specifying and itemizing the maintenance and repair expenses and any other expenses incurred, and copies of all contracts, leases, or other agreements entered into by the association.

c. The minutes of all meetings of the association and the Board, which shall be maintained for a period of not less than seven (7) years.

d. Ballots and proxies related thereto for all elections to the Board and for any other matters voted on by the members, which 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 the General Not For Profit Corporation Act of 1986 of the State of Illinois, as amended.

A reasonable fee covering the direct out-of-pocket cost of providing such information and copying may be charged by the association or the Board.

ARTICLE XV. WAIVER OF NOTICE.

Whenever any notice whatever is required to be given under the provisions of the General Not For Profit Corporation Act of 1986 or under the provisions of the Articles of Incorporation or By-Laws of the Association or the Declaration, a waiver thereof in writing signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice.

ARTICLE XVI. LIABILITY AND INDEMNITY.

The members of the Board of Directors and officers thereof shall not be liable to the members or the Declarant or the Developer as members or owners for any acts or omissions made in good faith as such members of the Board of Directors or officers, The members shall indemnify and hold harmless each of the directors or officers against all contractual liability to others arising out of contracts made by such members or officers on behalf of the owners or the association, unless any such contract shall have been made in bad faith or contrary to the provisions of these By-Laws or the Declaration. Every director and every officer of the association shall be indemnified by the association against all expenses and liabilities, including attorneys' fees, reasonably incurred by or imposed on him in connection with any proceeding to which s/he may be a party, or in which he may become involved, by reason of his being or having been a director or officer of the association, or any settlement thereof, whether or not s/he is a director or officer at the time such expenses are incurred, except in such cases in which the director or officer is adjudged guilty of willful misfeasance or malfeasance in the performance of his/her duties; provided that in the event of a settlement the indemnification herein shall apply only when the Board of Directors approves such settlement and reimbursement as being for the best interests of the Association. The foregoing right of indemnification shall be in addition to and not exclusive of all other rights to which such director or officer may be entitled.