

**THE AMENDED BY-LAWS OF
THE TALL TREES HOMEOWNERS ASSOCIATION
an Illinois not-for-profit corporation**

**ARTICLE I
Name of Corporation**

1.01 NAME OF CORPORATION: The name of this corporation is the Tall Trees Homeowners Association.

**ARTICLE II
Purpose and Powers**

2.01 PURPOSES: The purposes of this Association are to act on behalf of its members collectively, as their governing body for civic functions and other purposes, with respect to the preservation, care, maintenance, replacement, improvement, enhancement, operation and administration of both real and personal property and for the promotion of the health, safety and welfare of the members of the Association, all on a not-for-profit basis. These By-Laws have been drafted pursuant to the Declaration of Covenants, Conditions, Restrictions and Easements of the Tall Trees of Barrington Homeowners Association ("Declaration") and replace the original By-Laws issued by the Declarant, as authorized by Section 102.25 of the General Not For Profit Act of Illinois. All terms used herein shall have the meanings set forth in the Declaration.

2.02 POWERS: The Association shall have and exercise all powers as are now or may hereafter be granted by the General Not For Profit Corporation Act of the State of Illinois, the Declaration and these By-Laws.

2.03 PERSONAL APPLICATION: All present or future Owners, their agents and employees, and any other person that might use the Property in any manner, shall be subject to the provisions of the Declaration and these By-Laws. The acquisition of a Lot or the act of occupancy of a Dwelling on a Lot will signify that the Declaration and these By-Laws are accepted, ratified and will be complied with.

**ARTICLE III
Offices**

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

3.02 PRINCIPAL OFFICE: The Association's principal office shall be maintained in or near the Village of Barrington, Illinois.

**ARTICLE IV
Meetings of Members**

4.01 VOTING RIGHTS: The Association shall have one class of membership. Only members in good standing shall be permitted to vote. A member in good standing is an Owner who is current in the payment of all charges to the Association, including assessments, fees, costs or fines and is not a plaintiff in litigation filed against the Association. There shall be one individual with respect to each Lot who shall be entitled to vote at any meeting of the Owners (the "Voting Member"). If the Owner of a Lot is one individual, then such individual shall be the Voting Member. If the Record ownership of a Lot shall be in more than one individual or if the Owner is a trustee, corporation, partnership or other legal entity, then the Voting Member shall be designated by the Owner or Owners in writing to the Board, and if in the case of multiple individual Owners no designation is given, then the Board may, at its election, recognize an individual Owner of the Lot as the Voting Member for such Lot. Any or all Owners may be present at any

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meeting of the Owners, but the voting rights shall be vested exclusively in the Voting Members; provided, however, that a Voting Member may vote either in person or by proxy executed in writing by the Voting Member or his duly authorized attorney-in-fact and filed with the secretary before the meeting. All elections for the Board of Directors shall be by secret ballot. No proxy shall be valid after eleven (11) months from the date of its execution. Each Voting Member shall have one vote for each Lot which he represents.

4.02 PLACE OF MEETING; QUORUM: Meetings of the Owners shall be held at the principal office of the Association or at such other place in or near the Village of Barrington, Illinois, convenient to the Owners and designated in any notice of a meeting. All meetings shall be conducted in accordance with the rules and provisions of parliamentary procedure. Voting Members holding twenty-five percent (25%) of the votes, represented in person or by proxy, shall constitute a quorum. The vote of two-thirds (2/3) of the votes entitled to be cast by the Voting Members present or represented by proxy at a meeting at which a quorum is present, shall be necessary for the adoption of any matter voted upon by the Voting Members.

4.03 ANNUAL MEETING OF THE OWNERS: There shall be an annual meeting of the Owners on the Property or at such other location designated by the Board of Directors each year, on or about the last Tuesday of January or such time and date as the Board shall deem appropriate.

4.04. SPECIAL MEETINGS: Special meetings of the Owners may be called at any time for the purpose of considering matters which, by the terms of the Declaration and these By-Laws require the approval of all or some of the Voting Members or for any other reasonable purpose. Said meetings shall be called by written notice, authorized by the President, a majority of the Board or by Voting Members representing at least twenty-five percent (25%) of the votes.

4.05 NOTICE OF MEMBERSHIP MEETINGS: Written notice of any membership meeting shall be mailed by the U.S. Postal Service or personally delivered or sent by e-mail, giving Owners not less than fourteen (14) nor more than forty-five (45) days' notice of the time, place and purpose of the meeting. Said notice shall include the meeting's agenda and a proxy form should the agenda include items requiring a vote.

ARTICLE V **Board of Directors**

5.01 IN GENERAL: The affairs of the Association and the direction and administration of the Property shall be vested in the Board, which shall consist of five (5) persons ("Directors"). The Board shall have all of the powers granted to it under the Declaration, these By-Laws and the General Not For Profit Corporation Act of the State of Illinois. All directors are deemed to be fiduciaries of all the members of the Association.

5.02 CANDIDATES FOR THE BOARD: All members of the Association who are in good standing are qualified to be candidates for the Board of Directors, whether or not they reside on the property. No more than one Owner from each Lot can serve on the board of directors at the same time.

5.03 ELECTION: At each election for members of the Board, each Voting Member for each Lot which he represents shall be entitled to the number of votes equal to the number of the Directors to be elected and cumulative voting shall be permitted. All Directors shall serve two (2) year terms and may succeed themselves in office. Each Director shall serve until his term expires or is terminated or until his successor shall have been elected and qualified. No more than three (3) Directors' terms shall expire in the same year.

5.04 ANNUAL MEETING OF THE BOARD: The Board of Directors shall hold a Board meeting within ten (10) days after the annual meeting of the Owners at such place as shall be fixed by the Directors at annual meeting of the Owners, for the purpose of electing officers and for such other lawful purpose the Board deems appropriate.

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5.05 REGULAR MEETINGS: Regular meetings of the Board shall be held at such time and place as shall be determined from time to time, by a majority of the Directors, provided that not less than four (4) open meetings shall be held during each fiscal year.

5.06 CLOSED OR EXECUTIVE SESSIONS: The Board of Directors may from time to time convene a closed or executive session to discuss:

- (a) the hiring and firing of personnel and other contractors;
- (b) disciplinary action pertaining to any Owner's conduct or failure to pay any charges;
- (c) confidential matters such as threatened or pending legal matters with legal counsel;
- (d) such other confidential matters as the Board of Directors deems appropriate.

No business shall be conducted at any closed session nor may any vote be taken. There shall be no minutes taken of closed sessions.

5.07 SPECIAL MEETINGS: Special meetings of the Board may be called by the President or by at least three-fifths (3/5) of the Directors then serving.

5.08 NOTICE OF BOARD MEETINGS: Notice of each meeting of the Board shall be mailed or e-mailed or personally delivered to each Owner at least forty-eight (48) hours prior to the meeting and notice of any meeting of the Board concerning the adoption of the proposed annual budget or any increase or establishment of an assessment shall be given to each Owner in the same manner as provided in Section 4.05 of these By-Laws, unless a written waiver of such notice is signed by the person or persons entitled to such notice before the meeting is convened.

5.09 OPEN MEETINGS: Each meeting of the Board, to the extent required by law, shall be open to any Owner, subject to the exception for closed sessions. The Board may adopt reasonable rules governing the conduct of the Owners who attend meetings or who choose to record the proceedings. Owners who do not comply with such rules may be removed from the meeting or barred for a specified period of time. All business to come before the Board shall be conducted at an open meeting and all votes shall be recorded in the official minutes.

5.10 QUORUM: A majority of the Directors serving from time to time shall constitute a quorum for the election of the officers and for the transaction of business at any meeting of the Board. Except as otherwise expressly provided herein or in the Declaration, any action may be taken upon the affirmative vote of a majority of the Directors present at a meeting at which a quorum is present.

5.11 MINUTES: At each meeting, the recording secretary, or some other individual designed by the Board, shall record a summary of the proceedings to be forwarded to all Owners following each meeting and submitted for approval by the Board at any subsequent meeting.

5.12 COMPENSATION/REIMBURSEMENT FOR EXPENSES: No Director shall be compensated by the Association for services rendered to the Association, except as expressly provided in a resolution duly adopted by the Voting Members. Upon the presentation of receipts or other appropriate documentation, a Director shall be reimbursed by the Association for reasonable out-of-pocket expenses incurred in the course of the performance of his duties as a Director.

5.13 REMOVAL OR RESIGNATION OF DIRECTOR:

(a) Any Director may be removed from office, with or without cause, by action of the Voting Members at any annual meeting or at a special meeting called for such purpose.

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(b) Any Director who misses three (3) consecutive meetings without cause may be deemed to have resigned by action of the Board of Directors after notice and an opportunity for a hearing.

(c) Any Director may resign at any time by submitting his written resignation to the Board.

(d) If a Director ceases to be an Owner or a Voting Member, he shall be deemed to have resigned as of the date of such cessation.

(e) The Board shall have the authority to fill any vacancy by a two-thirds (2/3) vote of the remaining Board members. Said appointed director shall serve until the next annual meeting of Owners, unless a petition signed by no less than twenty percent (25%) of the Owners is submitted to the Board requesting a meeting of the Owners for the purpose of holding an election to fill the vacancy for the remainder of the term. The meeting of the Owners shall be called for purposes of filling the vacancy on the Board no later than thirty (30) days after the Board received the filing of a petition. The appointed Board member will continue to serve until the date of the election.

5.14 POWERS AND DUTIES OF THE BOARD: The Board shall have all of the powers and duties granted to it or imposed upon it by the Declaration, these By-Laws and the Illinois General Not For Profit Corporation Act, including, without limitation, the following powers and duties.

(a) To engage the services of a manager or managing agent to assist the Association in performing and providing such services as the Association is required to provide to its members under the Declaration;

(b) To provide for the designation, hiring and removal of the such employees and such other personnel, including attorneys and accountants, as the Board may, in its discretion, deem necessary or proper for the effective administration of the Association;

(c) To provide for any maintenance, repair, replacement or landscaping of the Common Areas for which the Association is responsible, including any monuments, fencing (including such required to screen Lots from Lake-Cook and Ela roads), retaining walls, water systems, lighting and other improvements, as well as any obligation to maintain any landscaping located in concrete islands and median strips in the dedicated streets which are adjacent to or within the Property and to maintain any signage or lighting located thereon. Notwithstanding the foregoing, any replacement item with a cost greater than Ten Thousand Dollars (\$10,000.00) requires an affirmative vote of two-thirds (2/3) of the Voting Members present or represented by proxy at a meeting at which a quorum is present;

(d) To make such improvements to the Common Areas and provide such other facilities and services as may be authorized from time to time by the affirmative vote of two-thirds (2/3) of the Voting Members present or represented by proxy at a meeting at which a quorum is present;

(e) To establish and maintain a working capital and contingency fund in an amount to be determined by the Board;

(f) To estimate and provide each Owner with an annual operating budget before the end of each fiscal year and an annual statement of financial condition during the first quarter after the completion of each fiscal year.

(g) To set, give notice of, and collect regular and special assessments from the Owners as provided in the Declaration;

(h) To pay the Common Expenses;

(i) To adopt rules and regulations as provided in the Declaration;

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- (j) To delegate the exercise of its power to committees appointed pursuant to Section 7.01 of these By-Laws;
- (k) To own, convey, encumber, lease or otherwise deal with Lots or other real property conveyed to or purchased by the Association;
- (l) To incur liabilities, to borrow funds if necessary for Association purposes; to secure any of its obligations by pledge or assignment of the right for future income and accounts receivable;
- (m) To keep detailed, accurate records of the receipts and expenditures affecting the use and operation of the Property; and
- (n) To accumulate and invest all excess funds, surpluses and reserves to pay for all future repairs and capital improvements;
- (o) To exercise all other powers and duties vested in or delegated to the Association, and not specifically reserved to the Voting Members by the Declaration and By-Laws.

ARTICLE VI **Officers**

6.01 OFFICERS: The officers of the Association shall be a President, a Vice President, a Secretary, a Treasurer and a Member-at-Large and such assistants to such officers as the Board may deem appropriate. All officers must be directors. All officers shall be elected at a meeting of the Board following the annual election of directors and shall hold office at the discretion of the Board. Officers may succeed themselves in office. Other than the President, a person may hold more than one office.

6.02 VACANCY OF OFFICE: Any officer may be removed at any meeting of the Board by the affirmative vote of the majority of the Directors in office, either with or without cause, and any vacancy in any office may be filled by the Board at any meeting thereof.

6.03 POWERS OF OFFICERS: The respective officers of the Association shall have such powers and duties as are from time to time prescribed by the Board and as are usually vested in such officers of an Illinois Not-For-Profit Corporation including, without limitation, the following:

(a) The President shall be the Chief Executive Officer of the Association and shall preside at all meetings of the Owners and at all meetings of the Board and shall execute all contracts, documents and amendments to the Declaration and these By-Laws, as provided for in the Declaration and these By-Laws.

(b) The Vice President shall act as the liaison to all committees and in the absence or the disability of the President, perform the duties and exercise the powers of such office and other duties assigned by the Board. If neither the President nor the Vice President is able to act, the Board shall appoint some other member of the Board as an interim "chairman" to act in the capacity of the President on an interim basis.

(c) The Secretary shall supervise the keeping of minutes of all meetings of the Owners and of the Board, forward said minutes to the Owners and have charge of such other books, papers and documents as the Board may prescribe, and shall be responsible for giving and receiving all notices to be given to or by the Association under the Declaration or these By-Laws. The Board has the right to appoint or hire someone to transcribe minutes under the direction and supervision of the Secretary.

(d) The Treasurer shall be responsible for supervising the maintenance of all Association funds and securities and for keeping full and accurate accounts of all receipts and disbursements in the Association books of accounts kept for such purpose. The Treasurer shall oversee the deposit of all monies and other valuable effects in the name and to the credit of the Association in such depositories as

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may from time to time be designated by the Board. The Treasurer shall also serve in the capacity of chairman of the Budget Committee.

(e) The Member-at-Large shall be responsible for any duties as determined by the President in order to insure the efficiency of the Board and the Association.

6.04 OFFICERS' COMPENSATION: The officers shall receive no compensation for their services except as expressly provided by a resolution duly adopted by the Voting Members.

ARTICLE VII **Committees Designated By Board**

7.01 BOARD COMMITTEES: The Board, by resolution adopted by a majority of the Directors in office, may designate one or more committees, each of which shall consist of two or more Directors, 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 delegation thereto of authority shall not operate to relieve the Board, or any individual Director, of any responsibility imposed upon it or him by law. The President shall appoint the chairman of each committee with the advice and consent of the Board.

7.02 SPECIAL COMMITTEES: Other committees 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 Directors present at a meeting at which a quorum is present. Except as otherwise provided in such resolution, members of each such committee shall be Owners and the President of the Association shall appoint the members thereof. Any member thereof may be removed by the chairman whenever in their judgment the best interests of the Association shall be served by such removal.

7.03 TERM: Each member of a committee shall continue as such until the next annual meeting of the Board and until his successor is appointed, unless the committee shall be sooner terminated, or unless such member shall be removed from such committee, or unless such member shall cease to qualify as a member thereof.

7.04 VACANCIES: Vacancies in the membership of any committee may be filled by appointments made in the same manner as provided in the case of the original appointments.

7.05 QUORUM: Unless otherwise provided in the resolution of the Board designating a committee, a majority of the whole committee 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. The Board of Directors or the chairman has the right to limit the number of members on a committee.

7.06 RULES: Each committee may adopt rules for its own government not inconsistent with the Declaration, these By-Laws or with rules adopted by the Board.

ARTICLE VIII **Instruments, Checks, Deposits and Funds**

8.01 EXECUTION OF INSTRUMENTS: 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 (including amendments to the Declaration or these By-Laws which must be executed by the Association) 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 or a Vice President and attested to by the Secretary of the Association. Any contract entered into by a Director, officer or agent of the Association without the express authorization or consent of the Board shall be null and void.

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8.02 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 or a Vice President of the Association.

8.03 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 shall elect.

8.04 SPECIAL RECEIPTS: The Board may accept on behalf of the Association any contribution, gratuity, gift, bequest, or devise for the general purposes or for any special purpose of the Association. However, such gratuities, contributions, gifts, bequests or devises directed to any director, officer, agent or employee is expressly prohibited.

ARTICLE IX **Fiscal Management**

9.01 FISCAL YEAR: The fiscal year of the Association shall be determined by the Board and may be changed from time to time as the Board deems advisable.

9.02 ANNUAL STATEMENT: Within a reasonable time after the close of each fiscal year, the Board shall furnish each Owner with an itemized accounting of the Common Expenses for such fiscal year actually incurred or paid, together with an indication of which portion of the Common Expenses were incurred or paid for capital expenditures or repairs or the payment of the real estate taxes, and with a tabulation of the amounts collected pursuant to the Annual Assessment budget, and showing the net excess or deficit of income over expenditures plus reserves.

9.03 ASSESSMENT PROCEDURE: Annual assessments and special assessments shall be made and collected as provided for in the Declaration. All annual and special assessments shall be collected equally from each owner.

9.04 DELINQUENT ASSESSMENTS: 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 rate allowed by law or eighteen percent (18%), whichever is less, and the Association may bring an action at law against the Owner personally obligated to pay the same, or foreclose the lien against the Property, and interest, costs and reasonable attorney's fees of any such action shall be added to the amount of such assessment. To the extent permitted by any decision or statute now or hereafter effective, the amount of any delinquent and unpaid charges or assessments and interest, costs and fees as above provided, shall be and become a lien or charge against the Lot of the Owner involved when payable and may be foreclosed by an action brought in the name of the Board as in the case of foreclosure of liens against real estate. Each Owner, by such Owner's acceptance of a deed to a Lot, hereby expressly vests in the Association, or its agents, the right and power to bring all actions against such Owner personally for the collection of such charges as a debt, and to enforce the aforesaid lien by all methods available for the enforcement of such liens. In addition, if any Owner shall default in the payment when same shall be due, of the aforesaid charges or assessments and default shall continue for thirty (30) days after notice to the Owner by the Board, setting forth the amount of unpaid charges or assessments together with a demand for payment thereof, the Board shall have the right to declare the default a Forcible Detainer of the Dwelling and shall have the right, on behalf of the other Owners, to enter and take possession of the Lot and the Dwelling from the defaulting Owner, to put out the Owner, or any occupant or tenant claiming by, through or under the Owner, using such reasonable force as the Board shall deem necessary under the circumstances and to exercise any of the rights and remedies set forth in the Forcible Entry and Detainer provisions of the Illinois Revised Statutes, as amended from time to time.

ARTICLE X
Books and Records

10.01 BOOKS AND RECORDS: The Association shall keep correct and complete books and financial records of accounts, a record of the names and address of all members, the minutes of the proceedings of its members, the Board, and committees having any of the authority of the Board, and shall keep same on the premises or at the registered or principal office of the Association. All books and records of the Association may be inspected by any Owner, or his agent, mortgagee or attorney, for any proper purpose at any reasonable time, upon reasonable advance notice.

ARTICLE XI
Amendments

11.01 AMENDING THE BY-LAWS: These By-Laws may be amended or modified at any time upon the approval of at least two-thirds (2/3rds) of the members by executing an instrument in writing, provided that no provision of these By-Laws may be amended or modified so as to conflict with the provisions of the Declaration. No amendment to these By-Laws shall become effective until Recorded.

Article XII
Indemnification

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

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

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

Any indemnification under the first two paragraphs of this Article shall be made by the Association only as authorized in the specific case, upon a determination that indemnification of the member of the

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Board or officer of the Association is proper in the circumstances because he or 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 Association.

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

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

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

STATE OF ILLINOIS)
)SS
COUNTY OF LAKE)

We, the undersigned, as Members of the Board of Directors of the Tall Trees Homeowners Association, a not-for-profit corporation established by the aforesaid Declaration, by our signatures below do hereby acknowledge and execute the foregoing Amended By-Laws.

EXECUTED this ____ day of _____, _____.

Subscribed and Sworn to before met this
____ day of _____, _____.

Notary Public