

BY-LAWS
OF
COLONY LAKES PROPERTY OWNERS ASSOCIATION

ARTICLE I

The corporation shall maintain in the state of Illinois a registered office and a registered agent at such office and may have other offices within or without the state.

ARTICLE II

Members

SECTION 1. MEMBERSHIP. Every person or entity who is a record owner of a lot in Colony Lakes or who is the beneficiary of a land trust holding title to a lot in Colony Lakes shall be a member of the Colony Lakes Property Owners Association, pursuant to Article III of the Declaration of Covenants and Restrictions for Colony Lakes.

SECTION 2. VOTING RIGHTS. Each member shall be entitled to one vote on each matter submitted to a vote of the members as provided in the Declaration of Covenants and Restrictions for Colony Lakes.

SECTION 3. TERMINATION OF MEMBERSHIP. Membership shall automatically terminate upon the sale, transfer, or other disposition by a member of his ownership of a lot in Colony Lakes at which time the new owner shall automatically become a member of the Colony Lakes Property Owners Association.

ARTICLE III

Meetings of Members

SECTION 1. ANNUAL MEETING. An annual meeting of the members shall be held on the first Monday of February of each year for the purpose of electing directors and for the transaction of such other business as may come before the meeting. If such day is a legal holiday, the meeting shall be held at the same hour on the next succeeding business day.

SECTION 2. SPECIAL MEETING. Special meetings of the members may be called either by the president, the board of directors, or not less than twenty five percent of the total membership.

SECTION 3. PLACE OF MEETING. The board of directors may designate any place as the place of meeting for any annual meeting called by the board of directors. If no designation is made or if a special meeting otherwise called, the place of meeting shall be the registered office of the corporation in the state of Illinois.

SECTION 4. NOTICE OF MEETING. Written notice stating the place, date, and hour of any meeting of members shall be delivered to each member entitled to vote at such meeting not less than five nor more than forty days before the date of such meeting. In case of a special meeting or when required by statute or by these by-laws the purpose for which the meeting called shall be deemed delivered when deposited in the United States mail addressed to the member at his address as it appears on records of the corporation, with postage thereon prepaid.

SECTION 5. **INFORMAL ACTION BY MEMBERS.** Any action required to be taken at a meeting of members of the corporation, or any other action which may be taken at a meeting of members, may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all of the members entitled to vote with respect to the subject matter thereof.

SECTION 6. **QUORUM.** The presence in person or by written proxy at any meeting of members having twenty-five percent of the total votes of the Property Owners Association shall constitute a quorum. If a quorum is not present at any meeting of the members, a majority of the members present may adjourn the meeting at any time without further notice. At any adjourned meeting at which a quorum shall be present, any business may be transacted which might have been transacted at the original meeting; withdrawal of members from any meeting shall not cause failure of a duly constituted quorum at that meeting.

SECTION 7. **PROXIES.** Each member entitled to a vote at a meeting of members or to express consent or dissent to corporate action in writing without a meeting may authorize another person or persons to act for him by written proxy, but no such proxy shall be voted or acted upon after eleven months from its date, unless the proxy provided for a longer period.

ARTICLE IV

Board Of Directors

SECTION 1. **GENERAL POWERS.** The affairs of the corporation shall be managed by its board of directors.

SECTION 2. **NUMBER, TENURE AND QUALIFICATIONS.** The number of directors shall be five. Each director shall hold office until the next annual meeting of members and until his successors shall have been elected and qualified. Directors must be members of the Property Owners Association. The number of directors must be five but may be increased to any number from time to time by amendment of this section, unless the articles of incorporation provide that a change in the number of directors shall be made only by amendment of the articles of incorporation.

SECTION 3. **REGULAR MEETINGS.** A regular annual meeting of the board of directors shall be held without other notice than these by-laws, immediately after, and at the same place as the annual meeting of members. The board of directors may provide by resolution the time and place, for the holding of additional regular meetings of the board without other notice than such resolution.

SECTION 4. **SPECIAL MEETINGS.** Special meetings of the board of directors may be called by or at the request of the president or any three directors. The person or persons authorized to call special meetings of the board may fix any place as the place for holding any special meeting of the board called by them.

SECTION 5. NOTICE. Notice of any special meeting of the board of directors shall be given at least two days previously thereto by written notice to each director at his address as shown by the records of corporation. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail in a sealed envelope so addressed, with postage thereon prepaid. If notice be given by telegram, such notice shall be deemed to be delivered when the telegram is delivered to the telegraph company. Notice of any special meeting of the board of directors may be waived in writing signed by the person or persons entitled to the notice either before or after the time of meeting. The attendance of a director at any meeting shall constitute a waiver of notice of such meeting, except where a director attends a meeting to the express purpose of objecting to the transaction of any business to be transacted at, nor the purpose of, any regular or special meeting of the board need be specified in notice or waiver of notice of such meeting, unless specifically required by law or by these by-laws.

SECTION 6. QUORUM. A majority of the board of directors shall constitute a quorum 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 to another time without further notice.

SECTION 7. MANNER OF ACTING. The act of a majority of the directors present at a meeting in which a quorum is present shall be the act of the board of directors, unless the act of a greater number is required by statute, these by-laws, or the articles in incorporation.

SECTION 8. VACANCIES. Any vacancy occurring in the board of directors or any directorship to be filled by reason of an increase in the number of directors shall be filled by the board of directors unless the articles of incorporation, a statute, or these by-laws provide that a vacancy or a directorship so created shall be filled in some other manner, in which case such provision shall control. A director elected to fill a vacancy shall be elected for the unexpired term of his predecessor in office.

SECTION 9. COMPENSATION. Directors shall not receive any compensation for their services, unless voted upon by members having sixty-six percent of the total vote.

ARTICLE V

Officers

SECTION 1. OFFICERS. The officers of the corporation shall be a president, one or more vice presidents (the number thereof to be determined by the board of directors), a treasurer, a secretary, and such assistant treasurers, assistant secretaries or other officers as may be elected by the board of directors. Officers whose authority and duties are not prescribed in these by-laws shall have the authority and perform the duties prescribed, from time to time, by the board of directors. Any two or more offices may be held by the same person, except the offices of president and secretary.

SECTION 2. ELECTION AND TERM OF OFFICE. The officers of the corporation shall be elected annually by the board of directors at the regular annual meeting of the board of directors. If the election of officers shall not be held at such meeting, such election shall be held as soon thereafter as conveniently may be. Vacancies may be filled or new offices created and filled at any meeting of the board of directors. Each office shall hold office until he shall have been duly elected and shall have qualified or until his death or until he shall resign or shall have been removed in the manner hereinafter provided. Election of an officer shall not itself create contract rights.

SECTION 3. REMOVAL. Any officer elected or appointed by the board of directors may be removed by the board of directors whenever in its judgment the best interests of the corporation would be served thereby, but such removal shall be without prejudice to the contract rights, if any, of the person so removed.

SECTION 4. PRESIDENT. The president shall be the principle executive officer of the corporation. Subject to the direction and control of the board of directors, he shall be in charge of the business and affairs of the corporation; he shall see that the resolution and directives of the board of directors are carried into effect except in those instances in which that responsibility is assigned to some other person by the board of directors; and, in general, he shall discharge all duties incident to the office of president and such other duties as may be prescribed by the board of directors. He shall preside at all meetings of the members and of the board of directors.

SECTION 5. VICE PRESIDENT. The vice-president (or in the event there be more than one vice-president, each of the vice-presidents) shall assist the president in the discharge of his duties as the president may direct and shall perform such other duties as from time to time may be assigned to him by the president or by the board of directors. In the absence of the president or in the event of his inability or refusal to act, the vice-president (or in the event there be more than one vice-president, the vice-presidents, in the order designated by the board of directors, or by the president if the board has not made such a designation, or in the absence of any designation, then in order of their seniority of tenure) shall perform the duties of the president and when so acting, shall have all powers of and be subject to all the restrictions upon the president. Except in those instances in which the authority to execute is expressly delegated to another officer or agent of the corporation or a different mode of execution is expressly prescribed by the board of directors or by these by-laws, the vice president (or any of them if there are more than one) may execute for the corporation any contracts, deeds, mortgages, bonds or other instruments which the board of directors has authorized to be executed, and he may accomplish such execution either under or without the seal of the corporation and either individually or with the secretary, and assistant secretary, or any other officer thereunto authorized by the board of directors, according to the requirements of the form of the instrument.

SECTION 6. TREASURER. The treasurer shall be the principal accounting and financial officer of the corporation. He shall: (a) have charge of and be responsible for the maintenance of adequate books of account for the corporation; (b) have charge and custody of all funds and securities of corporation, and be responsible therefore, and for the receipt and disbursement thereof; and (c) 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. If required by the board of directors, the treasurer shall give bond for the faithful discharge of his duties in such sum and with such surety of sureties as the board of directors shall determine.

SECTION 7. SECRETARY. The secretary shall record the minutes of the meetings of the members and the board of directors in one or more books provided for that purpose; see that all notices are duly given in accordance with provisions of these by-laws or as required by law; be custodian on the corporate records and of the seal of the corporation; keep register of the post office address of each member which shall be furnished to the secretary by such member; and perform all duties incident to the office of secretary 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. ASSISTANT TREASURER AND ASSISTANT SECRETARIES. The assistant treasures and assistant secretaries shall perform such duties as shall be assigned to them by the treasure and the secretary, respectively, or by the president or the board of directors. If required by the board of directors, the assistant treasurers shall give bonds for the faithful discharge of their duties in such sums and with such sureties as the board of directors shall determine.

ARTICLE VI

Committees

SECTION 1. **COMMITTEES OF DIRECTORS.** The board of directors, by resolution adopted by a majority of the directors in office, may designate one or more committees, which committees, to the extent provided in said resolution and not restricted by law, shall have and exercise the authority of the board of directors in the management of the corporation; but the designation of such committees and the delegation thereto of authority shall not operate to relieve the board of directors, or any individual director, of any responsibility imposed upon it by him by law.

SECTION 2. **OTHER COMMITTEES.** Other committees not having and exercising the authority of the board of directors in the corporation 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 such committee shall be members of the corporation and the president of the corporation shall appoint the members thereof. Any member thereof may be removed by the person or persons authorized to appoint such member whenever in their judgment the best interests of the corporation shall be served by such removal.

SECTION 3. **TERM OF OFFICE.** Each member of a committee shall continue as such until the next annual meeting of the members of the corporation and until his successor is appointed, unless the committee shall be sooner terminated, or unless such member be removed from such committee, or unless such member shall cease to qualify as a member thereof.

SECTION 4. **CHAIRMAN.** One member of each committee shall be appointed chairman.

SECTION 5. **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.

SECTION 6. **QUORUM.** Unless otherwise provided in the resolution of the board of directors designating a committee, a majority of the whole committee shall constitute a quorum and the act of a majority of them members present at a meeting at which a quorum is present shall be the act of the committee.

SECTION 7. **RULES.** Each committee may adopt rules for its own government not inconsistent with these by-laws or with rules adopted by the board of directors.

ARTICLE VII

Contracts, Checks, Deposits and Funds

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

SECTION 2. **CHECKS,DARTS,ETC.** All checks, drafts or other orders for the parent of money, notes or other evidence of indebtedness issued in the name of the corporation, shall be signed by such officer or officers, agent or agents of the corporation and in such manner as shall from time to time be determined by resolution of the board of directors. In the absence of such determination by the board of directors, such instruments shall be signed by the treasurer or an assistant treasurer and countersigned by the president of the corporation

SECTION 3. **DEPOSITS.** All funds of the corporation shall be deposited from time to time to credit of the corporation in such banks, trusts companies, or other depositories as the board of directors may select.

ARTICLE VIII

Books and Records

The corporation shall keep correct and complete books and records of account and shall also keep minutes of the proceedings of its members, board of directors, and committees having any authority of the board of directors, and shall keep at the registered or principal office a record giving the names and addresses of the members entitled to vote. All books and records of the corporation may be inspected by any member, or his agent or attorney for any proper purpose at any reasonable time.

ARTICLE IX

Fiscal Year

The fiscal year of the corporation shall be fixed by resolution of the board of directors.

ARTICLE X

Assessments

The board of directors may declare the assessments as provided in the covenants and restrictions of Colony Lakes.

ARTICLE XI

Waiver of Notice

Whenever any notice is required to be given under provisions of General Not For Profit Corporation Act of Illinois or under the provisions of the articles of incorporation

ARTICLE XIII

Alter, Amend, or Repeal By-laws

The power to alter, amend, or repeal the by-laws or adopt new by-laws shall be vested in the board of directors unless otherwise provided in the articles of incorporation, the by-laws, or the Covenants and Restrictions of Colony Lakes. Such action may be taken at a regular or special meeting for which written notice of purpose shall be given. The by-laws may contain any provisions for regulation and management of affairs of corporation not inconsistent with law or the articles of incorporation

ARTICLE XIII

Conflicts

If any provisions of these by-laws conflict with a provision of Covenants and Restrictions of Colony Lakes, the latter shall control.