

EXHIBIT B

**AMENDED AND RESTATED BY-LAWS OF
WINDSTONE COMMUNITY ASSOCIATION II,
INC.**

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AMENDED AND RESTATED BY-LAWS OF WINDSTONE COMMUNITY ASSOCIATION II, INC.

Article I - Name, Principal Office, and Definitions

Section 1. Name.

The name of the Association shall be Windstone Community Association II, Inc. (hereinafter sometimes referred to as the "Association").

Section 2. Principal Office.

The principal office of the Association in the State of Illinois shall be located in Kane County. The Association may have such other offices, either within or outside the state of Illinois, as the Board of Directors may determine or as the affairs of the Association may require.

Section 3. Definitions.

The words used in these By-Laws shall have the same meaning as set forth in that Amended and Restated Declaration of Covenants, Conditions and Restrictions for Windstone Community Association II, Inc. (said Declaration, as amended, renewed or extended from time to time, is hereinafter sometimes referred to as the "Declaration"), unless the context shall prohibit.

Article II-Association: Membership, Meetings, Quorum, Voting, Proxies

Section 1. Membership.

The Association shall have one class of Members. Each Owner shall be a member of the Association and constitute a "Member" as defined in the Illinois Common Interest Community Association Act, which membership shall terminate upon the sale or other disposition of an Owner's Unit, at which time the new Owner automatically shall become a Member of the Association. Such termination shall not relieve or release any former Owner from any liability or obligation incurred under or in any way connected with the Properties or the Association during the period of such ownership and membership in the Association. Furthermore, such termination shall not impair any rights or remedies that the Board or others may have against a former Owner arising from or in any way connected with such ownership and membership and the covenants and obligations incident to membership. Membership in the Association is not transferable or assignable, except as provided herein.

Section 2. Place of Meetings.

Meetings of the Association shall be held at a suitable place convenient to the Members as may be designated by the Board of Directors either within the Properties or as convenient thereto as possible and practical.

Section 3. Annual Meeting.

The annual meeting of the members held on the first Tuesday of September each year shall be for the purpose of electing Directors and for the transaction of such other business as may come before the meeting.

Section 4. Special Meetings.

Special meetings of the membership may be called by the president, the Board, or by twenty (20%) of the membership. In addition, it shall be the duty of the President to call a special meeting of the Association if so directed by resolution of a majority of a quorum of the Board of Directors or upon a petition signed by Members representing at least twenty (20%) percent of the total votes of the Association. The notice of any special meeting shall state the date, time and place of such meeting and the purpose thereof. No business shall be transacted at a special meeting except as stated in the notice.

Section 5. Notice of Membership Meetings.

Written or printed notice stating the place, day and hour of any meeting of the Members shall be delivered, either personally or through a Prescribed Delivery Method to each Member entitled to vote at such meeting, not less than ten (10) or more than thirty (30) days before the date of such meeting, but or at the direction of the President or the Secretary or the officers or persons calling the meeting.

In the case of a special meeting or when required by statute or these By-Laws, the purpose or purposes for which the meeting is called shall be stated in the notice. No business shall be transacted at a special meeting except as stated in the notice.

If mailed, the notice of a meeting shall be deemed to be delivered when deposited in the United States mail addressed to the Member at his or her address as it appears on the records of the Association, with postage thereon prepaid.

Section 6. Waiver of Notice.

Waiver of notice of a meeting of the Members shall be deemed the equivalent of proper notice. Any Member may, in writing, waive notice of any meeting of the Members, either before or after such meeting. Attendance at a meeting by a Member shall be deemed waiver by such Member of notice of the time, date, and place thereof, unless such Member specifically objects to lack of proper notice at the time the meeting is called to order. Attendance at a special meeting

shall also be deemed a waiver of notice of all business transacted thereat unless objection to the calling or convening of the meeting, of which proper notice was not given, is raised before the business is put to a vote.

Section 7. Adjournment of Meetings.

If any meeting of the Association cannot be held because a quorum is not present, a majority of the Members who are present at such meeting may adjourn the meeting to a time not less than five (5) nor more than thirty (30) days from the time the original meeting was called, provided that notice of the time and place for reconvening the meeting shall be given to Members in the manner prescribed for regular meetings. At the reconvened meeting, if a quorum is present, any business which might have been transacted at the meeting originally called may be transacted. If a time and place for reconvening the meeting is not fixed by those in attendance at the original meeting or if for any reason a new date is fixed for reconvening the meeting after adjournment, notice of the time and place for reconvening the meeting shall be given to Members in the manner prescribed for regular meetings.

The Members present at a duly called or held meeting at which a quorum is present may continue to do business until adjournment, notwithstanding the withdrawal of enough Members to leave less than a quorum, provided that Members representing at least twenty-five (25%) percent of the total votes of the Association remain in attendance, and provided further that any action taken is approved by at least a majority of the Members required to constitute a quorum.

Section 8. Voting.

The voting rights of the Members shall be as set forth in the Declaration, and such voting rights provisions are specifically incorporated herein.

Section 9. Proxies.

Members may vote by proxy, in person or through their designated alternates.

Section 10. Majority.

As used in these By-Laws, the term "majority" shall mean those votes, Owners, or other group as the context may indicate totaling more than fifty (50%) percent of the total number.

Section 11. Quorum.

Except as otherwise provided in these By-Laws or in the Declaration, the presence in person of the Members representing ten percent (10%) of the total votes of the Association shall constitute a quorum at all meetings of the Association. Any provision in the Declaration concerning quorums is specifically incorporated herein.

Section 12. Conduct of Meetings.

The President shall preside over all meetings of the Association, and the Secretary shall keep the minutes of the meeting and record in a minute book all resolutions adopted at the meeting, as well as a record of all transactions occurring at the meeting. The treasurer shall keep the financial records and books of account.

Section 13. Action Without a Meeting.

Any action required by law to be taken at a meeting of the Members, or any action which may be taken at a meeting of the Members, may be taken without a meeting if written consent setting forth the action so taken is signed by all of the Members entitled to vote with respect to the subject matter thereof, and any such consent shall have the same force and effect as a unanimous vote of the Members.

Article III - Board of Directors: Numbers, Powers, Meetings

A. Composition and Selection.

Section 1. Governing Body; Composition.

The affairs of the Association shall be governed by a Board of Directors, each of whom shall have one (1) vote. The directors shall be Members or spouses of such Members; provided, however, no person and his or her spouse may serve on the Board at the same time. In the case of an Owner which is a corporation or partnership, the person designated in writing to the secretary of the Association as the representative of such corporation or partnership shall be eligible to serve as a director. If there are multiple Owners of a single Unit, only one of the multiple Owners shall be eligible to serve as a member of the Board at any one time, unless the Owner owns another Unit independently.

Section 2. Number of Directors and Qualifications.

The number of directors in the Association shall be not less than five (5) nor more than seven (7).

Section 3. Nomination of Directors.

Nominations for election to the Board of Directors shall be made by a Nominating Committee. The Nominating Committee shall consist of a chairman, who shall be a member of the Board of Directors and three (3) or more Members of the Association. The Nominating Committee shall be appointed by the Board of Directors not less than thirty (30) days prior to each annual meeting of the Members to serve a term of one (1) year or until their successors are appointed, and such appointment shall be announced at each such annual meeting. The

Nominating Committee shall make as many nominations for election to the Board of Directors as it shall in its discretion determine, but in no event less than the number of positions to be filled. All candidates shall have a reasonable opportunity to communicate their qualifications to the Members and to solicit votes.

Section 4. Election and Term of Office.

Elections shall be held no less frequently than once every two (2) years for the Board of Directors. Each Member shall be entitled to cast one (1) vote with respect to each vacancy to be filled. There shall be no cumulative voting. At the expiration of the initial term of office of each member of the Board of Directors, a successor shall be elected to serve for a term of two (2) years. The directors elected by the Members shall hold office until their respective successors have been elected by the Association. Directors may be elected to serve any number of consecutive terms.

Section 5. Removal of Directors and Vacancies.

Any director elected by the Members may be removed, with or without cause, by a vote of two-thirds of the membership, at a duly called special meeting. Any director whose removal is sought shall be given notice prior to any meeting called for that purpose.

If there is a vacancy, the remaining Members of the Board may fill the vacancy by a two-thirds (2/3) vote of the remaining Board Members until the next Annual Meeting unless a petition is filed by twenty percent (20%) or more of the Members of the Association to request a special election to the vacancy. A meeting of Owners shall then be called no later than thirty (30) days following the filing of the petition, and any director elected at the special election meeting of the Owners shall be elected to fill the balance of the vacant Board term.

B. Meetings.

Section 6. Organizational Meetings.

The first meeting of the Board of Directors following each annual meeting of the membership shall be held within ten (10) days thereafter at such time and place as shall be fixed by the Board.

Section 7. Regular Meetings.

Regular meetings of the Board of Directors may be held at such time and place as shall be determined from time to time by a majority of the directors, but at least four (4) such meetings shall be held during each fiscal year with at least one (1) per quarter. The Board shall give the Members notice of all Board meetings at least forty-eight (48) hours prior to the meeting by sending notice by using a Prescribed Delivery Method or by posting copies of notices of meetings in conspicuous places in the Common Areas. The Board may designate one or more locations where the notices of meetings shall be posted. The Board shall give Members notice of any Board meeting, through a Prescribed Delivery Method, concerning the adoption of (i) the proposed annual budget, (ii) regular assessments, or (iii) a separate or special assessment within

ten (10) to sixty (60) days prior to the meeting.

Section 8. Special Meetings.

Special meetings of the Board may be called by the president or by twenty-five (25%) of the members of the Board. The notice shall specify the time and place of the meeting and the nature of any special business to be considered. The Notice shall be given to each director by one of the following methods: (a) by personal delivery; (b) written notice by first class mail, postage prepaid; or (c) by telephone communication, either directly to the director or to a person at the director's office or home who would reasonably be expected to communicate such notice promptly to the director. All such notices shall be given at the director's telephone number or sent to the director's address as shown on the records of the Association. Notices sent by first class mail shall be deposited into a United States mailbox at least four (4) days before the time set for the meeting. Notices given by personal delivery or telephone shall be delivered or telephoned at least seventy-two (72) hours before the time set for the meeting.

Section 9. Waiver of Notice.

The transactions of any meeting of the Board of Directors, however called and noticed or wherever held, shall be as valid as though taken at a meeting duly held after regular call and notice if (a) a quorum is present and (b) either before or after the meeting each of the directors not present signs a written waiver of notice, a consent to holding the meeting, or an approval of the minutes. The waiver of notice or consent need not specify the purpose of the meeting. Notice of a meeting shall also be deemed given to any director who attends the meeting without protesting before or at its commencement about the lack of adequate notice.

Section 10. Quorum of Board of Directors.

At all meetings of the Board of Directors, a majority of the directors shall constitute a quorum for the transaction of business and the votes of a majority of the directors present at a meeting at which a quorum is present shall constitute the decision of the Board of Directors. A meeting at which a quorum is initially present may continue to transact business, notwithstanding the withdrawal of directors, if any action taken is approved by at least a majority of the required quorum for that meeting. If any meeting of the Board cannot be held because a quorum is not present, any business which might have been transacted at the meeting originally called may be transacted without further notice.

Section 11. Compensation.

No director shall receive any compensation from the Association for acting as such unless approved by Members representing a majority of the total vote of the Association at a regular or special meeting of the Association; provided any director may be reimbursed for expenses incurred on behalf of the Association upon approval of a majority of the other directors.

Section 12. Conduct of Meetings.

The President shall preside over all meetings of the Board of Directors and the Secretary shall keep a minute book of meetings of the Board of Directors, recording therein all resolutions adopted by the Board of Directors and all transactions and proceedings occurring at such meetings.

Section 13. Open Meetings.

Meetings of the Board shall be open to any Owner, except that the Board may close any portion of a noticed meeting or meet separately from a noticed meeting: (i) 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 Association finds that such an action is probable or imminent, (ii) to discuss third party contracts or information regarding appointment, employment, engagement, or dismissal of an employee, independent contractor, agent or other provider of goods and services, (iii) to interview a potential employee, independent contractor, agent or other provider of goods and services, (iv) to discuss violations of rules and regulations of the Association, (v) to discuss a Member's or Owner's unpaid share of Common Expenses, or (vi) to consult with the Association's legal counsel. Any vote on these matters shall be taken at a meeting or portion thereof open to any Member.

Section 14. Member Comment Period.

The Board must reserve a portion of the meeting of the Board for comments by Members; provided, however, the duration and meeting order for the Member comment period is within the sole discretion of the Board.

Section 15. Action Without a Formal Meeting.

Any action to be taken at a meeting of the directors or any action that may be taken at a meeting of the directors may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all of the directors and such consent shall have the same force and effect as a unanimous vote.

C. Powers and Duties.

Section 16. Powers.

The Board of Directors shall be responsible for the affairs of the Association and shall have all of the powers and duties necessary for the administration of the Association's

affairs and, as provided by law, may do all acts and things as are not by the Declaration, Articles or these By-Laws directed to be done and exercised exclusively by the Members or the membership generally.

The Board of Directors shall delegate to one of its members the authority to act on behalf of the Board of Directors on all matters relating to the duties of the managing agent or manager, if any, which might arise between meetings of the Board of Directors.

In addition to the duties imposed by these By-Laws or by any resolution of the Association that may hereto be adopted, the Board of Directors shall have the power to and shall be responsible for the following, in way of explanation, but not limitation:

(a) preparation and adoption, subject to Article IX of the Declaration, of annual budgets in which there shall be established the contribution of each Owner to the Common Expenses and Area Expenses;

(b) making assessments to defray the Common Expenses and Area Expenses, establishing the means and methods of collecting such assessments, and establishing the period of the installment payments of the annual assessment; provided, unless otherwise determined by the Board of Directors, the annual assessment for each Unit's proportionate share of the Common Expenses shall be payable in equal monthly installments, each such installment to be due and payable in advance on the first day of each month for said month;

(c) providing for the operation, care, upkeep and maintenance of all of the Area of Common Responsibility;

(d) designating, hiring and dismissing the personnel necessary for the maintenance, operation, repair and replacement of the Association, its property and the Area of Common Responsibility and, where appropriate, providing for the compensation of such personnel and for the purchase of equipment, supplies and materials to be used by such personnel in the performance of their duties;

(e) collecting the assessments, depositing the proceeds thereof in a bank depository which it shall approve and using the proceeds to administer the Association; provided, any reserve fund may be deposited, in the directors' best business judgment, in depositories other than banks;

(f) making and amending rules and regulations;

(g) opening of bank accounts on behalf of the Association and designating the signatories required;

(h) making or contracting for the making of repairs, additions and improvements to or alterations of the Common Area in accordance with the other provisions of the Declaration and these By-Laws after damage or destruction by fire or other casualty;

(i) enforcing by legal means the provisions of the Declaration, these By-Laws, and the rules and regulations adopted by it and bringing any proceedings which may be instituted on behalf of or against the Owners concerning the Association;

G) obtaining and carrying insurance against casualties and liabilities, as provided in the Declaration and paying the premium cost thereof;

(k) paying the cost of all services rendered to the Association or its Members and not chargeable directly to specific Owners;

(l) keeping books with detailed accounts of the receipts and expenditures affecting the Association and its administration, specifying the maintenance and repair expenses and any other expenses incurred;

(m) making available to any prospective purchaser of a Unit, any Owner of a Unit, any first Mortgagee, and the holders, insurers, and guarantors of a first Mortgage on any Unit, current copies of the Declaration, the Articles of Incorporation, the By-Laws, rules governing the Unit and all other books, records and financial statements of the Association as more fully outlined in Article XII of the Declaration; and

(n) permitting utility suppliers to use portions of the Common Area reasonably necessary to the ongoing development or operation of the Properties.

Section 17. Management Agent.

(a) The Board of Directors may employ for the Association a professional management agent or agents at a compensation established by the Board of Directors to perform such duties and services as the Board of Directors shall authorize. The Board of Directors may delegate to the managing agent or manager, subject to the Board's supervision, all of the powers granted to the Board of Directors by these By-Laws, other than the powers set forth in subparagraphs (a), (b), (f), (g) and (i) of Section 16 hereof

(b) No management contract may have a term in excess of one (1) year and must permit termination by either party without cause and without termination fee on ninety (90) days' or less written notice.

(c) Any management company holding reserve funds of the Association shall at all times maintain a separate account for the Association, unless by contract the Board authorizes the management company to maintain Association reserves in a single account with other Associations for investment purposes. With the consent of the Board, the management company may hold all operating funds of associations which it manages in a single operating account, but shall at all times maintain records identifying all moneys of each association in such operating account. Such operating and reserve funds held by the management company for the Association shall not be subject to attachment by any creditor of the management company. A management company that provides common interest community association management services for more than one common interest community association shall maintain separate, segregated accounts for each common interest community association. The funds shall not, in any event, be commingled with funds of the management company, the firm

of the management company, or any other association. The maintenance of these accounts shall be custodial, and the accounts shall be in the name of the respective association.

Section 18. Accounts and Reports.

The following management standards of performance will be followed unless the Board by resolution specifically determines otherwise:

(a) accrual accounting, as defined by generally accepted accounting principles, shall be employed;

(b) accounting and controls should conform to generally accepted accounting principles;

(c) cash accounts of the Association shall not be commingled with any other accounts;

(d) no remuneration shall be accepted by the management agent from vendors, independent contractors or others providing goods or services to the Association, whether in the form of commissions, finder's fees, service fees, prizes, gifts, or otherwise; anything of value received shall benefit the Association;

(e) any financial or other interest which the managing agent may have in any firm providing goods or services to the Association shall be disclosed promptly to the Board of Directors;

(f) financial reports shall be prepared for the Association at least quarterly containing:

(i) an income statement reflecting all income and expense activity for the preceding period on an accrual basis;

(ii) a statement reflecting all cash receipts and disbursements for the preceding period;

(iii) a variance report reflecting the status of all accounts in an "actual" versus "approved" budget format;

(iv) a balance sheet as of the last day of the preceding period;
and

(v) a delinquency report listing all Owners who are delinquent in paying the monthly installments of assessments at the time of the report and describing the status of any action to collect such installments which remain delinquent (A monthly installment of the assessment shall be considered

to be delinquent on the fifteenth (15th) day of each month unless otherwise determined by the Board of Directors);

(g) an annual report consisting of at least the following shall be distributed to all Members within one hundred twenty (120) days after the close of the fiscal year: (1) a balance sheet; (2) an operating (income) statement; and (3) a statement of changes in financial position for the fiscal year. The annual report shall be prepared on an audited or reviewed basis, as determined by the Board, by an independent public accountant; provided, upon written request of any holder, guarantor or insurer of any first Mortgage on a Unit, the Association shall provide an audited financial statement; and

(h) the Association shall maintain copies of all minutes of meetings of the Members and the Board, for at least seven (7) years; ballots, if any, for any election of directors or other matters voted upon by the members, for at least one (1) year; copies of all contracts, leases and other agreements entered into by the Association; and such other records as are available for inspection by members of a not-for-profit corporation pursuant to the Illinois General Not-for-Profit Corporation Act.

Section 19. Borrowing.

The Board of Directors shall have the power to borrow money for the purpose of maintenance, repair or restoration of the Area of Common Responsibility without the approval of the Members of the Association. The Board shall also have the power to borrow money for other purposes; provided, the Board shall obtain Member approval in the same manner provided in Article IX of the Declaration for special assessments in the event that the proposed borrowing is for the purpose of modifying, improving or adding amenities and the total amount of such borrowing exceeds or would exceed five (5%) percent of the budgeted gross expenses of the Association for that fiscal year.

Section 20. Rights of the Association.

(a) With respect to the Area of Common Responsibility, and in accordance with the Articles of Incorporation and the Declaration, the Association shall have the right to contract with any person for the performance of various duties and functions without limiting the foregoing, this right shall entitle the Association to enter into common management, operational, or other agreements with trusts, condominiums, cooperatives, or owners of residents associations, both within and without the Properties. Such agreements shall require the consent of two-thirds (2/3) of all directors of the Association. Notwithstanding the above, this contractual right is limited by the provisions of Article IV, Section 7, of these By-Laws.

(b) The Association shall have the right, acting alone or in conjunction with other owners associations, to make available special services to the Owners and occupants of Units within the Properties on a fee basis, such as, but not limited to, shuttle bus service or similar transportation services.

Section 21. Enforcement.

The Board shall have the power, after notice and an opportunity to be heard, to impose reasonable fines, which shall constitute a lien upon the property of the violating Owner, and to suspend an Owner's right to vote or to use the Common Area for violation of any duty imposed under the Declaration, these By-Laws, or any rules and regulations duly adopted hereunder; provided, however, nothing herein shall authorize the Association or the Board of Directors to limit ingress and egress to or from a Unit or to suspend an Owner's right to vote due to nonpayment of assessments. In the event that any occupant of a Unit violates the Declaration, By Laws, or a rule or regulation and a fine is imposed, the fine shall first be assessed against the occupant; provided, however, if the fine is not paid by the occupant within the time period set by the Board, the Owner shall pay the fine upon notice from the Association. The failure of the Board to enforce any provision of the Declaration, By-Laws, or any rule or regulation shall not be deemed a waiver of the right of the Board to do so thereafter.

(a) Notice.

Prior to imposition of any sanction hereunder, the Board or its delegate shall serve the alleged violator with written notice describing (i) the nature of the alleged violation, (ii) the proposed sanction to be imposed, (iii) a period of not less than ten (10) days within which the alleged violator may present a written request to the Board of Directors, or any Committee appointed by the Board, for a hearing; and (iv) a statement that the proposed sanction shall be imposed as contained in the notice unless a challenge is begun within ten (10) days of the notice. If a timely challenge is not made, the sanction stated in the notice shall be imposed.

(b) Hearing.

If a hearing is requested in a timely manner, the hearing shall be held in executive session affording the Owner a reasonable opportunity to be heard. Prior to the effectiveness of any sanction hereunder, proof of proper notice shall be placed in the minutes of the meeting. Such proof shall be deemed adequate if a copy of the notice, is entered by the officer, Director, or, agent who delivered such notice. The notice requirement shall be deemed satisfied if the alleged violator appears at the meeting. The minutes of the meeting shall contain a written statement of the results of the hearing and the sanction, if any, imposed. The Board of Directors or the Committee may, but shall not be obligated to, suspend any proposed sanction if the violation is cured within the ten (10) day period. Such suspension shall not constitute a waiver of the right to sanction future violations of the same or other provisions and rules by any Person.

(c) Appeal.

Following a hearing before a Committee; if any, the violator shall have the right to appeal the decision to the Board of Directors. To perfect this right, a written notice of appeal must be received by the manager, President, or Secretary of the Association within thirty (30) days after the hearing date.

(d) Additional Enforcement Rights.

Notwithstanding anything to the contrary herein contained, the Association, acting through the Board of Directors, may elect to enforce any provision of the Declaration, these By-Laws, or the rules and regulations of the Association by self-help (specifically including, but not limited to, the towing of vehicles that are in violation of parking rules and regulations) or by suit at law or in equity to enjoin any violation or to recover monetary damages or both without the necessity of compliance with the procedure set forth above; provided, judicial proceedings shall be instituted before any construction on a Unit may be altered or demolished by the Association. In any such action, to the maximum extent permissible, the Owner or occupant responsible for the violation of which abatement is sought shall pay all costs, including reasonable attorney's fees actually incurred.

Article IV - Officers

Section 1. Officers.

The officers of the Association shall be a President, Vice President, Secretary, and Treasurer, to be elected from among the members of the Board. The Board of Directors may appoint such other officers, including one or more Assistant Secretaries and one or more Assistant Treasurers, as it shall deem desirable, such officers to have the authority and perform the duties prescribed from time to time by the Board of Directors. Any two (2) or more offices may be held by the same person, except the offices of President and Secretary.

Section 2. Election, Term of Office, and Vacancies.

The officers of the Association shall be elected annually by the Board of Directors at the first meeting of the Board of Directors following each annual meeting of the Members, as herein set forth in Article III. A vacancy in any office arising because of death, resignation, removal, or otherwise may be filled by the Board of Directors, as herein set forth in Article III.

Section 3. Removal.

Any officer may be removed by the Board of Directors whenever in its judgment the best interests of the Association will be served thereby.

Section 4. Powers and Duties.

The officers of the Association shall each have such powers and duties as generally pertain to their respective offices, as well as such powers and duties as may from time to time specifically be conferred or imposed by the Board of Directors. The President shall be the chief executive officer of the Association. The Treasurer shall have primary responsibility for the preparation of the budget as provided for in the Declaration and may delegate all or part of the preparation and notification duties to a finance committee, management agent, or both.

Section 5. Resignation.

Any officer may resign at any time by giving written notice to the Board of Directors, the President, or the Secretary. Such resignation shall take effect on the date of the receipt of such notice or any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 6. Agreements, Contracts, Deeds, Leases, Checks, Etc.

All agreements, contracts, deeds, leases, checks, and other instruments of the Association shall be executed by at least two (2) officers or by such other person or persons as may be designated by resolution of the Board of Directors.

Section 7. Contractual Powers.

The Board may not enter into a contract with a current Board member, or with a corporation or partnership in which a Board Member or a member of his or her immediate family has twenty-five percent (25%) or more interest, unless notice of intent to enter into the contract is given to Unit Owners within twenty (20) days after a decision is made to enter into the contract and the Unit Owners are afforded an opportunity by filing a petition, signed by twenty percent (20%) of the Unit Owners, for an election to approve or disapprove the contract; such petition shall be filed within twenty (20) days after such notice and such election shall be held within thirty (30) days after filing the petition. For purposes of this subsection, a Board member's immediate family means the Board member's spouse, parents, and children.

Article V- Committees

Section 1. General

Committees are hereby authorized to perform such tasks and to serve for such periods as may be designated by a resolution adopted by a majority of the Directors present at a meeting at which a quorum is present. Each committee shall operate in accordance with the terms of the resolution of the Board of Directors designating the committee or with rules adopted by the Board of Directors.

Those committees that may act on behalf of the Association or bind the Association to any action shall be required to have at least two (2) Board members on the committee and a majority of the members of each such committee shall also be Board members. Those committees that do not have the authority to act on behalf of the Association or bind the Association to any action but rather are advisory in nature only need not have any Board members on the committee.

Section 2. Covenants Committee.

In addition to any other committees which may be established by the Board pursuant to Section 1 of this Article, the Board of Directors may appoint a Covenants Committee consisting of at least five (5) and no more than seven (7) members. Acting in accordance with the

provisions of the Declaration, these By-Laws, and resolutions the Board may adopt, the Covenants Committee, if established, shall be the hearing tribunal of the Association and shall conduct all hearings held pursuant to Article III, Section 21 of these By-Laws.

Section 3. Area Committees.

In addition to any other committees appointed as provided above, there shall be an Area Committee for each Area which has no formal organizational structure or association. Such Area Committee shall consist of three (3) members; provided, however, by vote of at least fifty-one (51%) percent of the Owners within the Area this number may be increased to five (5).

The members of each Area Committee shall be elected by the vote of Owners of Units within that Area at an annual meeting of such Owners, at which the Owners of Units within that Area holding at least one-third (1/3) of the total votes of Units in the Area are represented, in person or by proxy. The Owners of Units within an Area shall have the number of votes assigned to their Units in the Declaration. Committee members shall be elected for a term of one (1) year or until their successors are elected. Any director elected to the Board of Directors from an Area shall be an ex officio member of the Committee. It shall be the responsibility of the Area Committee to determine the nature and extent of services, if any, to be provided to the Area by the Association in addition to those provided to all Members of the Association in accordance with the Declaration. An Area Committee may advise the Board on any other issue, but shall not have the authority to bind the Board of Directors.

In the conduct of its duties and responsibilities, each Area Committee shall abide by the procedures and requirements, applicable to the Board of Directors set forth in Article III of these By-Laws. Each Area Committee shall elect a chairman from among its members who shall preside at its meeting and who shall be responsible for transmitting any and all communications to the Board of Directors.

Article VI- Miscellaneous

Section 1. Fiscal Year.

The fiscal year of the Association shall be set by resolution of the Board of Directors. In the absence of a resolution, the fiscal year shall be the calendar year.

Section 2. Parliamentary Rules.

Except as may be modified by Board resolution, Robert's Rules of Order (current edition) shall govern the conduct of Association proceedings when not in conflict with Illinois law, the Articles of Incorporation, the Declaration, or these By-Laws.

Section 3. Conflicts.

If there are conflicts between the provisions of Illinois law, the Articles of Incorporation, the Declaration, and these By-Laws, the provisions of Illinois law, the Declaration, the Articles of Incorporation, and the By-Laws (in that order) shall prevail.

Section 4. Books and Records.

The Declaration, By-Laws, Articles of Incorporation, and any amendments to the foregoing, the rules and regulations of the Association, the membership register, books of account (including annual reports and financial statements), and minutes of meetings of the Members, the Board, and committees shall be made available for inspection and copying by any holder, insurer or guarantor of first Mortgages on Units, Member of the Association or their duly appointed representatives as set forth in Article XII of the Declaration and specifically incorporated herein.

Every director shall have the absolute right at any reasonable time to inspect all books, records, and documents of the Association and the physical properties owned or controlled by the Association. The right of inspection by a director includes the right to make extracts and a copy of relevant documents at the expense of the Association.

Section 5. Notices.

Unless otherwise provided in these By-Laws, all notices, demands, bills, statements, or other communications under these By-Laws shall be in writing and shall be deemed to have been duly given if delivered personally or if sent by United States Mail, first class postage prepaid:

(a) if to a Member, at the address which the Member has designated in writing and filed with the Secretary or if no such address has been designated, at the address of the unit of such Member; or

(b) if to the Association, the Board of Directors, or the managing agent, at the principal office of the Association or the managing agent, if any, or at such other address shall be designated by notice in writing to the Member pursuant to this Section.

Section 6. Amendment.

The Association may amend the bylaws only by consent of Members representing seventy-five (75%) percent of the Unit Owners. In addition, the approval requirements set forth in Article XIV of the Declaration shall be met, if applicable. Notwithstanding the above, the percentage of votes necessary to amend a specific clause shall not be less than the prescribed percentage of affirmative votes required for action to be taken under that clause. No amendment shall be effective until recorded in the Recorder's Office of Kane County, Illinois.

END OF TEXT OF BY-LAWS