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Filed for Record in:
LAKE COUNTY, IL
MARY ELLEN VANDERVENTER - RECORDER
On May 03 2000
At: 12:26pm
Receipt #: 229414
Doc/Type : AGR
Deputy - Cashier #7

BY-LAWS
FOR
ABERDARE ESTATES
HOMEOWNERS ASSOCIATION

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**BY-LAWS
FOR
ABERDARE ESTATES
HOMEOWNERS ASSOCIATION**

DEFINITIONS

"Act" shall mean the General Not-For-Profit Corporation Act of the State of Illinois.

"Common Expenses" shall mean those expenses incurred by the Association under the authority of the Declaration.

"Declaration" shall mean the Aberdare Estates Subdivision Declaration of Covenants, Conditions and Restrictions dated June 24, 1993, as amended.

"Landscape Easement Area(s)" shall mean all those areas designated as (a) "Landscape Buffer Easement" as designated on the Plat, (b) those areas in any right-of-way as depicted on the Plat which constitute curbed islands in any cul de sac, (c) the full width of the right-of-way on Aberdare Lane from its intersection with Almond Road easterly a distance of 130 feet to the extent of any entry landscaping therein, (d) Outlots B and C (owned by the Village of Gurnee) and (e) any easement for stormwater management area as designated on the Plat.

"Plat" or "Plat of Subdivision" shall mean that document recorded in the office of the Recorder of Deeds of Lake County on June 25, 1993 as document number 3354759, and corrected by certificate of correction recorded January 18, 1994 as document 3474757, in Lake County, Illinois.

"Property" shall mean the property identified as Aberdare Estates being a subdivision of part of the Northwest quarter of Section 20, Township 45 North, Range 11, East of the Third Principal Meridian, according to the plat thereof recorded June 25, 1993 as document No. 3354759 and corrected by certificate of correction recorded January 18, 1994 as document 3474757, in Lake County, Illinois.

**ARTICLE I
GENERAL PROVISIONS**

The Association shall be responsible for (i) maintaining the aesthetic and functional aspects of the Landscape Easement Areas including the maintenance, repair, replacement or new acquisition of landscaping and capital improvements, and (ii) complying with, and enforcing, the terms of the Declaration. Whether or not incorporated, the Association shall have such powers as are now or may hereafter be granted by the General Not-For-Profit Corporation Act of the State of Illinois. The Association shall have and exercise all powers necessary or convenient to effect any or all of the purposes for which the Association is organized and to do every other act not inconsistent with any law and which may be appropriate to promote and attain the purposes set forth in the Act or the Declaration.

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ARTICLE II

MEMBERS

Section 1. Classes of Members, Membership, and Termination Thereof. The Association shall have one class of members. The designation of such class and the qualifications of the members of such class shall be as follows:

Each Lot Owner shall be a member of the Association, which membership shall terminate upon the sale or other disposition of such member's Lot, at which time the new Lot Owner shall automatically become a member of the Association. Such termination shall not relieve or release any former Lot Owner from any liability or obligation incurred under or in any way connected with the Association during the period of such ownership and membership in the Association. Furthermore, such termination shall not impair any rights or remedies which the Board or others may have against such former Lot Owner arising from, or in any way connected with, such ownership and membership, and the covenants and obligations incident thereto. No certificates of stock or other certificates evidencing membership shall be issued by the Association.

Section 2. Voting and Voting Rights.

(a) Each member shall have one vote for each Lot owned. Under no circumstance shall a Lot Owner cast more than one (1) vote with respect to any one Lot.

(b) If a Lot is owned by more than one person, the voting rights with respect to such Lot shall not be divided, but shall be exercised as if the Lot Owner consisted of only one person in accordance with the proxy or other designation made by the persons constituting such Lot Owner. Any proxy must be executed in writing by the Lot Owner or his duly authorized attorney-in-fact, must bear the date of execution, and shall be invalid after eleven (11) months from the date of its execution. If only one of the multiple owners of a Lot is present, and if he or she casts the votes allocated to that Lot without a protest being made promptly to the person presiding over the meeting by any of the other owners of the Lot, there is deemed to be majority agreement among the owners of the Lot with respect to the vote.

Section 3. Transfer of Membership. Membership in this Association is not transferable or assignable except as provided in Article II, Section 1 hereof.

Section 4. Installment Contracts. Anything herein to the contrary notwithstanding, in the event of a sale of a Lot, the purchaser of such Lot from a seller other than the Developer, pursuant to an installment contract for purchase, shall, during such times as he or she resides on the Lot, be counted toward a quorum for the purpose of election of members of the Board at any meeting of the Lot Owners called for the purpose of electing members of the Board; shall have the right to vote for the election of members of the Board and to be elected and serve on the Board; and shall be permitted to vote for a particular office or be elected and serve on the Board. Satisfactory evidence of the installment contract shall be made available to the Association or its agents. "Installment Contract" shall have the same meaning as set

forth in Section I(e) of "An Act Relating to Installment Contracts to Sell Dwelling Structures," approved August 11, 1967, as amended, 765 ILCS 75/1 et. seq.

ARTICLE III

MEETINGS OF MEMBERS

Section 1. Annual Meeting. An annual meeting of the members for the purpose of electing Board members and for the transaction of such other business as may come before the meeting shall be held on the first Tuesday of November each year, or such other date as is selected by the Board, which date is within sixty (60) days before or after the first Tuesday of November; provided, however, that no such meeting need be held less than one year after the first annual meeting of the members. If the election of members of the Board shall not be held on the day designated herein for any annual meeting, or at any adjournment thereof, the Board shall cause the election to be held at a special meeting of the members, called as soon thereafter as conveniently may be.

Section 2. Special Meetings. Special meetings of the members may be called by two (2) members of the Board, the President acting singly, or by not less than two of the members. All matters to be considered at special meetings of the members called by any two of the members shall first be submitted in writing to the Board not less than ten (10) days prior to the date of the special meeting of the members called to consider such matters.

Section 3. Place and Time of Meeting. All meetings of the members shall take place at 8:00 P.M., at such place as designated in the notice, however such place to be located reasonably near the Property, or at such other reasonable place or time designated by the Board or the President or the members calling the meeting.

Section 4. Notice of Meetings. Written or printed notice stating the purpose, place, day, and hour of any meeting of members shall be mailed or delivered to each member entitled to vote at such meeting, not less than ten (10) days nor more than thirty (30) days before the date of such meeting, by or at the direction of the President or the Secretary, or the officer or persons calling the meeting, provided that notice of the first annual meeting of the members shall be mailed or delivered not less than twenty-one (21) nor more than thirty (30) days before the date of such meeting. The notice of a meeting shall be deemed mailed when deposited in the United States mail, addressed to the member at his address as it appears on the records of the Association, with proper postage thereon prepaid.

Section 5. Quorum. The members present at a meeting in person or by proxy, holding fifty percent (50%) of the votes which may be cast at any meeting, shall constitute a quorum at such meeting. If a quorum is not present at the commencement of any meeting of members, the meeting shall be adjourned and may only be called again in accordance with the provisions of these By-Laws,

Section 6. Proxies. At any meeting of members, a member entitled to vote may vote either in person, or by proxy executed in writing by the member or by his duly authorized attorney-in-fact. No proxy shall be valid after eleven (11) months from the date of its execution.

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Section 7. Manner of Acting. Unless the Declaration provides otherwise, any action to be taken pursuant to a meeting of the members at which a quorum is present shall be taken upon the affirmative vote of fifty one percent (51%) or greater of the number of votes which may be cast at such meeting.

ARTICLE IV BOARD

Section 1. Board. Following the election of the initial Board of Managers, the affairs of the Association shall be managed by its Board of Managers, which shall act as the Board of Managers of the Homeowners Association, as provided in the Act and the Declaration.

Section 2. Number, Tenure, and Qualifications. The number of members of the Board shall be at least three (3). Commencing with the date of the first annual meeting of the members, the members of the Board shall each be elected solely by, from, and among the members, for a term of one (1) year and until their respective successors shall have been elected and qualified. All members of the Board shall be elected at large. The Board elected at such first annual meeting shall be the initial Board of Managers. Each member of the Board shall serve without compensation. In the event that a member of the Board is a legal entity other than a natural person or persons, then any shareholder, officer, or director of such corporation, partner of such partnership, beneficiary, individual trustee of such trust, or manager of such other legal entity, may be eligible to serve as a member of the Board. Notwithstanding the above, only one person from each Lot may be a member of the Board. A member of the Board may succeed himself in office.

Section 3. Election. At each annual meeting of the members, the members shall be entitled to vote on a cumulative basis, and the candidates receiving the highest number of votes with respect to the number of offices to be filled shall be deemed to be elected. A candidate for election to the Board, or such candidate's representative, shall have the right to be present at the counting of the ballots at such election.

Section 4. Regular Meetings. A regular annual meeting of the Board shall be held immediately after, and at the same place as, the annual meeting of members. The Board shall, by regulations which the Board may from time to time adopt, provide the time and place for the holding of additional regular meetings of the Board, provided that the Board shall meet at least (2) two times per year.

Section 5. Special Meetings. Special meetings of the Board may be called by or at the request of a Board member or the President. The person or persons permitted to call special meetings of the Board may fix the time and place for holding any special meeting of the Board called by them.

Section 6. Notice. Written notice of any special meeting shall be mailed or delivered to all members of the Association and all members of the Board not calling the meeting, at least seventy-two (72) hours prior to the date of such special meeting. All such notices shall be deemed to be mailed when deposited in the United States mail, addressed to each member at his address as it appears on the records of the Association, with proper

postage thereon prepaid. The business to be transacted at, or the purpose of any special meeting, shall be specified in the notice.

Section 7. Quorum. Fifty-one percent of the Board shall constitute a quorum for the transaction of business at any meeting of the Board. If less than half of the Board are present at the commencement of said meeting, the meeting shall be adjourned, and may only be called again in accordance with the provisions of these By-Laws.

Section 8. Manner of Acting. The affirmative vote of fifty-one percent of Board members at a meeting at which a quorum is present at the commencement of the meeting, shall be the act of the Board, except where otherwise provided by law.

Section 9. Vacancies. Any vacancy occurring in the Board by reason of death, removal, or resignation of a member of the Board, shall be filled by unanimous vote of the remaining members of the Board. A member elected to fill a vacancy shall be elected until the next annual meeting of the members of the Association; provided that if a petition is signed by members of the Association holding not less than two-thirds (2/3) of the votes in the Association, requesting a meeting of the members to fill the vacancy on the Board, the term of the member so elected by the Board shall terminate thirty (30) days after the filing of the petition, and a meeting of the members for the purpose of filling such vacancy for such unexpired term, shall be called no later than thirty (30) days following the filing of such petition. Members of the Board may resign at any time by written resignation delivered or mailed to any officer of the Association, which resignation shall be effective upon receipt of said resignation. If, as the result of death, removal, or resignation of a member of the Board, no member of the Board remains in office, a special meeting of the members of the Association may be called to fill all vacancies for the unexpired terms of the members of the Board.

Section 10. Removal. From and after the date of the first annual meeting of the members, any member of the Board may be removed from office by the affirmative vote of fifty-one percent (51%) or greater of the members, at a special meeting called for such purpose, at which a quorum is present.

Section 11. Adoption of Rules and Regulations. All rules and regulations, or amendments thereto, shall be adopted by the Board after a meeting of the members, called for the specific purpose of discussing the proposed rules and regulations, notice of which contain the full text of the proposed rules and regulations, which rules and regulations shall conform to the requirements of the Declaration and these By-Laws. No quorum is required at such meetings of the members. No rules or regulations may impair any rights guaranteed by the First Amendment to the Constitution of the United States or Section 4 of Article I of the Illinois Constitution. Such rules and regulations shall be effective sixty (60) days after their adoption, provided that the members may veto the rules or regulations at a special meeting of the members called for such purpose, and held before the effective date of the rule or regulation, by a vote of all the members of the Association.

Section 12. Open Meetings. All meetings of the Board, whether regular or special, shall be open to the members of the Association, except for meetings:

(a) to discuss 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; or

(c) to discuss violations of rules and regulations of the Association.

Any vote on the above matters shall be taken at a meeting or portion thereof, open to any member. Any member may record the proceedings at meetings required to be open by the Act or these By-Laws, by tape, film, or other means, subject to reasonable rules and regulations prescribed by the Board governing the right to make such recordings.

ARTICLE V

OFFICERS

Section 1. Officers. The officers of the Association shall be a President, a Secretary, and a Treasurer.

Section 2. Election and Term of Office. The officers of the Association shall be elected annually by the Board at the regular annual meeting of the Board, from among the members of the Board. If the election of officers shall not be held at such meeting, such election shall be held as soon thereafter as conveniently possible. Vacancies may be filled or new offices created and filled at any meeting of the Board. Each officer shall hold office until his successor shall have been duly elected and shall have qualified. An officer may succeed himself in office. Officers shall serve without compensation.

Section 3. Removal. Any officer elected by the Board may be removed by a majority vote of the members of the Board.

Section 4. Vacancies. A vacancy in any office because of death, resignation, removal, disqualification, or otherwise, may be filled by the Board for the unexpired portion of the term.

Section 5. President. The President shall be the principal executive officer of the Association, and shall in general supervise and control all the business and affairs of the Association. He shall preside at all meetings of the members and of the Board. He may sign, with the Secretary or any other proper officer of the Association authorized by the Board, contracts, or other instruments which the Board has authorized to be executed, and any amendment to the Declaration or Plat as provided in the Act, and, in general, shall perform all duties incident to the office of the President, and such other duties as may be prescribed by the Board from time to time.

Section 6. Secretary. The Secretary shall keep the minutes of the meetings of the members and of the Board, in one or more books provided for that purpose; see that all notices are duly given, in accordance with the provisions of these By-Laws or as required by law; receive all notices on behalf of the Association and, together with the President, execute on behalf of the Association, amendments to such documents as are required or permitted by the Declaration, these By-Laws, or the Act; be custodian of the records and 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.

Section 7. Treasurer. The Treasurer shall have charge and custody of, and be responsible for, all funds and securities of the Association; receive and give receipts for moneys due and payable to the Association from any source whatsoever, and deposit all such moneys in the name of the Association in such banks, trust companies, or other depositories as shall be selected in accordance with the provisions of Article VII of these By-Laws; and, 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.

ARTICLE VI POWERS AND DUTIES OF THE ASSOCIATION AND BOARD

Section 1. General Duties and Powers of the Board. The Board shall exercise for the Association all powers, duties, and authority vested in the Association by the Act and the Declaration, including but not limited to the following:

- (a) operation, care, upkeep and maintenance of the Landscape Easement Areas;
- (b) preparation, adaption, and distribution of the annual budget for the Property;
- (c) levying of assessments;
- (d) collection of assessments from Lot Owners;
- (e) employment and dismissal of the personnel necessary or advisable for the maintenance of the Property;
- (f) obtaining adequate and appropriate kinds of insurance;
- (g) adoption and amendment of rules and regulations covering the details of the operation and use of the Property;
- (h) keeping of detailed, accurate records of the receipts and expenditures affecting the use and operation of the Property;

(i) imposing charges for late payments of a Lot Owner's assessments, or any other expenses lawfully agreed upon, and after notice and an opportunity to be heard, levying reasonable fines for violation of the Declaration, By-Laws, and rules and regulations of the Association;

(j) assigning its right to future income, including the right to receive assessments;

In the performance of their duties, the officers and members of the Board shall exercise the care required of a fiduciary acting on behalf of the members.

Section 2. Specific Powers and Duties. Anything herein contained to the contrary notwithstanding, the Association shall have the power

(a) to engage the services of any persons (including, but not limited to, accountants and attorneys) deemed necessary by the Association at such compensation as is deemed reasonable by the Association, in the operation, repair and maintenance of the Property, or in connection with any duty, responsibility, or right of the Association, and to remove, at any time, any such personnel;

(b) to establish or maintain one or more bank accounts, or functionally similar accounts such as money market fund accounts, for the deposit of any funds paid to, or received by, the Association; and,

(c) to invest any funds of the Association in certificates of deposit, money market funds, or comparable investments.

Nothing herein shall be construed to give the Association authority to conduct an active business for profit on behalf of all the Lot Owners, or any of them.

Section 3. Authorized Expenditures. The Association shall acquire and make arrangements for, and pay the following:

(a) such insurance as the Association is required or permitted to obtain, as provided in the Declaration;

(b) any other materials, supplies, furniture, labor, services, maintenance, repairs, structural alterations, or assessments which the Association deems necessary or proper for the maintenance and operation of the Landscape Easement Areas, or for the enforcement of any restrictions or provisions contained herein and in the Declaration; and,

(c) any amount necessary to discharge any mechanic's lien or other encumbrance levied against the Property or any part hereof, which may in the opinion of the Association constitute a lien against the Property, rather than merely against the interest therein of particular Lot Owners; where one or more Lot Owners is responsible for the existence of such lien, they shall be jointly and severally liable for the cost of

discharging it and any costs incurred by the Association by reason of said Lien or liens, including but not limited to any interest, late charges, reasonable attorney's fees, or costs of collections and the amount of any unpaid fine shall be specially assessed to said Lot Owners and shall, until paid by such Lot Owners, constitute a lien against the Lot Owners Lot, which lien may be perfected and foreclosed on for failure to pay a share of the Common Expenses. All expenses, charges, and costs of the maintenance, repair, or replacement of the Property, and any other expenses, charges, or costs which the Association may incur or expend pursuant hereto, shall be approved by the Association, and a written memorandum thereof prepared and signed by the Treasurer.

Section 4. Annual Budget.

(a) Each year on or before October 31st, the Board shall estimate the annual budget of Common Expenses (the "Annual Budget") including: the total amount required for the cost of wages, materials, insurance, services, and supplies which will be required during the ensuing calendar year for the rendering of all services, together with a reasonable amount considered by the association to be necessary for a reserve for contingencies and replacements, all anticipated assessments and income, and each Lot Owner's proposed Common Expense assessment. The Board shall deliver a copy of the proposed Annual Budget to each Lot Owner at least thirty (30) days prior to the adoption thereof. The Association shall give Lot Owners notice as provided in Section 4, Article III of the By-Laws, of the meeting of the Board at which the Board proposes to adopt the Annual Budget, or at which any increase or establishment of any assessment, regular or special, is proposed to be adopted.

(b) One Sixty-fourth (1/64) of the Annual Budget shall be assessed to each Lot Owner. Each Lot Owner shall be obligated to pay to the Association, or as it may direct, the portion of the Annual Budget assessed to such owner in one lump sum payment at such time as the Board designates the payment to be due.

(c) The failure or delay of the Association to prepare or serve the Annual Budget on the Lot Owners shall not constitute a waiver or release in any manner of the Lot Owner's obligation to pay the maintenance and other costs and necessary Reserves, as herein provided.

(d) All funds collected hereunder shall be held and expended solely for the purposes designated herein and shall be deemed to be held for the benefit, use, and account of all the Lot Owners.

Section 5. Annual Accounting.

(a) On or before the 1st day of April of each calendar year commencing with the year 2001, the Association shall supply to all Lot Owners an itemized accounting of the Common Expenses actually incurred and paid for the preceding calendar year and the amounts collected pursuant to the budget or assessment, and showing the net excess of income over expenditures or of

expenditures over income deficit (as the case may be) plus Reserves. Any amount accumulated in excess of the amount required for actual expenses and Reserves shall be credited proratably to the Lot Owners.

(b) The Association shall allow any First Mortgagee to examine the books and records of the Association during reasonable business hours, and to receive, on request, annual reports and other financial data prepared by the Association or at its direction.

Section 6. Special Assessments. Subject to the terms of the Declaration, if said Annual Budget proves inadequate for any reason, including nonpayment of any Lot Owner's assessment, or any nonrecurring Common Expense, or any Common Expense not set forth in the Annual Budget as adopted, the Board may at any time levy a further assessment, which shall be assessed to the Lot Owners and which may be payable in one lump sum or such installments as the Board may determine. The Board shall serve notice of such further assessment on all Lot Owners (as provided in Section 4, Article III of the By-Laws) by a statement in writing giving the amount and reasons therefor, and such further assessment shall become effective and shall be payable at such time or times as determined by the Board.

Section 7. Default in payment.

(a) If a Lot Owner is in default in the payment of the aforesaid charges or assessments for thirty (30) days, the Association may assess a service charge of up to four percent (4%) of the balance of the aforesaid charges and assessments for each month or part thereof, that said balance, or any part thereof, remains unpaid. In addition to any remedies or liens provided by law, if a Lot Owner is in default in the payment of the aforesaid charges or assessments for sixty (60) days, all other payment of charges and assessments due for the calendar year in which such default occurs shall accelerate and become immediately due and payable. The Association may bring suit for and on behalf of itself, and as representative of all Lot Owners, to enforce collection thereof or to foreclose the lien therefor, as provided by law; and there shall be added to the amount due, the costs of said suit, together with legal interest and reasonable attorneys' fees to be fixed by the Court. In addition, the Association may also take possession of such defaulting Lot Owner's interest in the Property, and maintain an action for possession of the Lot in the manner provided by law. No Lot Owner may waive or otherwise escape liability for the assessments for herein, by non-use of the Common Elements or abandonment of his Lot.

(b) Each such assessment, together with interest, court costs, late charges, reasonable attorneys' fees and costs of collections, or the amount of any unpaid fine, shall also be the personal obligation of the person who was the Lot Owner at the time the assessment became due. The personal obligation for delinquent assessments shall not pass to successors in title or interest unless assumed by them, or required by applicable law.

Section 8. Lot Owner Accounts. Upon ten (10) days' notice to the Association, and the payment of a reasonable fee fixed by the Association, not to exceed Fifteen Dollars (\$15.00), any Lot Owner shall be furnished a statement of his account setting forth the amount of any unpaid assessments or other charges due and owing from such Lot Owner.

Section 9. Rules and Regulations. The Association may, pursuant to the provisions of Section 11 of Article IV of these By-Laws, from time to time adopt or amend such rules and regulations governing the operation, maintenance, beautification, and use of the property, not inconsistent with the terms of the Declaration, as it sees fit; and the Lot Owners shall conform to, and abide by, such rules and regulations. Written notice of such rules and regulations shall be delivered to all Lot Owners and occupants. A violation of such rules or regulations shall be deemed a violation of the terms of the Declaration.

ARTICLE VII

CONTRACTS, CHECKS, DEPOSITS, AND FUNDS

Section 1. 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.

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 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, and countersigned by the President of the Association.

Section 3. Deposits. All funds of the Association shall be deposited from time to time to the credit of the Association in such banks, trust companies, or other depositories as the Board may elect.

ARTICLE VIII

BOOKS AND RECORDS

Section 1. Maintaining Books and Records. 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. Availability for Examination. The Association shall maintain the following records of the Association, and make such records available for examination and copying at convenient hours of weekdays by the Lot Owners or their Mortgagees, and their duly authorized agents or attorneys:

- (a) copies of the Recorded Declaration, By-Laws, and any amendments, rules, and regulations adopted by the Board of the Association; if incorporated, Articles of incorporation of the Association, and annual reports;

(b) detailed accurate records in chronological order, of the receipts and expenditures affecting the Property, specifying and itemizing the maintenance and repair expenses of the Property, 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. The Association shall maintain these minutes for a period of not less than seven (7) years;

(d) a record giving the name and addresses of the members entitled to vote;

(e) ballots for all elections to the Board, and for any other matters voted on by the Lot Owners; the Association shall maintain these ballots for a period of not less than one year; and,

(f) such other records of the Association as are available for inspection by members of a not-for-profit corporation, pursuant to Section 25 of the General Not-For-Profit Corporation Act, approved July 19, 1943, as amended, 805 ILCS 105/101,01 et, seq. 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 for the cost of providing such information and copying.

ARTICLE IX

FISCAL YEAR

The fiscal year of the Association begins on the first day of January, and ends on the last day of December.

ARTICLE X

WAIVER OF NOTICE

Whenever any notice whatsoever is required to be given under the provisions of the General Not-For-Profit Corporation Act of Illinois; the Articles of Incorporation, the By-Laws, or the Declaration of the Association, a waiver thereof (subject to all the provisions of such instruments) 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 XI

AMENDMENTS TO BY-LAWS

These By-Laws may be altered, amended, or repealed, and new By-Laws may be adopted, upon the affirmative vote of a majority or greater of all of the members at a regular meeting, or at any special meeting called for such purpose, by Recording an instrument in writing, setting forth such alteration, amendment, or repeal, which is signed and acknowledged by the President and the Secretary of the Association, and which contains an affidavit by an officer of the Board, certifying that the necessary affirmative vote of the members of the Association has been obtained.

**ARTICLE XII
INDEMNIFICATION**

The Association shall indemnify any person who was or is a party, or is threatened to be made a party to any threatened, pending, or completed action, suit, or proceeding, whether civil, criminal, administrative, or investigative (other than an action by or in the right of the association), by reason of the fact that he is or was a member of the Board or an officer of the Association, against expenses (including attorneys' fees), judgments, fines, and amounts paid in settlement actually and reasonably incurred by him in connection with such action, suit or proceeding, if he acted in good faith and in a manner he reasonably believed to be in, or not opposed to the best interests of the Association; and, with respect to any criminal action or proceeding, had no reasonable cause to believe his conduct was unlawful. The termination of any action, suit, or proceeding, by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent, shall not, of itself, create a presumption that the person did not act in good faith, and in a manner which he reasonably believed to be in, or not opposed to, the best interests of the Association, and, with respect to any criminal action or proceeding, had reasonable cause to believe that his conduct was unlawful.

The Association may indemnify any person who was or is a party, or is threatened to be made a party, to any threatened, pending, or completed action or suit by or in the right of the Association, to procure a judgment in its favor by reason of the fact that he is or was a member of the Board, or an officer of the Association, against expenses (including attorneys' fees) actually and reasonably incurred by him in connection with the defense or settlement of such action or suit, if he acted in good faith, and in a manner he reasonably believed to be in, or not opposed to, the best interests of the Association; and except that no indemnification shall be made in respect of any claim, issue, or matter as to which such person shall have been adjudged to be liable for negligence or misconduct in the performance of his duty to the Association, unless, and only to the extent that the court in which such action or suit was brought shall determine upon application that, despite the adjudication of liability, but in view of all the circumstances of the case, such person is fairly and reasonably entitled to indemnity

for such expenses as the court shall deem proper.

To the extent that a member of the Board or officer of the Association has been successful, on the merits or otherwise, in the defense of any action, suit, or proceeding referred to in the foregoing two paragraphs, or in defense of any claim, issue, or matter therein, he shall be indemnified against expenses (including attorneys' fees) actually and reasonably incurred by him in connection therewith.

Any indemnification under the first two paragraphs of this Article shall be made by the Association only as authorized in the specific case, upon a determination that indemnification of the member of the Board or officer of the Association is proper in the circumstances, because he has met the applicable standard of conduct set forth in the first two paragraphs of this Article. Such determination shall be made (1) by the Board, by a majority vote of a quorum consisting of members of the Board who were not parties to such action, suit, or proceeding, or (2) if such a quorum is not obtainable, or, even if obtainable, if a quorum of disinterested directors so directs, by independent legal counsel in a written opinion, or (3) by a majority of the members of the Association. Expenses incurred in defending a civil or criminal action, suit, or proceeding, may be paid by the Association in advance of the final disposition of such action, suit, or proceeding, as authorized by the Board in the specific case, upon receipt of an undertaking by or on behalf of the members of the Board or the officer of the Association to repay such amount, unless it shall ultimately be determined that he is entitled to be indemnified by the Association, as authorized in this Article.

The sums necessary to discharge the obligations of the Association under this Article shall be Common Expenses.

The indemnification provided by this Article shall not be deemed exclusive of any other rights to which those seeking indemnification may be entitled under any statute, agreement, vote of members of the Association or disinterested members of the Board, or otherwise, both as to action in his official capacity, and as to action in other capacity while holding such office, and shall continue as to a person who has ceased to be a member of the Board or an officer of the Association.

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ARTICLE XIII

CONSTRUCTION

Nothing hereinabove contained shall in any way be construed as altering, amending, or modifying the Declaration; said Declaration and these By-Laws shall always be construed to further the harmonious, beneficial, cooperative, and proper use and conduct of the Property. If there is any inconsistency or conflict between these By-Laws and the aforesaid Declaration, the provisions of the Declaration shall control.

All words and terms used herein which are also used in the Declaration, shall have the same meaning as provided for such words and terms in the Declaration.

In the event the Association is incorporated, the words, "Board of Directors" and "Director" shall be substituted for the words "Board" and "Member of the Board," respectively, wherever they appear herein.

The undersigned do hereby represent and warrant that the foregoing instrument is the true and lawful By-Laws of the Aberdare Estates Homeowners Association as presented to the Board by the Developer and accepted by the Board members at a meeting held for such purpose on March 19, 2000.

Gregory C. Groenke

**Greg Groenke, President
Aberdare Estates Homeowners Association**

Prepared By:
Scott A. Sandroff
900 Woodlands Parkway
Vernon Hills, Il 60061

Beth A. Comer

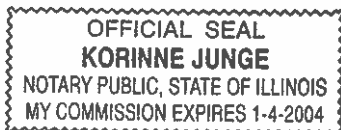
**Beth A. Comer, Secretary
Aberdare Estates Homeowners Association**

Return to:
Gary D. Buschman
7500 West Grand Ave, Suite 22
Gurnee, Il 60031

Notary Seal

Korinne Junge

Notary Signature



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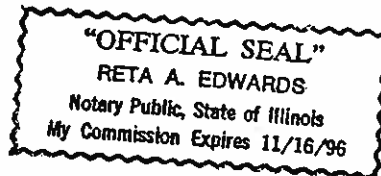
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STATE OF ILLINOIS)
) SS.
COUNTY OF LAKE)

I, Reta A. Edwards, a Notary Public in and for said County in the State aforesaid, DO HEREBY CERTIFY that Jack A. Wilmoth, Trust Officer (Trust Officer) of First Midwest Trust Co., and Nancy R. Schuck, Secretary (Trust Officer) of said Trust Company, personally known to me to be the same persons whose names are subscribed to the foregoing instrument as such Trust Officer and Secretary respectively, appeared before me this day in person and acknowledged that they signed and delivered the said instrument as their own free and voluntary act and as the free and voluntary act of said national banking association, for the uses and purposes therein set forth; and the said Trust Officer did also then and there acknowledge that he, as custodian of the corporate seal of said Trust Company, did affix the said corporate seal of said Trust Company to said instrument as his own free and voluntary act and as the free and voluntary act of said Trust Company for the uses and purposes therein set forth.

Given under my hand and Notarial Seal this 21st day of June, 1993.

Reta A. Edwards
NOTARY PUBLIC



Prepared by and to be mailed to:

Mark C. Eiden
RICHARDS, RALPH, EIDEN,
ECKERT & O'DONNELL, CHTD.
175 East Hawthorn Parkway
Suite 401
Vernon Hills, Illinois 60061

jh\91-1246.24 6/18/93

Handwritten signature

RECORDED
LAKE COUNTY, ILLINOIS
93 JUN 25 PM 4: 01

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