

EXHIBIT B

2021 BY-LAWS OF
EAST PEORIA HARBOR POINTE HOMEOWNERS'
ASSOCIATION, INC., AN ILLINOIS NOT-FOR-PROFIT
CORPORATION (hereinafter referred to as "Corporation")

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2021 BY-LAWS OF
EAST PEORIA HARBOR POINTE HOMEOWNERS' ASSOCIATION,
INC., AN ILLINOIS NOT-FOR-PROFIT CORPORATION (hereinafter
referred to as "Corporation")

ARTICLE I - General Provisions

A. The Corporation is responsible for the overall administration of the Property known as Harbor Pointe in East Peoria, Illinois, through its duly elected Board of Directors, and the Corporation shall have such corporate powers as are now or hereafter shall be granted by the State of Illinois to not-for-profit corporations, and it shall have and exercise all powers necessary or convenient to effect any or all of the purposes for which the Corporation is organized and to do every other act not inconsistent with law which may be appropriate to promote and attain the purposes set forth in the Declaration of Restrictions for Harbor Pointe, as recorded in Tazewell County, Illinois on February 15, 1996, as Document Number 96-02753, and such Declaration and all privileges, powers, duties and terms therein contained are hereby incorporated into and made a part of these By-Laws.

B. These By-Laws shall repeal and replace the 1996 By-Laws of Harbor Pointe, as recorded in Tazewell County, Illinois, as a part of Document Number 96-02753 on February 15, 1996.

ARTICLE II - Members

Section 1. Classes of Members, Membership, and Termination Thereof: The Corporation shall have one class of members. Each Lot Owner and each unit owner (hereinafter sometimes referred to as "Owner,") shall be a member of the Corporation, which membership shall terminate upon the sale or other disposition of such member's unit, at which time the new Owner shall automatically become a member of the Corporation. Such termination shall not relieve or release any such former Owner from any liability or obligation incurred under or in any way connected with the Corporation or its preceding Association during the period of such ownership and membership in the Corporation. Furthermore, such termination shall not impair any rights or remedies which the Board of Directors or others might have against such former owner arising from, or in any way connected with, such ownership and membership and the covenants and obligations incident thereto. No certificates of stock or other certificate evidencing membership shall be issued by the Corporation.

Section 2. Votes and Voting Rights: Commencing with the date of the previously held first annual meeting of the members, the total number of votes of all members shall be equal to the number of Lots plus the number of Units. Each Lot Owner and each Unit Owner shall be and

shall have been entitled to one vote for each lot or unit owned. Voting rights are not extended for the ownership of stand-alone garages.

(a) If a lot or unit is or was owned by more than one person, the voting rights with respect to such Lot or Unit shall not be divided but shall be exercised as if the Lot Owner or Unit Owner consisted of only one person in accordance with the proxy or other designation made by the persons constituting such Lot Owner or Unit Owner. If only one of such persons constituting such Owner is or was present, he or she shall be entitled to cast the vote. If more than one of such persons constituting such Owner are or was present, the vote allocated to such Lot may be cast only in accordance with the agreement of a majority in interest of such persons. Agreement by a majority interest of such persons shall be deemed to exist if any such person casts or had cast the vote allocated to such Owner without protest being made promptly to the person presiding over the meeting by any such other persons constituting such Lot Owner.

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

ARTICLE III - Meeting of Members

Section 1. Annual Meeting. An annual meeting of the members for the purpose of electing Board of Directors, and for the transaction of such other business as may come before the meeting shall be held on such date as is selected by the Board. If the election of the Board of Directors shall not be held on the day designated for any annual meeting, or at any adjournment thereof, the Board of Directors shall cause the election to be held at a special meeting of the members called as soon thereafter as conveniently can be done.

Section 2. Special Meetings. Special meetings of the members may be called by the Board of Directors, the President, or not less than 20 percent of the members. All matters to be considered at special meetings of the members called by not less than 20 percent of the members shall first be submitted in writing to the Board of Directors not less than ten (10) days prior to the date of the special meeting of the members called to consider such matters.

Section 3. Place and Time of Meeting. All meetings of the members shall take place in person or virtually at such places as shall be designated from time to time by the Board of Directors or by the person or persons calling the meeting or at such reasonable place or time designated by the Board of Directors or by the person or persons calling the meeting.

Section 4. Notice of Meetings. Written or printed notice stating the purpose, place, day and hour of any meeting of members shall be emailed or mailed via the U.S. Postal Service or delivered in person 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, by or at the direction of the President or the Secretary or the officer or person calling the meeting.

The notice of a meeting shall be deemed emailed when sent by email by the President, the Secretary or the Property Manager, if any, to the email address appearing in the records of the Corporation, or, if mailed, when it is deposited into the United States mail addressed to the member at his/her/their address as it appears on the records of the Corporation, with proper postage thereon prepaid.

Section 5. Quorum. The members present at a meeting, either virtually, in person or by proxy, holding at least 20 percent of the votes which may be cast at any meeting, shall constitute a quorum at such meeting. If a quorum is not present at the commencement of any meeting of members, the meeting shall be adjourned and may only be called again in accordance with the provisions of these by-laws.

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

Section 7. Manner of Acting. Except as set forth below, and except as otherwise required by the Declaration, any action to be taken at any meeting of the members at which a quorum is present shall be upon the affirmative vote of more than 20 percent of the members represented at such meeting. The following matters shall require the affirmative vote of two-thirds or more of all the Owners at a meeting duly called for that purpose:

- (a) Merger or consolidation of the Corporation;
- (b) Sale, lease, exchange, mortgage, pledge or other disposition of all, or substantially all, of the property and assets of the Corporation;
- (c) Dedication of a portion or portions of the Common Area to a public body for the purpose of streets or utilities; or
- (d) The purchase and sale of land owned by the Corporation.

ARTICLE IV - Board of Directors

Section 1. In General. The affairs of the Corporation shall be managed by its Board of Directors.

Section 2. Number, Tenure and Qualifications. The number of members of the Board shall be no less than five (5), nor more than nine (9). At the Annual meeting of members, Directors of the Board whose terms are expiring shall be elected for three (3) year terms, and each shall serve without compensation.

Section 3. Regular Meetings. A regular annual meeting of the Board of Directors shall be held in the same manner and immediately after the annual meeting of members. The Board of Directors shall, by its votes, or by Rules and/or Regulations, which the Board may, from time to time adopt, provide the time, place and manner for the holding of additional regular

meetings of the Board of Directors, either in person or virtually, provided that the Board of Directors shall meet at least four (4) times per year.

Section 4. Special Meetings. Special meetings of the Board of Directors may be called by or at the request of the President or any two members of the Board. The person or persons permitted to call special meetings of the Board may fix the time and place for holding any special meetings of the Board of Directors, either in person or virtually, called by them.

Section 5. Notice. Written or virtual notice of any special meeting of the Board of Directors shall be emailed, personally delivered or mailed to all members of the corporation and all members of the Board not calling the meeting at least 48 hours prior to date of such special meeting. Written or virtual notice of regular meetings of the Board shall be emailed, mailed or personally delivered to all members of the Corporation at least 48 hours prior to the date of such meeting. All such notices shall be deemed mailed or emailed, as above provided in Section 4 of Article III. The business to be transacted at, or the purpose of any regular or special meetings of the Board of Directors shall be specified in the notice. Notices of a regular meeting of the Board of Directors need not be served on members of the Board.

Section 6. Quorum. A majority of the members of the Board of Directors shall constitute a quorum for the transaction of business at any meeting of the Board. If less than a majority of the members of the Board are present at the commencement of said meeting, the meeting shall be adjourned and may only be called again in accordance with the provisions of these By-laws.

Section 7. Manner of Acting. The act of a majority of the members of the Board of Directors present at the meeting at which a quorum is present at the commencement of the meeting shall be the act of the Board, except where otherwise provided by law or in the Declaration.

Section 8. Vacancies. Any vacancy occurring in the Board by reason of death, removal or resignation of a member shall be filled by the two-thirds vote of the remaining members of the Board for the unexpired portion of the term. Members of the Board may resign at any time by written resignation delivered, emailed or mailed to the Board Secretary or President and to the Corporation's Property Manager, if any, which resignation shall be effective upon receipt of said resignation. If, as a result of the death, removal or resignation of a member of the Board, no other member of the Board remains in office, a special meeting of members may be called to fill all vacancies for the unexpired terms of the members of the Board.

Section 9. Removal. Any member of the Board may be removed from office by the affirmative vote of two-thirds of all the members of the Corporation at a special meeting called for such purpose.

Section 10. Adoption of Rules and Regulations. All rules and regulations, or amendments thereto shall be adopted by the Board of Directors after a meeting of the members called for the specific purpose of discussing the proposed rules and regulations, notice of which contains the full text of the proposed rules and regulations. No rules and regulations may impair rights granted by the Declaration of Restrictions. Such rules and regulations shall be effective sixty

(60) days after their adoption, provided that the members may veto the rule or regulation at a special meeting of the members called for such purpose and held before the effective date of the rules or regulations by a vote of 75% of all members of the Corporation.

Section 11. Open Meetings and Executive Sessions. All meetings of the Board, whether in person or virtual, regular or special, shall be open to the members of the Corporation, except for meetings:

- (a) to discuss litigation when an action against or on behalf of the Corporation has been filed and is pending in a court or administrative tribunal, or when the Board finds that such an action is probable or imminent;
- (b) to consider information regarding appointment, employment or dismissal of any employees or vendors;
- (c) to discuss violations of rules and regulations of the Corporation or any Member's unpaid share of Common Expense, and the enforcements of any violations of the Declaration and/or rules of the Corporation;
- (d) called by any member of the Board of Directors before or after a regular Board meeting as an "Executive Meeting,, exclusively for Board members to discuss any such anticipated or actual matters as might arise or have arisen at any regularly scheduled Board meeting; and/or
- (e) to vote in person, by email or virtually concerning any requests by Owners or any dealings with vendors or others affecting the Corporation or its day-to-day operations.

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

ARTICLE V - Officers

Section 1. Officers of the Corporation. The officers of the Corporation shall be a President, one or more Vice- Presidents (the necessity and number thereof to be determined by the Board of Directors), a Treasurer and a Secretary.

Section 2. Election and Term of Office. The officers of the Corporation shall be elected annually by the Board of Directors at the regular annual meeting of the Board from among the members of the Corporation, provided the president must also be a member of the Board. If the election of officers shall not be held at such meeting, such election shall be held as soon thereafter as conveniently may be possible. Vacancies may be filled, or new offices created and filled at any meeting of the Board. Each officer shall hold office until his successor shall

have been duly elected and shall have qualified. An officer may succeed himself/herself in office for additional three-year terms. Officers shall serve without compensation.

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

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

Section 5. President. The President shall be the principal executive officer of the Corporation and shall in general supervise and control all the business and affairs of the Corporation. He/she shall preside at all meetings of the members and of the Board. He/she may sign, with the Secretary or with any other proper officer of the Corporation authorized by the Board, any deeds, mortgages, contracts, or other instruments which the Board has authorized to be executed and any amendments to the Declaration and/or these By Laws, and, in general, shall perform all duties incident to the office of President and such other duties as may be prescribed by the Board from time to time.

Section 6. Vice-President (if any). In the absence of the President or in the event of his/her inability or refusal to act, the Vice-President (or in the event there be more than one Vice-President, the Vice-Presidents, in order of their election) 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. Vice-President shall perform such other duties as from time to time as may be assigned by the President or by the Board of Directors.

Section 7. Treasurer. The Treasurer shall have charge and custody of and be responsible for all funds and securities of the Corporation, receive and give receipts for monies due and payable to the Corporation from any source whatsoever, and deposit all such monies in the name of the Corporation in such banks, trust companies or other federally insured depositories as shall be selected in accordance with the provisions of Article VII of these By-laws; and in general perform all the duties incident to the office of Treasurer and such other duties as from time to time may be assigned to him/her by the President or by the Board of Directors.

Section 8. Secretary. The Secretary shall keep the minutes of the meetings of the members and of the Board and he/she shall store all meeting minutes in either a physical or in an electronic storage place or file provided for that purpose; see that all notices are duly given in accordance with the provisions of these By-laws or as required by law; receive all notices on behalf of the Corporation and, together with the President, execute on behalf of the Corporation any amendments to documents as required or permitted by the Declaration or these Bylaws; be custodian of the records and of the seal of the Corporation and see that the seal of the Corporation is affixed to all documents, the execution of which on behalf of the Corporation under its seal is duly authorized in accordance with the provisions of these By-laws; and, in general, perform all duties incident to the office of Secretary and such other duties as from time to time may be assigned to him/her by the President or by the Board of Directors.

ARTICLE VI - Powers and Duties of the Corporation, and of the Board of Directors

Section 1. General Duties, Powers. Etc. of the Board of Directors. The Board of Directors shall exercise for the Corporation all powers and duties; including, but not limited to, the following:

- (a) Operation, care, upkeep, maintenance, replacement, and improvement of the Corporation's Outlots and exteriors of all buildings as defined in Article VI of the Declaration.
- (b) Preparation, adoption and distribution of the annual budget for the Corporation and Its property.
- (c) Levying of assessments to provide for a fund or funds to enable the Corporation to perform its duties; provided that areas described on the plat as "Future Development" shall, so long as the same were or are owned by the original Developer of Harbor Pointe Subdivision be exempt from all assessment, charges and liens levied or provided herein
- (d) Collection of assessments from Owners.
- (e) Employment and dismissal of the personnel necessary or advisable for the maintenance and operation of the Corporation's Outlots and maintenance of the Lots and Units as set forth in Article VI of the Declaration.
- (f) Obtaining adequate and appropriate kinds of insurance, including, but not limited to, fire insurance covering the full insurable replacement value of the condominium building, with extended coverage; liability insurance insuring the Corporation against any and all liability to the public, to any Owner, or to the invitees or tenants of any Owner arising of their occupation and/or use of the Corporation's Outlots. The policy limits shall be set by the Corporation and shall be reviewed at least annually and increased or decreased in the discretion of the Corporation or its Board of Directors, and workman's compensation insurance to the extent necessary to comply with the Illinois statutes and any other insurance deemed necessary by the Board of Directors.
- (g) Adoption and amendment of rules and regulations covering the details of the operation and use of the property.
- (h) Keeping of detailed, accurate records of the receipts and expenditures affecting the use and operation of the Property.
- (I) Having access to each Lot and Unit, from time to time, as may be necessary for any maintenance, repair or replacement therein or accessible therefrom; for making emergency repairs therein necessary to prevent damage to the buildings or Corporation

Outlots or to another Owner, or, for maintenance of the Lots and Units as set forth in Article VI of the Declaration.

(j) Borrowing money at such rates of interest as it may determine and issuing its notes, bonds and other obligations to evidence such borrowing.

(k) Paying real estate property taxes, special assessments, and any other special taxes or charges of the State of Illinois or of any political subdivision thereof: or other lawful taxing or assessing body, which are authorized by law to be assessed and levied upon the Corporation's Outlots.

(l) Imposing charges for late payments of a Unit Owner's proportionate share of the Common Expense, or any other expenses lawfully agreed upon, and, after notice and an opportunity to be heard, levying reasonable fines for violation of the Declaration, By-laws, and rules and regulations of the Corporation.

(m) Assigning its rights to future income, including the right to receive Common Expenses and Assessments.

(n) Recording the dedication of a portion of the Corporation's Outlots to a public body for use, as, or in connection with, street or utility.

(o) Recording the granting of an easement across, along or upon the Corporation's Outlots.

(p) Enforce, in the name of the Corporation or in the name of any Lot and Unit Owner, any and all restrictions and covenants which have or may hereafter be imposed upon Lots and unit owners. In performance of their duties, the officers and members of the Board shall exercise the care required of a fiduciary of the members.

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

(a) engage the services of a manager or managing agents, who may be a person or corporation, upon such terms and compensation as the Corporation deems fit, and to remove such manager or managing agent at any time, provided any agreement with such manager or managing agent shall extend for not more than three years and must be terminable by either party to such agreement without cause and without payment of a termination fee, upon prior reasonable written notice;

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

(c) to establish or maintain one or more bank accounts for the deposit of any funds paid to, or receive by, the Corporation;

(d) to invest any funds of the Corporation in certificates of deposits, money market funds, checking accounts, savings accounts or comparable investments or accounts.

(e) Upon authorization of a two-thirds vote of the members of the Board of Directors, or by affirmative vote of not less than a majority of the Unit Owners at a meeting duly called for such purpose, the Board acting on behalf of all Unit Owners shall have the power to seek relief from or in connection with the assessment or levy of any real property taxes, special assessments or charges of the State of Illinois or any political subdivision thereof or of any lawful taxing or assessing body, and to charge and collect all expenses incurred in connection therewith as Common Expenses.

Section 3. Authorized Expenditures. The Corporation shall acquire and make arrangements for, and pay for out of its Maintenance Fund, in addition to the manager, managing agent or other personnel above provided for, the following:

(a) water, waste removal, heating, electricity, telephone or other necessary utility service for the corporation's Outlots and such services to the Units as are not separately metered or charged to the owners thereof;(b) such insurance as the Corporation is required or permitted to obtain as provided in the Declaration;

(c) Exterior Maintenance upon each Lot and Unit including, but not limited to: Paint, repair, replacement and care of roofs, gutters, downspouts, exterior building surfaces, trees, shrubs, grass (including the mowing thereof), walks, snow removal and other exterior improvements. Such Exterior Maintenance shall not include glass surfaces, skylights, windows, slider doors or repair or replacement of garage doors or front doors. In the event that the need for any maintenance or repair of a Lot or the improvements thereon is caused through the willful or negligent acts of its owners or through the willful or negligent acts of the family, guests or invitees of the owner of the Lot or unit needing such maintenance or repair, the cost of such maintenance shall be added to and become part of the assessment to which such Lot or unit is subject;

(d) Maintenance of all building exteriors and Corporation outlots and any other materials, supplies, furniture, labor, services, maintenance, repairs, structural alterations, or assessments which the Corporation deems necessary or proper for the maintenance and operation of the Property or for the enforcement of any restrictions or provisions contained herein;

(e) any amount necessary to discharge any mechanic's lien or other encumbrance levied against the Property or any part thereof which may in the opinion of the Corporation constitute a lien against the Common Areas. Where one or more Lot or Unit Owners is/are responsible for the existence of such lien, they shall be jointly and severally liable for the cost of discharging it and any costs incurred by the Corporation by reason of said lien or

liens shall be specially assessed to said Lot or Unit Owners and shall be added to and become part of the assessment to which such Lot or unit is subject;

(f) maintenance and repair of any Lot or Unit which a Lot or Unit Owner is obligated to maintain or repair under the terms herein or under the terms of the Declaration if such maintenance or repair is necessary, in the sole discretion of the Corporation, and the owner of said Lot or Unit has failed or refused to perform said maintenance or repair within a reasonable time after written or emailed notice of the necessity of said maintenance or repair is delivered or sent by the Corporation to said Lot or Unit Owner; provided that any costs incurred by the Corporation hereunder shall be added to and become part of the assessment to which such Lot or Unit is subject.

(g) All expenses, charges and costs of the maintenance, repair or replacement and any other expenses, charges or cost which the Corporation may incur or expend pursuant hereto, shall be approved by the Board of Directors, and a written memorandum thereof prepared and signed by the treasurer. There shall be no structural alterations, capital additions to, or capital improvements on, the Buildings Exteriors or Outlots (other than for purposes of repairing, replacing and restoring portions of the Common Areas) requiring an expenditure in excess of Five Thousand Dollars (\$5,000) without the prior approval of two-thirds of Owners.

Section 4. Annual Budget.

(a) Each year on or before November 1st, the Board of Directors shall estimate the annual budget of Common Expenses (the "Annual budget") including: the total amount required for the cost of wages, materials, insurance, services and supplies which will be required during the ensuing calendar year for the rendering of all services, together with a reasonable amount considered by the Corporation to be necessary for a reserve for contingencies and replacements, all anticipated assessments and income and each Unit Owner's proposed Common Expense assessment. The Board shall deliver a copy of the proposed Annual Budget to each Unit Owner at least thirty (30) days prior to the adoption thereof. The Corporation shall give Unit Owners notice, as provided above in Section 4, Article III of these By-laws, of the meeting of the Board at which the Board proposes to adopt the Annual Budget, or where any increase or the establishment of any assessment, regular or special, is proposed to be adopted. Said Annual Budget shall be assessed pro-rata to the Unit Owners. Each Owner shall be obligated to pay to the Corporation, or as it may direct, the portion of the Annual budget assessed to such owner in equal monthly installments (subject to acceleration as hereinafter provided) on or before January 1st of the ensuing year, and the 1st day of each and every month of said year. The Corporation shall have no authority to forebear the payment of assessments by any Owner.

The failure or delay of the Corporation to prepare or serve the annual or adjusted budget on the Owners shall not constitute a waiver or release in any manner of the Owner's obligation to pay the maintenance and other costs and necessary reserves, as herein provided, whenever the same shall be determined, and in the absence of any annual or adjusted budget, the Owners shall continue to pay the monthly assessment charges at the

then existing monthly rate established for the previous period until the monthly assessment payment which is due more than ten (10) days after such new annual or adjusted budget shall have been mailed or emailed.

(b) If an adopted Annual Budget requires assessments against the Owners in any fiscal or calendar year exceeding 115 percent of the assessments for the preceding year, the Board, upon written petition by Unit Owners with 20 percent of the votes of the Corporation filed within 14 days of the Board action, shall call a Special Meeting of the Unit Owners within 30 days of the date of filing of the petition to consider the Annual Budget. Unless a majority of the votes of the Unit Owners is cast at the meeting to reject the Annual Budget, it shall be deemed to be ratified, whether or not a quorum is present. If a majority of votes of the Unit Owners is cast to reject the Annual Budget at a Special meeting of the Owners, a meeting of the Board shall be held within 30 days of the date of such Special Meeting to prepare a revised Annual Budget to send to the Owners together with a notice of the meeting of the Board at which adoption of such Annual Budget will be considered.

(c) Anything herein or in the Declaration to the contrary notwithstanding, the Corporation may charge to fewer than all Owners such portion of the insurance premium for insurance the Corporation is required or permitted to obtain which reflects increased charges for coverage on the Units owned by such Unit Owners, on such reasonable basis as the Corporation shall determine. Such charge shall be considered a common expense with respect to the Units owned by such Unit Owners for all purposes herein and under the Declaration.

Section 5. Annual Accounting. On or before the 1st day of May of each calendar year, the Corporation shall supply to all Owners an itemized accounting of the Common Expenses for the preceding calendar year actually incurred and a tabulation of the amounts collected pursuant to the budget or assessment and showing the net excess or deficit of income over expenditures plus Reserves. Upon the written request of any of FHLMC, FNMA, HUD, or VA, the Corporation shall prepare and furnish within a reasonable time, an audited financial statement of the Corporation for the preceding calendar year. Any amount accumulated in excess of the amount required for actual expenses and Reserves shall be credited pro-rata to the next monthly installments due from Owners under the current year's Annual Budget, until exhausted, and any net shortages shall be added pro-rata, to the installments due in the succeeding six months after rendering of the accounting.

Section 6. Reserves. The Corporation may build up and maintain a reasonable Reserve for operation, contingencies and replacements.

Section 7. Special Assessments. If said Annual Budget proves inadequate for any reason, including nonpayment of any Lot or Unit Owner's assessment, or any nonrecurring Common Expense or any Common Expense not set forth in the Annual Budget as adopted, the Board of Directors may at any time levy a further assessment, which shall be assessed pro-rata to the Owners and which may be payable in one lump sum or such installments as the Board may determine. The Board shall serve notice of such further assessment on all Lot

Owners (as provided above in Section 4, Article III of these By-laws) by a statement in writing giving the amount and reasons therefor, and such further assessment shall become effective and shall be payable at such time or times as determined by the Board, provided, however, that in the event such further assessment with respect to any Unit exceeds the greater of five (5) times such Unit's most recent monthly installment of Common Expenses, or such further assessment for all Units shall not be effective until approved by two-thirds of Owners at any meeting duly called for such purpose. After which, all Unit Owners shall be obligated to pay the further assessment.

Section 8. Books of Account, Default, Statement of Account.

(a) The Corporation shall keep full and correct books of account and the same shall be open for inspection by any Owner or any representative of an Owner duly authorized in writing, at such reasonable time or times during normal business hours as may be requested by the Lot or Unit Owner.

(b) If an Owner is in default in the monthly payment of the aforesaid charges or assessments for thirty(30) days, the Corporation may assess a service charge of 4 percent of the balance of the aforesaid charges and assessments for each month, or part thereof, said balance, or any part thereof, remains unpaid. In addition to any remedies or liens provided by law, if an Owner is in default in the monthly payment of the aforesaid charges or assessments for sixty (60) days, all other monthly payments of charges and assessments due for the calendar year in which such default occurs shall accelerate and become immediately due and payable. The Corporation may bring suit for and on behalf of itself and as representative of all Owners, to enforce collection thereof, and there shall be added to the amount due, the costs and all actual fees of said suit, together with legal interest and reasonable attorneys' fees to be fixed by the Court. No Owner or his/her/their representative may waive or otherwise escape liability provided for herein by nonuse or abandonment of his/her Unit. Each such assessment, together with interest, costs, and attorneys' fees shall also be the personal obligation of the person who was the Unit Owner at the time the assessment fell due. The personal obligation for delinquent assessments shall not pass to successors in title or interest unless assumed by them or required by applicable law.

(c) Upon ten (10) days' notice to the Corporation, and the payment of a reasonable fee fixed by the Corporation, not to exceed Fifteen Dollars (\$15), any Unit Owner shall be furnished a statement of his/her/their account setting forth the amount of any unpaid assessments or other charges due and owing from such Owner.

Section 9. Priority of Liens. Any mortgage or trust deed owned or held by a First Mortgagee and recorded prior to the recording of a notice by the Corporation of the amount owing by a Unit Owner who has refused or failed to pay his/her/their share of the monthly assessment when due shall be superior to the unpaid Common Expenses set forth in said notice and to all assessments for Common Expenses which become due and are unpaid subsequent to the date of recording of such first mortgage or first trust deed. Any First Mortgagee who comes into possession of a Unit pursuant to the remedies provided in the mortgage or trust deed,

foreclosure of the mortgage or trust deed or deed (or assignment) in lieu of foreclosure shall not be liable for, and shall take the Unit and its proportionate interest in the Common Areas free from, claims for unpaid common or special assessments levied by the Corporation which accrued prior to the date of possession as aforesaid.

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 Corporation, in addition to the officers so authorized by these By-laws, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Corporation and such authority may be general or confined to specific instances.

Section 2. Checks, Drafts, Etc. All checks, drafts, or other orders for the payment of money, notes or other evidence of indebtedness issued in the name of the Corporation, shall be signed by such officer or officers, agent or agents of the Corporation and in such manner as shall from time to time be determined by resolution of the Corporation. In the absence of such determination by the Corporation, such instruments shall be signed by the Treasurer and countersigned by the President of the Corporation.

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

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

ARTICLE VIII Books and Records

Section 1. Maintaining Books and Records. The Corporation shall keep correct and complete books and records of account and shall also keep minutes of the proceedings of its members, the Board and committees having any of the authority of the Board.

Section 2. Availability for Examination. The Secretary, the property manager, or the Board of Directors shall maintain the following records of the Corporation available for examinations and copy at convenient hours of weekdays by any Unit Owners or their mortgagees and their duly authorized agents or attorneys:

- (a) Copies of the recorded Declaration and By-Laws and any amendments, the Articles of Incorporation, annual reports, and any rules and regulations adopted by the Corporation, or its Board shall be available;

- (b) The minutes of all meetings of the Corporation and the Board shall be maintained in physical or electronic storage for a period of not less than seven (7) years;
- (c) Such other records of the Corporation as are available for inspection by members of a not-for-profit corporation pursuant to the Illinois General Not-For-Profit Corporation Law shall be maintained; and
- (d) A record giving the names and addresses of the members entitled to vote. A reasonable fee may be charged by the Association or its Board for the cost of copying.

ARTICLE IX - Fiscal Year

The fiscal year of the Corporation shall begin on the first day of January and end on the last day of December.

ARTICLE X - Seal

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

ARTICLE XI - Waiver of Notice

Whenever any notice whatever is required to be given under the provisions of the General Not- For Profit Corporation Act of Illinois or under the provisions of the Articles of Incorporation or the By-laws of the Corporation, or the Declaration, a waiver thereof (subject to all the provisions of such instruments) in writing signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice.

ARTICLE XII - Amendments to By-laws

These By-laws, may be altered, amended or repealed and new By-laws may be adopted upon the affirmative vote of a majority of the Board of Directors at a regular or special meeting of the Board of Directors; or, by an affirmative vote of two thirds of the members constituting a quorum attending a Special Meeting called for such purpose by members of the Corporation pursuant to Section 2 of Article III of these By Laws, and by the recording of an instrument in writing with the Tazewell County, Illinois Recorder of Deeds and with a posting on the

Corporation's website setting forth such alteration, amendment or repeal, which is signed and acknowledged by an authorized member of the Board and which contains an affidavit by an officer of the Corporation certifying that the necessary affirmative vote of the Board of Directors or of the members of the Corporation has been duly obtained.

ARTICLE XIII - Indemnification

The Corporation shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of the Corporation) by reason of the fact that he/she is or was a member of the Board of Directors or an officer of it against expenses (including attorneys' fees), judgements, fines and amounts paid in settlement actually and reasonably incurred by him/her in connection with such action, suit or proceeding if he/she acted in good faith and in a manner he/she reasonably believed to be in, or not opposed to, the best interests of the Corporation, and, that respect to any criminal action or proceeding, had not reasonable cause to believe his/her conduct was unlawful. The termination of any action, suit or proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent, shall not, of itself, create a presumption that the person did not act in good faith and in a manner which he reasonable believed to be in or not opposed to the best interests of the Corporation and with respect to any criminal action or proceeding, had reasonable cause to believe that his/her conduct was not unlawful.

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

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

Any indemnification under the first two paragraphs of this Article shall be made by the Corporation only as authorized in the specific case, upon a determination that indemnification of the member of the Board or officer of the Corporation is proper in the circumstances because he/she has met the applicable standard of conduct set forth in the first two paragraphs of this Article. Such determination shall be made (1) by the Board by a majority vote of a quorum consisting of members of the Board who were not parties to such action, suit or proceeding, or (2) if such a quorum is not obtainable, or, even if obtainable, if a quorum of disinterested directors so directs, by independent legal counsel in a written opinion, or (3) by a majority of the members of the Corporation.

Expenses incurred in defending a civil or criminal action, suit or proceeding may be paid by the Corporation in advance of the final disposition of such action, suit or proceeding, as authorized by the Board in the specific case, upon receipt of an undertaking by or on behalf of the members of the Board or the officer of the Association to repay such amount, unless it shall ultimately be determined that he/she is entitled to be indemnified by the Corporation as authorized in this Article.

The sums necessary to discharge the obligations of the Corporation under this Article shall be common expenses.

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

ARTICLE XIV - Construction

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

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