

BY - LAWS

OF

COUNTRY LAKE ESTATES HOME OWNERS ASSOCIATION.

A NOT FOR PROFIT CORPORATION

ARTICLE I

NAME

The name of this not for-profit corporation shall be COUNTRY LAKE ESTATES HOME OWNERS ASSOCIATION.

ARTICLE II

PURPOSES

To foster, promote and further the welfare and well-being of the citizens of Country Lake Estates, R. R., Athens, Illinois, by providing for ownership, operation, acquisition, construction, management, care and maintenance of all Association property now existing or hereafter acquired, including but not limited to lakes, roadways, streets and all other common and all other public areas, and by combating community deterioration by acquiring, developing and improving all existing and additional Association property; providing for the ownership and operation of water supply facilities for drinking and domestic use on a mutual or cooperative basis; to enforce, on behalf of all members of the Association, all restrictions and covenants governing the use of the properties located within Country Lake Estates First Plat, Second Plat and such other additional plats as are hereafter dedicated and filed of record as a plat or plats of Country Lake Estates in order to preserve the architecture and appearance of the Country Lake Estates; provide community and school sponsored educational and service programs for youths and adults; erecting and maintaining public buildings, parks and other public works, providing funds, activities and educational programs to lessen the burdens of government, including for all such purposes the making of distributions to organizations that qualify as exempt organizations under Section 501 (c)(3) of the Internal Revenue Code of 1954 and as amended, or any future corresponding provisions of any future United States Internal Revenue law.

The corporation shall distribute its income for each taxable year at such times and in such manner as not to become subject to the tax on undistributed income imposed by Section 4942 of the Internal Revenue Code of 1954, or corresponding provisions of any subsequent Federal tax laws.

The corporation shall not engage in any act of self-dealing as defined in Section 4941 (d) of the Internal Revenue Code of 1954, or corresponding provisions of any subsequent Federal tax laws.

The corporation shall not retain any excess business holdings as defined in Section 4943 (c) of the Internal Revenue Code of 1954, or corresponding provisions of any subsequent Federal tax laws.

The corporation shall not make any investments in such manner as to subject it to tax under Section 4944 of the Internal Revenue Code of 1954, or corresponding provisions of any subsequent Federal tax laws.

The corporation shall not make any taxable expenditures as defined in Section 4945 (d) of the Internal Revenue Code of 1954, or corresponding provisions of any subsequent Federal tax laws.

### ARTICLE III.

#### OFFICES

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

### ARTICLE IV.

#### MEMBERS

Section 1. Membership Classes. The membership of this Corporation shall consist of one class, called members, who shall have the rights as hereinafter set out.

Section 2. Membership. The membership shall consist of all individuals or entities possessing either the fee simple legal title to or, in the case of a contract for deed purchaser, an equitable interest in any lot or property situated in Country Lake Estates First Plat as recorded in Book 1 at page 82 of Plats of the Menard County Recorder's Office, Petersburg, Illinois, and situated in Country Lake Estates Second Plat as recorded in Plat Cabinet A at page 145 of Plats of the Menard County Recorder's Office, and such other additional plats as hereafter dedicated and filed of record as a plat or plats of Country Lake Estates, all such individuals or entities being hereafter called "Owners"; provided that should there be multiple owners of a lot, the membership shall list each owner's name and each owner shall be a member. The membership may be divided into one or more classes as determined and established by the By-laws of the Association.

Membership shall cease when a member ceases to be an owner in a lot or property located in the foregoing described Plats. Membership is not transferable or assignable. In the case of death of a member, such deceased member's membership shall terminate and membership of the deceased member's beneficiaries shall be determined in accordance with the laws of the State of Illinois by determining who possesses legal title to such lot or property. The membership list shall evidence the number of lots owned by each member for purposes of determining the number of votes of each member.

Section 3. Membership Voting Rights. On each matter submitted to a vote of the members, each member shall be entitled to one vote for each lot owned by such member as evidenced by the member's membership and, provided that should there be multiple owners of a lot, the combined vote of such multiple owners shall not exceed one vote for each such lot owned. Provided further that as to all matters concerning water coming before the Association upon which a member shall be entitled to vote, only members whose lot or property is improved by a residence structure thereon shall be entitled to vote thereon.

No member shall be expelled or voting rights cancelled provided that no member shall be entitled to vote on any matter submitted to a vote of the members while such member is in default under the Articles of Incorporation and By-laws or other valid and binding rules and regulations of the Association.

## ARTICLE V

### MEETINGS OF MEMBERS

Section 1. Annual Meeting. An annual meeting of the members shall be held on the 4th Saturday in October of each year for the purpose of electing directors, and for the transaction of such other business as may come before the meeting. Elections for directors may be conducted by mail. The Board of Directors shall, two months prior to the annual membership meeting, appoint a nominating committee consisting of three members, for the purpose of nominating a slate of directors for the members to consider.

Section 2. Special Meetings. Special meetings of the members may be called by the President of the Board of Directors or by the Board of Directors, and upon written request of 1/10th of the members of the Corporation having voting rights. The President shall call a special meeting for the purpose of and within such time as shall be set forth in the written request.

Section 3. Place of Meetings. The Board of Directors may designate any place, either within or without the State of Illinois, as the place of meeting for any annual meeting or special meeting of the members.

Section 4. Notice of Meetings. Written or printed notice stating the place, day 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 five (5) days nor more than forty (40) 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 officers or persons calling the meeting, to each member entitled to vote at such meeting, at the members' address as shown by the records of the Corporation. If mailed, the notice of a meeting shall be deemed delivered when deposited in the United States Mail, addressed to the member at his address as it appears on the records of the Corporation, with postage thereon prepaid.

Section 5. Quorum. One-tenth (1/10th) of the members entitled to vote represented in person or by proxy shall constitute a quorum for the transaction of business at any meeting of the members; provided, that if less than a quorum is present or represented, a majority of the members represented at the meeting may adjourn the meeting from time to 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 6. Proxy Voting. Each such member may vote either in person or by proxy executed in writing by the member or by his or her duly authorized attorney in fact. Such proxy shall be filed with the Secretary of the Corporation before or at the time of the meeting.

Section 7. Informal Action by Members. Any action required to be taken at a meeting of the 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.

## ARTICLE VI

### DIRECTORS

Section 1. General Powers. The business, property and affairs of the Corporation shall be managed by its Board of Directors.

Section 2. Number, Tenure and Qualifications. The number of directors of the Corporation shall be three (3). Directors shall be elected by and from the members of the Corporation, at the annual meeting, and each director shall hold office for a term of three years after his or her election or until his or her successor shall have been elected and qualified (except in the case of resignation or removal). The terms of the initial directors appointed by the Articles of Incorporation shall be staggered as determined by lot, with one director serving for one year, one director serving for two years and one director serving for three years. Thereafter, each director's term shall be three years as provided herein.

Section 3. Regular Meetings. The regular meetings of the Board of Directors shall be held without other notice than this By-Law following and at

the same place as the annual meeting of the 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 two directors: The person or persons authorized to call special meetings of the Board of Directors may fix any place either within or without the State of Illinois, as the place for holding any special meeting of the Board of Directors called by them.

Section 5. Notice. Notice of any special meeting shall be given by the President at least two (2) days prior thereto by written notice or telegram delivered personally or mailed to each director at his personal or business address as shown by the records of the Corporation. The attendance of a director at any meeting shall constitute a waiver of notice of such meeting, 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. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the Board of Directors need be specified in the notice of such meeting unless specifically required by law or by the By-laws. 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 the meeting.

Section 6. Quorum. A majority of the members of the Board of Directors shall constitute a quorum for the transaction of business at any meeting of the Board of Directors, 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.

Section 7. 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 8. Manner of Acting. The act of a majority of the directors present at a meeting at 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 of Incorporation.

Section 9. Committees. The President of this Corporation shall appoint all committees of the Corporation designated by the Board of Directors, other than committees having and exercising the authority of the Board of Directors in the management of the Corporation which shall be appointed by action of a majority of the Board of Directors.

Section 10. Action by Unanimous Written Consent. If and when the Directors shall severally or collectively consent in writing to any action to be taken by the Corporation, such action shall be as valid corporate action as though it had been authorized at a meeting of the Board of Directors.

## ARTICLE VII

### OFFICERS

Section 1. Number. The officers of this Corporation shall be a President, a Vice President, a Secretary, a Treasurer and such other officers as may be elected or appointed 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 Qualification of Officers. The officers of the Corporation shall be elected by the Board of Directors at their annual meeting except the first officers who shall be elected at the first meeting of the Board. The President, Vice President, Secretary and the Treasurer must be members of the Board of Directors. Such officers shall hold office until the next annual meeting of members and until their successors shall have been duly elected and qualified.

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. 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 portion of the term.

Section 5. The President. Under the authority and subject to the direction of the Board of Directors, the President shall be the principal executive officer of the Corporation and shall in general supervise and control all of the business and affairs of the Corporation. He shall preside at all meetings of committees designated by the Board of Directors and in general shall perform all duties incident to the office of President and all duties which the Board of Directors may prescribe from time to time. He shall be responsible directly to the Board of Directors. He shall carry out or cause to be carried out all the policies of the Corporation.

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 the 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. The Treasurer. The Treasurer shall: (a) have custody of all corporate funds and securities and shall keep in books belonging to the Corporation full and accurate accounts of all receipts and disbursements; he shall deposit all moneys, securities and other valuable effects in the name of the Corporation in such depositories as may be designated for that purpose by the Board of Directors. He shall disburse the funds of the Corporation as may be ordered by the Board, taking proper vouchers for such disbursements, and shall render to the President and Directors at the regular meetings of the Board, and whenever requested by them, an account of all his transactions as Treasurer and of the financial condition of the Corporation; (b) 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. The 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 all 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 law or with the provisions of 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) in general 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.

## ARTICLE VIII

### CONTRACTS, CHECKS, DEPOSITS AND FUNDS

Section 1. Contracts. The Board of Directors may authorize any officer or officers, 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 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. Checks, Drafts, Etc. All checks, drafts or other orders for the payment of money, notes or other evidences 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 or a Vice President of the Corporation.

Section 3. Deposits. All funds of the Corporation 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 4. Gifts. The Board of Directors may accept on behalf of the Corporation any contribution, gift, bequest or devise for the general purposes or for any special purpose of the Corporation.

## ARTICLE IX

### CERTIFICATES OF MEMBERSHIP

Section 1. Certificates of Membership. The Board of Directors may provide for the issuance of certificates evidencing membership in the Corporation which shall be in such form as may be determined by the Board. Such certificates shall be signed by the President or a Vice President and by the Secretary or an Assistant Secretary and shall bear the Corporation's seal which may be in facsimile. The name and address of each member shall be entered on the records of the Corporation. If any certificate shall become lost, mutilated or destroyed, a new certificate may be issued therefor upon such terms and conditions as the Board of Directors may determine.

Section 2. Issuance of Certificates. When a member has been elected to membership and has paid any initiation fee and dues that may then be required, a certificate of membership shall be issued in his name and delivered to him by the Secretary, if the Board of Directors shall have provided for the issuance of certificates of membership under the provisions of Section 1 of this Article.

## ARTICLE X

### SEAL

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



ARTICLE XI

INDEMNIFICATION

The corporation shall indemnify any and all of its directors or officers or former directors or officers or any person who may have served at its request or by its election as a director or officer of another corporation, against expenses actually and necessarily incurred by them in connection with the defense or settlement of any action, suit or proceeding in which they, or any of them, are made parties, or a party, by reason of being or having been directors or a director or officer of the corporation or of such other corporation, except in relation to matters as to which any such director or officer or former director or officer or person shall be adjudged in such action, suit or proceeding to be liable for willful misconduct in performance of duty and to such matters as shall be settled by agreement predicated on existence of such liability.

The indemnification provided hereby shall not be deemed exclusive of any other rights to which anyone seeking indemnification may be entitled under any article of incorporation, by-laws, agreement, vote of members or disinterested directors or otherwise, both as to action in his official capacity and as to action in another capacity while holding such office.

ARTICLE XII

WAIVER OF NOTICE

Whenever any notice whatever is required to be given under the provisions of these By-laws or under the provisions of the Articles of Incorporation or any statutes of the State of Illinois relating to corporations not for pecuniary profit, 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 XIII

AMENDMENTS

These By-laws may be altered or amended by the affirmative vote of a majority of the Board of Directors at any meeting of the Board duly called for that purpose.

ARTICLE XIV

FISCAL YEAR

The fiscal year of the Corporation shall be fixed by resolution of the Board of Directors and in the absence thereof shall be from October 1st of each year to September 30th of each year.