

BY-LAWS OF THE
NORTH LAKE SHORE HOMEOWNERS ASSOCIATION

The proposed amendments to the NLS By-Laws for voting consideration at 2020 Annual Meeting are bolded and summarized as follows:

Amendment 1: Allows annual meeting to take place any month and no later than October.

Amendment 2: Adds acceptable means of communicating votes, notices and budgets.

Amendment 3: Adds section to guarantee those unable to attend annual meeting an opportunity to vote.

Amendment 4: Allows for two-year terms for officers, rotating elections to provide for transition and experience on the Board.

Amendment 5: Divides geographically and affords more than one street representative to the larger streets in order to more proportionately represent these streets.

Amendment 6: Separates the Secretary and Treasurer positions.

Amendment 7: Corrects typos to two words.

ARTICLE I

SECTION 1. NAME. The name of this Association shall be THE NORTH LAKE SHORE HOMEOWNERS ASSOCIATION.

SECTION 2. INCORPORATION. The Association shall be incorporated under the “General Not-for-Profit Corporation Act of Illinois”.

SECTION 3. INCORPORATION OF PROTECTIVE COVENANTS: The Declaration of Protective Covenants and Restrictions for North Lake Shore subdivision (hereinafter referred to as “covenants”) is hereby incorporated into and made a part of these by-laws and in the event of a conflict the covenants shall govern in said conflict.

ARTICLE II

SECTION 1. PURPOSE. The Association is organized for the purpose of improving, managing, maintaining and preserving certain real estate and residential subdivision property for residential purposes within the subdivision known as North Lake Shore; to provide for the maintenance and preservation of green areas within the said subdivision and to provide for the best interests of the public welfare of the individual residents within the general area.

No part of the net income, if any, shall inure to the benefit of any member or individual.

SECTION 2. For the purpose of accomplishment of the foregoing, the Association shall, among other things:

- Levy and collect from the members upon a proportionate share basis, such funds annually as shall be required to provide for the maintenance of the certain green areas within the subdivision, as well as other expenses of maintenance of any such additional areas or facilities as may be owned and maintained by the Association. The maintenance of these areas shall include but not be limited to: the center isle and the planting areas on any of the entrances, boulevards where constructed, water retention facilities where constructed and utility easements no located upon any individual building site or privately owned parcels and the cost of planting and maintaining trees, shrubbery, and grass; the performance of all other necessary landscaping.
- To implement and enforce rules, regulations and guidelines which insure uniform aesthetic standards within the subdivision. Any rule, regulation and guideline directly affecting a member's use of their property shall be approved by the members at a members meeting as provided herein.
- Enter into such contracts of employment as may be required for the accomplishment of said purposes, including the employment of maintenance personnel, accountants, legal counsel and others.

ARTICLE III MEMBERSHIP

SECTION 1. All owners of lots or portions of lots within the subdivision shall be members of the Association.

SECTION 2. VOTING RIGHTS. One member from each residential unit shall be entitled to one vote on each matter submitted to a vote of the members. DEVELOPER shall have those voting rights as provided for in the covenants. A beneficiary of an Illinois Land Trust owning of record a lot or residential unit shall be entitled to vote in place of the land trustee.

SECTION 3. TERMINATION OF MEMBERSHIP. Membership in the Association shall be terminated upon the conveyance of title by any member to a subsequent purchaser or owner.

ARTICLE IV MEETINGS OF MEMBERS

SECTION 1. ANNUAL MEETING. An annual meeting of the members of the Association shall be held **no later than** the month of October of each year for the purpose of nominating and electing Officers and Directors of the Association and for the transaction of such other business as may come before the meeting.

SECTION 2. SPECIAL MEETINGS. Special meetings of the members may be called either by the president, the Board of Directors or not less than one-tenth (1/10) of the members having voting rights.

SECTION 3. PLACE OF MEETING. The Board of Directors may designate any place as the place of meeting for any Annual Meeting or for any special meeting called by the Board of Directors.

SECTION 4. NOTICE OF MEETINGS. Written notice stating the place, date and hour of any meeting of members shall be **posted, delivered electronically, hand-delivered, and/or mailed** to each member entitled to vote at such meeting not less than ten (10) nor more than thirty (30) days before the date of such meeting. In case of a special meeting or when required by Statute or by these By-Laws, the purpose for which the meeting is called shall be stated in the notice. If mailed, the notice of a meeting shall be deemed delivered when deposited in the United States mail addressed to the member at such address as it appears on the records of the Association, with postage thereon prepaid.

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

SECTION 6. QUORUM. The members holding one-tenth (1/10) of the votes may be cast at any meeting shall constitute a quorum at such meeting. If a quorum is not present at any meeting of members a majority of the members present may adjourn the meeting at any time without further notice. At any adjourned meeting at which a quorum shall be present, any business may be transacted which might have been transacted at the original meeting; withdrawal of members from any meeting shall not cause failure of a duly constituted quorum at that meeting.

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

SECTION 8. All members of the association will be afforded every opportunity to vote. This means whether present at the annual meeting, by proxy, or registered and tracked online voting.

ARTICLE V OFFICERS AND DIRECTORS

SECTION 1. GENERAL POWERS. The affairs of the corporation shall be managed by its Board of Directors. The Board of Directors shall be composed of four (4)

Officers (President, Vice-president, Secretary and Treasurer) and one Director representing each developed street, two for the larger streets, Willow Springs North/South, Lake Crest East/West, Harbor Landing East/West. The number of Directors may be decreased to not fewer than three or increased to any number from time to time by amendment of this section, unless the Articles of Incorporation shall provide that a change in the number of Directors shall be made only by amendment of the Articles of Incorporation. Nothing in this section shall prevent the Board of Directors from making appointment to the Board of a Director representative of a newly developed street or street extension until the members approve said.

SECTION 2. OFFICERS. The officers of the Association shall be a President, a Vice-president, Secretary and Treasurer. The Officers of the non-profit corporation shall also be Directors and shall have the same rights, duties and obligations as street representative directors except as hereby noted.

(a). PRESIDENT. The President shall be the principal executive officer of the corporation, subject to the direction and control of the Board of Directors, he/she shall be in charge of the business and affairs of the Association; he/she shall see that the resolutions and directives of the Board of Directors are carried into effect, and, in general, he/she shall discharge all duties incident to the office of president and such other duties as may be prescribed by the Board of Directors. He/she shall preside at all meetings of the members of the Board of Directors. Except in those instances in which the authority to execute is expressly delegated to another officer or agent of the Association or a different mode of execution is expressly prescribed by the Board of Directors or these By-Laws, he/she may execute for the Association any contracts, deeds, mortgages, bonds or other instruments which the Board of Directors has authorized to be executed, and he/she may accomplish such execution either under or without the seal of the Association and either individually or with the secretary or any other officer thereunto authorized by the Board of Directors, according to the requirements of the form of the instrument. He/she may vote all securities which the Association is entitled to vote except as to the extent such authority shall be vested in a different officer or agent of the Association by the Board of Directors.

(b). VICE-PRESIDENT. The Vice-President shall assist the President in the discharge of his/her duties as the President may direct and shall perform such other duties as from time to time may be assigned to him/her by the President or by the Board of Directors. In the absence of the President or in the event of his/her inability or refusal to act, the Vice-President shall perform the duties of the President and when so acting, shall have all the powers of and be subject to all the restrictions upon the President. Except in those instances in which the authority to execute is expressly delegated to another officer or gent of the corporation or a different mode of execution is expressly prescribed by the Board of Directors or by these By-Laws, the Vice-President may execute for the Association any contracts, deeds, mortgages, bonds or other instruments which the Board of Directors has authorized to be executed, and he/she may accomplish such execution either under or without the seal of the Association and either individually or with the secretary-treasurer or any other officer thereunto authorized by the Board of Directors, according to the requirements of the form of the instrument.

(c). SECRETARY. The Secretary shall record minutes of the meeting of the members of the Board of Directors 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; be custodian of the corporate records and of the seal of the Association; keep a register of the post office address of each member which shall be furnished to the Secretary by such member; and perform all duties incident to the office of Secretary and such other duties from time to time may be assigned to him/her by the President or by the Board of Directors.

<separation>

(d). TREASURER. The Treasurer shall be the principal accounting and financial officer of the Association. He/she shall: (a) have charge of and be responsible for the maintenance of adequate books of account for the corporation, (b) have charge and custody of all funds and securities of the corporation, and be responsible therefor, and for the receipt and disbursements thereof; and (c) perform all duties incident to the office of Treasurer and such other duties as from time to time may be assigned to him/her by the Board of Directors; the Treasurer shall give a bond for the faithful discharge of his/her duties in such sum and with such surety or sureties as the Board of Directors shall determine.

SECTION 3. TENURE AND QUALIFICATIONS. The term of office for all officers and directors shall be two years or until his/her successor shall have been elected and qualified. Elections and or appointments shall take place at the annual meeting. Officers' election / appointments shall rotate every other year by even or odd years in order to maintain continuity:

President- Even / VP – Odd / Treasurer – Even / Secretary – Odd / Willow Springs North Even / Willow Springs South – Odd / Waterbury Pond Court – Even / Mariners Point – Odd / Harbor Landing East – Even / Harbor Landing West – Odd / Lake Crest East – Even / Lake Crest West – Odd / Pepper Mill Pointe – Even / Mallard Pointe – Odd / Chesapeake Landing – Even / Raintree Place – Odd / 12 Oaks – even / Bent Tree Court – Odd / Wind Tree - Even

The Officers of the Association shall be members of the Association and shall be resident owners of property within the subdivision. Officers shall be elected from the Association membership at-large. Directors shall be members of the Association but need not be resident owners of property within the subdivision. However, a Director may only be elected to the Board of Directors as a representative of the street in which said director owns property within the subdivision. Members that are co-owners of a lot in the subdivision may not be elected to serve on the Board of Directors for the same tenure either as officer or director.

SECTION 4. REGULAR MEETINGS. A regular annual meeting of the Board of Directors shall be held without other notice, immediately after, and at the same place as, the annual meeting of the members. The Board of Directors may provide by resolution the time and place for the holding of additional regular meetings of the Board without other notice than such resolution.

SECTION 5. SPECIAL MEETINGS. Special meetings of the Board of Directors may be called by or at the request of the President or any two Directors. The person or persons

authorized to call special meetings of the Board may fix any place as the place for holding any special meeting of the Board called by them.

SECTION 6. NOTICE. Notice of any special meeting of the Board of Directors shall be given at least two (2) days previously thereto by written notice to each Director at his/her **email or physical** address as shown by the records of the Association. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail in a sealed envelope so addressed, with postage thereon prepaid. ~~If notice be given by telegram, such notice shall be deemed to be delivered when the telegram is delivered to the telegraph company.~~ Notice of any special meeting of the Board of Directors may be waived in writing signed by the person or persons entitled to the notice either before or after the time of the meeting.

The attendance of a Director at any meeting shall constitute a waiver of notice of such meeting, except where a Director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the Board need be specified in the notice or waiver of notice of such meeting, unless specifically required by law or by these By-Laws.

SECTION 7. QUORUM. A majority of the Board of Directors shall constitute a quorum for the transaction of business at any meeting of the Board, provided that if less than a majority of the Directors are present at said meeting, a majority of the Directors present may adjourn the meeting to another time without further notice.

SECTION 8. MANNER OF ACTING. The act of a majority of the Directors present at a meeting at which a quorum is present shall be the act of the Board of Directors, unless the act of a greater number is required by Statute, these By-Laws, or the Articles of Incorporation.

SECTION 9. VACANCIES. Any vacancy occurring in the Board of Directors or any directorship to be filled by reason of an increase in the number of Directors, shall be filled by the Board of Directors unless the Articles of Incorporation, a Statute, or these By-Laws provide that a vacancy or a directorship so created shall be filled in some other manner, in which case such provision shall control. A Director elected to fill a vacancy shall be elected for the unexpired term of his/her predecessor in office.

SECTION 10. COMPENSATION. Directors shall not receive any compensation for their services as Directors, provided that nothing herein contained shall be construed to preclude any director from serving the Association in any other capacity and receiving reasonable compensation therefor.

SECTION 11. REMOVAL. Any Director elected or appointed by the Board of Directors may be removed by the Board of Directors whenever, in its judgment, the best interests of the Association would be served thereby, but such removal shall be without prejudice to the contract rights, if **any**, of the person so removed.

SECTION 12. INDEMNIFICATION. The North Lake Shore Homeowners Association shall indemnify and hold harmless each person currently serving and who shall serve at any time hereafter as a director or officer to the Association from and against any and all claims and liabilities to which such person shall become subject by reason of his having heretofore or hereafter been a director or officer of the Association, or by reason of any action alleged to have been heretofore or hereafter taken or omitted by him as such director or officer, and shall reimburse each such person for all legal or other expenses reasonably incurred by him in connection with any such claim or liability; provided, however, that no such person shall be indemnified against, or be reimbursed for, any expense incurred in connection with any claim or liability arising out of his own willful misconduct.

ARTICLE VI

COMMITTEES

SECTION 1. The Board of Directors, by resolution, may designate such committees as may be deemed necessary for the proper administration of the affairs of the Association.

SECTION 2. ARCHITECTURAL CONTROL COMMITTEE. No later than thirty (30) days upon receipt of notification that Developer intends to delegate the duties of the present Architectural Control Committee to the Association but in no event no later than January 1, 2000, the Board of Directors shall make appointments to the Architectural Control Committee.

The Architectural Control Committee shall consist of no less than three (3) members of the Association appointed by the Board of Directors and the President of the Association. The purpose of the Architectural Control Committee shall be to insure the harmony of external designs and location in relation to surrounding structures and topography, as more specifically provided for in the covenants.

SECTION 3. No building, fence or wall or other structure shall be commenced, erected or maintained upon the properties, nor shall any extension, addition to or change or **alteration** therein be made until the plans and specification showing the nature, kind, shape, height, materials, exterior color scheme and location of the same shall have been submitted to and approved in writing by the Architectural Control Committee.

In the event that such Committee fails to act to approve or disapprove such design and location within seven (7) days after said plans and specifications have been submitted to it, approval will not be required and this Article and the provisions of the Covenants and Restrictions will be deemed to have been fully complied with.

This by-law will only be used prospectively from the time the Association assume the responsibility of the Architectural Control Committee. This by-law does not have any retroactive effect.

ARTICLE VII
CONTRACTS, CHECKS, DEPOSITS AND FUNDS

SECTION 1. CONTRACTS. The Board of Directors 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 or on behalf of the Association and such authority may be general or confined to specific instances.

SECTION 2. CHECKS, DRAFT, 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 in such manner as shall from time to time be determined by resolution of the Board of Directors.

In the absence of such determination by the Board of Directors, such instrument shall be signed by the Secretary and Treasurer and countersigned by the President or Vice-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 depositaries as the Board of Directors may select.

SECTION 4. GIFTS. The Board of Directors 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.

ARTICLE VIII
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, Board of Directors and committees having any of the authority of the Board of Directors, and shall keep a record giving the names and addresses of the members entitled to vote. All books and records of the Association shall be inspected by any member, or by his/her agent or attorney for any proper purpose at any reasonable time.

ARTICLE IX
FISCAL YEAR

The fiscal year of the corporation shall be fixed by resolution of the Board of Directors.