

EXHIBIT "B"

AMENDED AND RESTATED BY-LAWS OF BLOOMFIELD CLUB III HOMEOWNERS ASSOCIATION

ARTICLE I

NAME, ~~AND~~ LOCATION, PURPOSES AND POWERS

Section 1: Name

The name of the corporation is BLOOMFIELD CLUB III HOMEOWNERS ASSOCIATION, hereinafter referred to as the "Association."

Section 2: Principal Office and Meeting Locations

The principal office of the corporation shall be maintained in a location deemed appropriate by the Board. ~~located at 300 Park Boulevard, Suite 515, Itasca, Illinois 60143, but m~~ Meetings of Members and Directors may be held at such places within the State of Illinois as may be designated by the Board ~~of Directors.~~

Section 3: Registered Office and Agent

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

Section 4: Purposes and Powers

The Association shall be responsible for the general management and supervision of the Property and shall have all of the powers to perform, and shall be responsible to perform, all of the obligations provided in the Declaration and these By-Laws. Further, the Association shall have all powers now or hereafter granted by the General-Not-For-Profit Corporation Act of the State of Illinois (805 ILCS 105/101.01 et. seq.), the Illinois Common Interest Community Association Act (765 ILCS 160/1 et. seq.) and the Illinois Condominium Property Act (765 ILCS 605/1 et. seq.) for common interest community associations or as otherwise granted by law or statute that shall be consistent with the purposes specified herein and in the Declaration.

ARTICLE II

DEFINITIONS

The terms used in these By-Laws shall have the same definition as set forth in the Amended and Restated Declaration of Covenants, Conditions and Restrictions for Bloomfield Club III Homeowners Association (hereinafter referred to as "Declaration") to which these By-Laws are attached as Exhibit "B", unless otherwise defined herein.

Section 1: ~~"Association" shall mean and refer to Bloomfield Club III Homeowners Association, an Illinois not-for-profit corporation, its successors, and assigns.~~

Section 2: ~~"Community" shall mean and refer to that certain real property described in the Declaration and such additions thereto as may hereafter be brought within the jurisdiction of the Association.~~

Section 3: ~~"Declaration" shall mean and refer to the Declaration of Covenants, Conditions, and Restrictions applicable to the Community recorded in the Office of the Recorder of Deeds, Du Page County, Illinois.~~

Section 4: ~~"Developer" shall mean and refer to HOFFMAN HOMES, INC., a Delaware corporation, licensed to do business in Illinois, its agents, successors, and assigns.~~

Section 5: ~~"First Mortgagee" shall mean and refer to those holders of first mortgages on Units who are defined as being "First Mortgagees" in Article I of the Declaration.~~

Section 6: ~~"Lot" shall mean and refer to any plot of land shown upon any recorded subdivision plat of the Community with the exception of the Common Areas, and streets dedicated to the public.~~

Section 7: ~~"Member" shall mean and refer to those persons entitled to membership as provided in the Declaration.~~

Section 8: ~~"Owner" shall mean and refer to the record owner, whether one or more persons or entities and including the Developer where applicable, of the fee simple title to any Lot which is a part of the Community, but shall not mean or refer to a mortgagee unless and until such mortgagee has acquired title pursuant to foreclosure or any proceeding or transfer in lieu of foreclosure.~~

Section 9: ~~"Townhome" shall mean a one-family dwelling constructed on a Unit, which Townhome may be attached to one or more Townhomes by common party walls.~~

Section 10: ~~"Unit" shall mean and refer to a platted Lot.~~

ARTICLE III

MEMBERSHIP AND VOTING RIGHTS

Section 1: **Qualifications for Membership**

The qualifications for membership in the Association are set forth in Article III, Section 1 ~~the~~ of the Declaration.

Section 2: **Voting Rights of Members**

~~As further provided in Article III, Section 3 of the Declaration, each Voting Member shall be entitled to one (1) vote for each Unit that the Voting Member represents; provided, however, that no Unit shall be entitled to more than one (1) vote. The voting rights of Members and the classes of membership in the Association are set forth in Article III, Section 2 of the Declaration.~~

Section 3: **Conditions of Continued Membership**

As provided in the Declaration, the rights of membership are subject to the ~~making of capital contributions called for by the Association and the~~ payment of annual and special assessments and other Charges levied by the Association, the obligation for which ~~capital contributions and~~ assessments and other Charges are imposed against each Owner of a Unit and which are secured by a lien upon the Unit and against which the ~~call for contribution or~~ assessment or Charge is made. A Member who is delinquent in payment of such ~~capital contribution or~~ assessment or Charge will be subject to additional charges, all of which may be enforced by any legal action against the Owner, and/or foreclosure of the aforesaid lien.

Section 4: **Suspension of Membership Rights**

The membership rights of any ~~Member person whose interest in the Community is subject to the making of capital contributions and the payment of assessments under Section 3 of this Article III,~~ whether or not he or she be personally obligated to pay ~~such capital contributions and~~ assessments and other Charges, may be suspended by action of the Board ~~of Directors~~ during the period when an ~~capital contribution or~~ assessment or other Charge, or installment of either, remains unpaid; but, upon full payment of such assessment or Charge or installment, his or her membership rights and privileges shall be automatically restored.

ARTICLE IV

MEETING OF MEMBERS

Section 1: **Annual Meetings**

~~The first annual meeting of the members shall be held within one year of the date of incorporation of the Association, and each subsequent regular annual meeting of the members shall be held on the same day of the same month of each year thereafter, at the hour of 8 o'clock p.m. If the day for the annual meeting of the Members is a legal holiday, the meeting will be held at the same hour on the first day following which is not a legal holiday. There shall be an annual meeting of the Owners held in January each year at a time and location determined by the Board or at such other reasonable date and time not more than thirty (30) days after January as may be determined by the Board, for the purpose of hearing reports from all officers and any committees and for electing Directors.~~

Section 2: **Special Meetings**

Special meetings of the ~~m~~Members may be called at any time by the President or by the Board ~~of Directors~~ or upon written request of the ~~m~~Members having twenty percent (20%) of the total votes in the Association equaling one-fourth (1/4) of all the votes of the Class A membership.

Section 3: **Notice of Meetings**

Written notice of each meeting of the Members shall be given by, or at the direction of the secretary or person authorized to call the meeting, through a Prescribed Delivery Method as provided in Article IX, Section 7 of the Declaration not less than ten (10), nor more than thirty (30), days prior to the date of the meeting by mailing a copy of such notice postage prepaid, at least 15 days before such meeting to each Member entitled to vote thereat, addressed to the Member's address last appearing on the books of the Association, or supplied by such Member to the Association for the purpose of notice. Such notice shall specify the place, day, and hour of the meeting, and, in the case of a special meeting, the purpose of the meeting.

Section 4: **Quorum**

The presence at ~~any~~the meeting of Members, in person or by proxy, of Voting Members entitled to cast, ~~or of proxies entitled to cast, at least~~ one-tenth (1/10) of the total votes in the Association of each class of membership shall constitute a quorum for any action except as otherwise provided in the Articles of Incorporation, the Declaration, or these By-Laws. Unless otherwise expressly provided herein or in the Declaration or the Articles of Incorporation, any action may be taken at any meeting of the Members at which a quorum is present upon the affirmative vote of the Voting Members representing a majority of the total votes present at such meeting. If, however, such quorum shall not be present or represented at any meeting, the Voting Members entitled to vote thereat shall have power to adjourn the meeting from time to time, without notice other than

announcement at the meeting, until a quorum as aforesaid shall be present or be represented.

Section 5: Proxies

At all meetings of Members, each Voting Member may vote in person or by proxy. All proxies shall be in writing and filed with the secretary. Every proxy shall be revocable and shall automatically expire upon conveyance by the ~~m~~Member of his or her Unit.

Section 6: Voting by Mail or Electronically

Where there is an act requiring the vote of the Voting Members, such election or vote on such proposed action may be conducted by mail via an Association-issued ballot in such manner as the Board shall determine and/or may be conducted by any electronic or acceptable technological means as further provided in the Act.

ARTICLE V

BOARD OF DIRECTORS; SELECTION; TERM OF OFFICE

Section 1: Number

The affairs of this Association shall be managed by a Board of fivethree (53) individuals (“~~d~~Directors”), who shall be elected in the manner herein provided. Each Director shall be an Owner or Voting Member; provided however, that in the event an Owner is a corporation, partnership, trust or other legal entity other than a natural person or persons, then any director or officer of such corporation, partner of such partnership, individual trustee or beneficiary of such trust, or agent or employee of a beneficiary of such trust, or manager of such legal entity, shall be eligible to serve as a Director on the Board.~~need not be members of the Association.~~

Section 2: Term of Office

At the first annual meeting, the Members shall elect one director for a term of one year, one director for a term of two years, and one director for a term of three years and a Election of Directors shall take place at the annual meeting of Members. Each Director on the Board shall be elected for a term of three (3) years, with the Director terms being staggered so that two (2) of the Director positions were up for election in 2018 and will be up for election again in 2021, 2024, 2027 and so on, one (1) of the Director positions was up for election in 2019 and will be up for election again in 2022, 2025, 2028 and so on, and the other two (2) Director positions were up for election in 2020 and will be up for election again in 2023, 2026, 2029 and so on~~each annual meeting thereafter~~

~~the Members shall elect a director for the position of the director whose tenure expires on that date for a term of three years. Directors shall hold office until their terms expire or until their successors shall have been elected and qualified; provided, that, Directors may succeed themselves in office.~~

Section 3: Removal

Any ~~D~~director may be removed from the Board, with or without cause, by ~~thea majority~~ vote of the ~~Voting~~ Members ~~having at least two-thirds (2/3) of the total votes in~~ of the Association.

Section 4: Vacancies

~~In the event of death, resignation, or removal of a Ddirector or other, vacancy on the Board, the remaining Directors may fill the vacancy by a two-thirds (2/3) vote until the next annual meeting of the Members or until Voting Members holding twenty percent (20%) of the total votes in the Association request a meeting of the Members to fill the vacancy for the balance of the term. A meeting of the Members shall be called for purposes of filling a vacancy on the Board no later than thirty (30) days following the filing of a petition signed by Voting Members holding twenty percent (20%) of the total votes of the Association requesting such a meeting. his successor shall be selected by the remaining members of the Board and shall serve for the unexpired term of his predecessor.~~

Section 54: Compensation

No ~~D~~director shall receive compensation for any service he ~~or she~~ may render to the Association. However, any ~~D~~director may be reimbursed for his ~~or her~~ actual expenses incurred in the performance of his ~~or her~~ duties.

Section 65: Action Taken Without a Meeting

The ~~D~~irectors shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the written approval of ~~all majority~~ of the ~~D~~irectors ~~on the Board~~. Any action so approved shall have the same effect as though taken at a meeting of the ~~D~~irectors.

ARTICLE VI

NOMINATION AND ELECTION OF DIRECTORS

Section 1: Nomination

~~Nomination for election to the Board of Directors shall be made by a Nominating Committee. Nominations for election to the Board may be made prior to the date of the election in accordance with any rules and regulations which may be~~

~~adopted by the Board.~~ Nominations may also be made from the floor at the annual meeting. ~~The Nominating Committee shall consist of a Chairman, who shall be a member of the Board of Directors, and two or more members of the Association who may or may not be Directors. The Nominating Committee shall be appointed by the Board of Directors prior to each annual meeting of the Members, to serve from the close of such annual meeting until the close of the next annual meeting and such appointment shall be announced at each 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 not less than the number of vacancies that are to be filled. Such nominations may be made from among members or non-members of the Association.~~

Section 2: Election

Election to the Board ~~of Directors~~ shall be by secret written ballot. At such election the Voting Members or their proxies may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Declaration. The persons receiving the largest number of votes shall be elected. Cumulative voting is not permitted.

ARTICLE VII

MEETINGS OF DIRECTORS

Section 1: Regular Meetings

Regular meetings of the Board ~~of Directors~~ shall be held at least four (4) times semi-annually ~~without notice~~, at such place and hour as may be fixed from time to time by resolution of the Board. Should said meeting fall upon a legal holiday, then that meeting shall be held as scheduled by the Board ~~of Directors~~.

Section 2: Special Meetings

Special meetings of the Board ~~of Directors~~ shall be held when called by the president of the Association, or by twenty-five percent (25%) of the Directors on the Board ~~any two directors~~, after not less than three (3) days' notice to each Director, provided, however, that attendance or written waiver shall be deemed as conclusive evidence of proper notice.

Section 3: Quorum

A majority of the number of Directors on the Board shall constitute a quorum for the transaction of business. Unless otherwise expressly provided herein or in the Declaration, any ~~Every~~ act or decision done or made by a majority of the Directors present at a duly held meeting at which a quorum is present shall be regarded as the act of the Board.

Section 4: **Open Meetings**

All meetings of the Board shall be open to any Owner, subject to the authority of the Board, except that the Board may close any portion of a noticed meeting or meet separately from a noticed meeting:

- (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 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;
- (c) To interview a potential employee, independent contractor, agent, or other provider of goods and services;
- (d) To discuss violations of rules and regulations of the Association;
- (e) To discuss an Owner's unpaid assessments or other Charges owed to the Association; or
- (f) to consult with the Association's legal counsel.

However, any vote on the above matters shall be taken at a meeting or portion thereof open to any Owner.

Section 5: **Meetings Notice**

- (a) At least forty-eight (48) hours prior to a meeting of the Board, copies of notices of meetings of the Board shall be provided to each Owner via a Prescribed Delivery Method or shall be posted in entranceways or other conspicuous places on the Property. However, if there is no common entranceway for seven (7) or more Townhomes, then the Board may designate one (1) or more locations in the proximity of the Townhomes where the notices of meetings shall be posted.
- (b) Provided, however, that each Owner shall receive written notice via a Prescribed Delivery Method of any meeting of the Board concerning the adoption of the proposed annual budget, regular assessments, or a separate or special assessment not less than ten (10), and not more than sixty (60), days prior to such Board meeting.

Section 6: **Resignation of Board Members**

Any Director may resign at any time by giving written notice to the Board, 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 7: **Owner Comment Period**

A portion of each Board meeting shall be reserved for comments by Owners in attendance at such meeting. Provided, however, that the duration and meeting order for such Owner comment period is within the sole discretion of the Board.

ARTICLE VIII

POWERS AND DUTIES OF THE BOARD OF DIRECTORS

Section 1: **Powers**

The Board ~~of Directors~~ shall have the power to:

- (a) suspend the voting rights of a Member during any period in which such Member shall be in default in the payment of any ~~capital contribution or~~ assessment or other Charge levied by the Association. Such rights may also be suspended after notice and hearing, for a period not to exceed thirty (30) days for infraction of published rules and regulations;
- (b) exercise for the Association all powers, duties, and authority vested in or delegated to this Association and not reserved to the membership by other provisions of these By-Laws, the Articles of Incorporation, or the Declaration;
- ~~(c) declare the office of a member of the Board of Directors to be vacant in the event such member shall be absent from three (3) consecutive regular meetings of the Board of Directors; and~~
- ~~(cd) employ a manager, an independent contractor, or such other employees or agents as they deem necessary, and to prescribe their duties and to delegate such Board powers and duties to such manager or other Persons as the Board deems appropriate. Any management contract entered into by the Developer on behalf of the Association shall not bind the Association unless said contract contains a reasonable employment term and a right of termination without cause, exercisable by the Association without penalty, and upon notice of 90 days or less.~~
- (d) To adopt such reasonable rules and regulations as the Board deems advisable for the use, enjoyment, administration, maintenance,

conservation, and beautification of the Property (including, but not limited to, the Common Area, Townhomes and Lots) and for the health, comfort, safety and general welfare of the Owners and occupants, and to establish penalties for the infraction thereof. Written notice of such rules and regulations shall be given to all Owners, and the entire Property shall at all times be maintained subject to such rules and regulations;

- (e) To own, convey, encumber, lease and otherwise deal with Townhomes and Units and other real property conveyed to or purchased by the Association;
- (f) To provide for the designation, hiring and removal of such employees and such other personnel, including attorneys and accountants, as the Board may, in its discretion, deem necessary or proper;
- (g) To provide any material, supplies, insurance, furniture, equipment, fixtures, labor, services, maintenance, repairs, taxes or assessments which the Board is required to obtain or pay for pursuant to the terms of the Declaration or these By-Laws, or which in its opinion shall be necessary or proper for the operation or protection of the Association and its Members or for the enforcement of the Declaration, these By-Laws or the rules and regulations;
- (h) To have access to each Townhome from time to time as may be necessary for the maintenance, repair or replacement of the Common Area, Lots or Townhome exteriors therein or accessible therefrom, or for making emergency repairs therein necessary to prevent damage to the Common Area or to other Townhomes or Lots, or for any other purposes specifically provided for in the Declaration;
- (i) To borrow money for purposes the Board deems necessary, assign the right of the Association to future income from assessments or other sources, and mortgage or pledge substantially all of the remaining assets of the Association;
- (j) To enter into contracts and maintain one or more bank accounts (granting authority as the Board shall desire to one or more persons to draw upon such accounts);
- (k) To commence litigation and administrative proceedings on behalf of the Association;
- (l) To levy fines, after notice and an opportunity to be heard, for violations of the Declaration, By-Laws or rules and regulations;

(m) To enforce the provisions of the Declaration, By-Laws or rules and regulations and to enjoin and seek damages from any Owner for violation of such provisions or rules and regulations; and

(n) To delegate the exercise of its power to committees appointed pursuant to Article X of these By-Laws;

Section 2: Duties

It shall be the duty of the Board ~~of Directors~~ to:

(a) cause to be kept a complete record of all of its acts and corporate affairs and to present a statement thereof to the Members at the annual meeting of the Members, or any special meeting when such statement is requested in writing by one-fourth (1/4) of the Voting Class A Members who are entitled to vote;

(b) supervise all officers, agents, and employees of this Association, and to see that their duties are properly performed;

(c) as more fully provided in the Declaration, to prepare, adopt and distribute the annual budget for the Association, and decide on the manner of levying and collecting the assessments from the Owners;:

~~(1) fix the amount of any capital contribution called for or the amount of the annual or special assessment against each Unit at least thirty (30) days in advance of the due date of such capital contribution or assessment (or the first installment of either, if such contribution or assessment is to be made in installments);~~

~~(2) send written notice of each capital contribution or annual or special assessment to every Owner subject thereto at least thirty (30) days in advance of the due date of such capital contribution or assessment (or the first installment of either, if such contribution or assessment is to be made in installments);~~

~~(3) take all reasonable steps to obtain payment of capital contributions and assessments (or installments of either) which are not paid within thirty (30) days of their due date, including, without limitation (where such action is required in the Board's judgment), enforcing the Association's lien rights against the delinquent Owner's Unit and bringing any legal action against the Owner personally obligated to pay the same, or both; and~~

~~(4) cause a roster of Units to be prepared, stating the amount of any capital contributions and the annual and special assessments~~

~~applicable thereto, on which roster shall be reported each payment of such contributions and assessments when received; such roster to be kept in the office of the Association and to be open to inspection by any Member and any First Mortgagee during regular business hours.~~

- (d) issue, or cause an appropriate officer or collecting agent designated by the Board to issue, upon demand by any Member or First Mortgagee, a certificate setting forth whether or not all ~~capital contributions and~~ assessments and other Charges (or installments thereof) against such Unit which are then due and payable have been paid as of the date of such certificate. A reasonable charge may be made by the Board for the issuance of such certificates. If a certificate states that an ~~capital contribution or~~ assessment or other Charge (or an installment of either) has been paid, such certificate shall be conclusive evidence of such payment;
- (e) cause a roster of First Mortgagees to be prepared and maintained in a current manner, which roster shall contain the names of all First Mortgagees, and the addresses to which notices to such First Mortgagees are to be sent, and shall identify the Units which are subject to the first mortgages held by such First Mortgagees; provided, that the Board shall have no affirmative obligation to search, research or otherwise determine the names and addresses of any First Mortgagees but rather shall only be required to maintain such a roster of those First Mortgagees who have provided their names and addresses, in writing, to the Association; and
- (f) procure and ~~maintain insurance in accordance with the terms and provisions of the Declaration and any additional insurance deemed necessary or advisable in the sole discretion of the Board, maintain liability, casualty, and hazard insurance on property owned by the Association, and worker's compensation insurance, and to include the Village and its agents and employees as additional insureds under such coverage if possible, a fidelity bond or insurance policy covering all persons who are responsible for handling the funds of the Association, directors' and officers' liability insurance for the directors and officers of the Association, if available, and such other insurance as the Board of Directors shall deem to be necessary or desirable in carrying out its responsibilities under the Declaration;~~ maintain liability, casualty, and hazard insurance on property owned by the Association, and worker's compensation insurance, and to include the Village and its agents and employees as additional insureds under such coverage if possible, a fidelity bond or insurance policy covering all persons who are responsible for handling the funds of the Association, directors' and officers' liability insurance for the directors and officers of the Association, if available, and such other insurance as the Board of Directors shall deem to be necessary or desirable in carrying out its responsibilities under the Declaration;
- ~~(g) cause all officers or employees having fiscal responsibilities to be bonded or insured, as it may deem appropriate.~~

ARTICLE IX

OFFICERS AND THEIR DUTIES

Section 1: Enumeration of Offices

The officers of the Association shall be a president, a ~~and~~ vice president, a secretary and a treasurer, who shall at all times be members of the Board ~~of Directors, a secretary, and a treasurer~~, and such other officers as the Board may from time to time by resolution create.

Section 2: Election of Officers

The officers shall be elected by majority vote of the Directors at the first meeting of the Board ~~of Directors~~ following each annual meeting of the Members ~~except that the initial Board of Directors named in the Articles of Incorporation shall elect the initial officers of the Association at the first meeting of such Board of Directors.~~

Section 3: Term

The officers of the Association shall be elected annually by the Board and ~~(with the exception of the initial officers who shall serve only until the first meeting of the Board after the first annual meeting of the Members)~~ each shall hold office for one (1) year unless he or she shall sooner resign, or shall be removed, or shall be otherwise disqualified to serve.

Section 4: Special Appointments

The Board may appoint such other officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board may, from time to time, determine.

Section 5: Resignation and Removal

Any officer may be removed from office with or without cause by the Board. Any officer may resign at any time by giving notice thereof to the Board, the president, or the secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and the acceptance of such resignation shall not be necessary to make it effective.

Section 6: Vacancies

A vacancy in any office may be filled by appointment by the Board. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he or she replaces.

Section 7: Multiple Offices

The offices of secretary, ~~and~~ treasurer and/or vice president may be held by the same person. No person shall simultaneously hold more than one of any of the other offices except in the case of special offices created pursuant to Section 4 of this Article IX.

Section 8: **Duties**

The duties of the officers are as follows:

- (a) President. The president shall preside at all meetings of the Board and Members of Directors, shall see that orders and resolutions of the Board ~~of Directors~~ are carried out, ~~shall have the power to sign all leases, mortgages, deeds, and other written instruments on behalf of the Association, and shall co-sign all checks and promissory notes of the Association.~~
- (b) Vice President. The vice president shall act in the place and stead of the president in the event of his or her absence, inability, or refusal to act, and shall exercise and discharge such other duties as may be required of him or her by the Board ~~of Directors~~.
- (c) Secretary. The secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board ~~of Directors~~ and of the Members in books to be kept for that purpose; shall keep the corporate seal of the Association, if any, and affix it on all papers requiring said seal; shall serve notice of meetings of the Board ~~of Directors~~ and of the Members; shall keep appropriate current records showing the Members of the Association together with their addresses as registered with him or her by such Members; and shall perform such other duties as are required by the Board.
- (d) Treasurer. The treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by resolution of the Board ~~of Directors~~, provided, however, that such a resolution shall not be necessary for disbursements made in the ordinary course of business conducted within the limits of a budget adopted by the Board ~~of Directors~~; ~~shall co-sign all checks and promissory notes of the Association, provided that such checks shall also be signed by the president or the vice president;~~ shall keep proper books of account; shall maintain the roster of assessments ~~referred to in Section 2(c)(4) of Article VIII hereof~~ and the roster of First Mortgagees referred to in the Declaration and these By-Laws Section 2(e) of Article VIII hereof; may cause an annual audit of the Association books to be made by a certified public accountant (and shall cause such an audit and provide an audited financial statement for the preceding fiscal year to all mortgagees who request it, provided that any mortgagee making such a request shall bear

the cost of such an audit); shall make a written report monthly to each Director; shall cause the financial statement of the Association to be delivered to each Member prior to the annual meeting of the membership; shall prepare an annual budget for the forthcoming fiscal year and submit it for review and adoption by the Board ~~of Directors~~; and shall deliver a copy of the adopted budget to each Member.

ARTICLE X

COMMITTEES

~~The Association shall appoint a Nominating Committee, as provided in the By-Laws. In addition, the Board of Directors shall appoint other committees as deemed appropriate in carrying out its purpose.~~

Section 1: Committees

~~The Board, by resolution, adopted by a majority of the Board, may designate one (1) or more committees, which committees, to the extent consistent with law and as provided in said resolution, shall have and exercise the authority of the Board in the management of the Association; but the designation of such committees and the delegation thereof of authority shall not operate to relieve the Board, or any individual member of the Board, of any responsibility imposed upon it or him or her by law. Each such committee shall consist of two (2) or more Directors and may also consist of Owners who are not Directors; provided, however that the majority of the members of each such committee shall be Directors. The members of each committee shall be appointed by the Board and serve solely at the direction of the Board. Any member thereof may be removed by a vote of the majority of the Directors on the Board whenever in their judgment the best interests of the Association shall be served by such removal.~~

Section 2: Special Advisory Commissions

~~Other advisory commissions not having and exercising the authority of the Board in the management of the Association may be designated by a resolution adopted by a majority of the members of the Board present at a meeting at which a quorum is present. Members of each such advisory commission shall be Owners in the Association, and the Board shall appoint the members thereof. Any member thereof may be removed by the Board whenever in its judgment the best interests of the Association shall be served by such removal.~~

Section 3: Term

~~Each member of a committee or advisory commission shall continue as such until the next annual meeting of the Board and until his or her successor is appointed and shall have qualified, unless the committee or advisory commission shall be sooner terminated, or unless such member shall be removed from the~~

committee or advisory commission, or unless such member shall cease to qualify as a member thereof.

Section 4: Chairperson

The Board shall appoint one (1) member of each committee or advisory commission as chairperson.

Section 5: Vacancies

Vacancies in the membership of any committee or advisory commission may be filled by appointment made in the same manner as provided in the case of the original appointments.

Section 6: Quorum

Unless otherwise provided in the resolution of the Board designating a committee or advisory commission, a majority of the whole committee or advisory commission shall constitute a quorum and the act of a majority of the members present at a meeting at which a quorum is present shall be the act of the committee or advisory commission.

Section 7: Rules

Each committee or advisory commission may adopt rules for its own governance not inconsistent with the Declaration, these By-Laws or with the rules and regulations adopted by the Board.

ARTICLE XI

BOOKS AND RECORDS

~~Current copies of the Declaration, these By-Laws and other rules concerning the Community, and the books, records, and financial statements of the Association shall at all times, during reasonable business hours, be subject to inspection by any Member, or by holders, insurers, or guarantors of the First Mortgages on the Units.~~

The Board shall maintain the following records of the Association and make them available, within thirty (30) days of a written request for same to the Board, for examination and copying at convenient hours of weekdays by any Owner or such Owner's Mortgagees and their duly authorized agents or attorneys:

- (a) Copies of the recorded Declaration, other Association instruments, other duly recorded covenants and By-Laws and any amendments, Articles of Incorporation, annual reports and any rules and regulations adopted by the Association;

- (b) Detailed and accurate records in chronological order of the receipts and expenditures affecting the Common Area, specifying and itemizing the maintenance and repair expenses of the Association 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 shall be maintained for a period of not less than seven (7) years;
- (d) With a written statement of a proper purpose, ballots and proxies related thereto, if any, for any election held for the Board and for any other matters voted on by the Voting Members shall be maintained for a period of not less than one (1) year;
- (e) With a written statement of a proper purpose, such other records of the Association as are available for inspection by members of a not-for-profit corporation pursuant to Section 107.75 of the Illinois General Not-for-Profit Corporation Act of 1986.
- (f) With respect to Units owned by a land trust, a living trust, or other legal entity, the trustee, officer, or manager of the entity may designate, in writing, a person to cast votes on behalf of the Member or Owner and a designation shall remain in effect until a subsequent document is filed with the Association.

The Association may charge a reasonable fee for the costs of retrieving and copying any such documents.

ARTICLE XII

INDEMNIFICATION

Section 1: **Indemnification of Officers and Directors**

The Association shall indemnify the officers and directors of the Association to the full extent permitted or allowed by the laws of the State of Illinois including any person who, by reason of the fact that he or she is or was an officer or director of the Association, is made a party or is threatened to be made a party to any litigation, claim, suit, action, or other proceeding of any kind, against expenses (including reasonable attorneys' fees), liabilities, judgments, costs, fines, penalties, amounts paid in settlement, and other losses, actually and reasonably incurred by him or her in connection with the defense or settlement thereof, if he or she acted in good faith and in a manner he or she reasonably believed to be in or not opposed to the best interests of the Association, and if he or she had no reasonable cause to believe his or her conduct was unlawful. No indemnification shall be made in respect of any claim or matter as to which such

person shall have been adjudged to be liable for gross negligent or willful misconduct in the performance of his or her duty to the Association.

Section 2: Indemnification Non-Exclusive

The indemnification provided hereby shall not be deemed exclusive of any other rights to which those seeking indemnification (whether or not they are officers or directors) may be entitled under any law, agreement, vote of members, or directors or otherwise, both as to action in official capacities and as to action in other capacities, and shall continue as to a person who has ceased to be a director or officer and shall inure to the benefit of the heirs, executors, and administrators of the person being so indemnified.

ARTICLE XIII

ASSESSMENTS

~~As more fully provided in the Declaration, each Member is obligated to pay to the Association annual and special assessments and capital contributions which are secured by a continuing lien upon the property against which the assessment is made. Any assessments which are not paid when due shall be delinquent. If the assessment is not paid within thirty (30) days after the due date, the assessment shall bear interest from the date of delinquency at the highest rate permitted by Illinois law, and the Association may bring legal action against the Owner personally obligated to pay the same or foreclose the lien against his property, and interest, costs, and reasonable attorneys' fees of any such action shall be added to the amount of such assessment. No Owner may waive or otherwise escape liability for the assessments provided for herein by abandonment of his Unit.~~

ARTICLE XIV

CORPORATE SEAL

~~The Association shall have a seal in circular form having within its circumference the words:
BLOOMFIELD CLUB III HOMEOWNERS ASSOCIATION~~

ARTICLE XIIIIV

AMENDMENTS

Section 1: Amendment

These By-Laws may be amended, at a regular or special meeting of the ~~M~~members, by a vote of a majority of a quorum of Voting mMembers present in person or by proxy.

Section 2: ~~Developer's Power to Amend~~

~~To comply with Governmental Requirements, a power coupled with an interest is hereby retained by and granted to the Developer (acting by and through its duly authorized officers), its successors, assigns or designees, as attorney-in-fact to amend this Declaration, the Bylaws of the Association, or the Articles of Incorporation of the Association, for the purpose of either or both (a) compliance with requirements of the Veterans Administration, the Department of Housing and Urban Development, the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, the Government National Mortgage Association, any successor to any of such organizations and any other federal, state or local governmental entity or agency, or (b) correcting any typographic or scrivener's error; and (c) meeting requirements of the Internal Revenue Code as now or hereafter amended, (i) relating to organizations exempt from tax or (ii) specifically exempting homeowners' associations from any federal income tax; provided that Developer shall have no obligation to cause any such amendment to be made. The acceptance of each deed, mortgage or other instrument with respect to any Unit which is subject to the Declaration shall be deemed to be a confirmation of such power to such attorney-in-fact and shall be deemed to constitute a consent and agreement to and acceptance, confirmation and ratification of all such amendments.~~

ARTICLE XVIV

MISCELLANEOUS

Section 1a: **Fiscal Year**

The fiscal year of the Association shall begin on the first day of January and end on the 31st day of December of every year, ~~except that the first fiscal year shall begin on the date of incorporation of the Association.~~

Section 21: **Captions**

The Article and Section paragraph headings and captions in these By-Laws are for convenience only and do not in any way define, limit, describe, or amplify the terms and provisions of these By-Laws or the scope or intent thereof.

Section 32: **Inconsistencies Among Documents**

In the case of any conflict between the Articles of Incorporation and these By-Laws, the Articles shall control; and in the case of any conflict between the Declaration and these By-Laws, the Declaration shall control.

ARTICLE XV

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. In the absence of any such authorization by the Board, any such contract or instrument shall be executed by the President and attested to by the Secretary of the Association.

Section 2: **Payments**

All checks, drafts, vouchers 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: **Bank Accounts**

All funds of the Association not otherwise employed 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 select.

Section 4: **Special Receipts**

The Board may accept on behalf of the Association any contribution, gift, bequest or devise for the general purposes or for any special purpose of the Association.

END OF TEXT OF BY-LAWS

This instrument was prepared by:

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