

*****PROPOSED*****

BY-LAWS

OF

SADDLEWOOD MEADOWS HOMEOWNERS ASSOCIATION

OFFICES

The Saddlewood Meadows Homeowners Association is a non-profit, homeowners association corporation, registered in the State of Illinois, hereinafter referred to as the "Corporation". This Corporation shall have and continuously maintain, in the State of Illinois, a registered office and a registered agent whose office is identical with such registered office.

ARTICLE I

Nominations and Elections of Directors and Officers

Section 1. At the first meeting of the membership each year, nominations for officers and members of the Board of Directors will be received from the members present. Candidates for any office must be members. The consent of each nominee shall be obtained before a vote is taken. There shall be a limit of one member of the same household that can serve on the Board of Directors at the same time.

Section 2. The Board of Directors shall consist of no more than 5 but not less than 3 members. Board members shall hold office until their successors are elected.

Section 3. Election of officers nominated shall be held at the first meeting of the membership each year. Officers will also be members of the Board of Directors. A majority of those present and voting shall elect. There shall be no proxy voting for either the board membership or officers.

Section 4. All officers shall hold office until their successors are elected. Officers may be removed at the discretion of a majority of the members present at a meeting called, and if notice has been given, for that purpose.

Section 5. In the event of a vacancy in any office during that officer's term, the Board of Directors shall sit as a Nominating Committee and shall fill the vacancy in accordance with

voting procedures contained in these By-Laws except, however, that such vacancies may be filled as they occur.

Section 6. The resignation of an officer or director shall be submitted to the President in writing, and the President shall present this resignation to the Board of Directors for action.

Section 7. Vacancies on the Board of Directors shall be filled in the same manner as described in Section 2, 3, and 5 of this Article.

Section 8. Directors and officers shall receive no compensation for their services or attendance at meetings. Directors are entrusted to act in good faith on behalf of the Homeowners Association for the purpose of benefiting the Association while illustrating the highest level of integrity and ethics.

ARTICLE II

Meetings

Section 1.

- (a) Upon payment of dues, as outlined in the By-Laws, all of the owners of the lots in Saddlewood Meadows Subdivision shall have one vote for each lot, to be cast in the manner the owners of such lot shall determine.
- (b) Members that are delinquent in the payment of dues are not eligible to vote until the delinquent dues are paid in full at the time voting takes place. Members that are current in their dues shall be termed "Eligible Voting Members"
- (c) The Board of Directors and officers shall hold at least four (4) meetings during the year, preferably quarterly, and special meetings shall be called at the discretion of the Board.
- (d) Notice of regular meetings of the Board of Directors need not specify the business to be transacted at such meetings; however, any and all information which may assist Board members in preparation for meetings should be included with notice of the meeting.
- (e) Regular meetings may be re-scheduled or cancelled at the discretion of the President, or the Board and, if re-scheduled, are not deemed special meetings.

- (f) At any meeting of members, an Eligible Voting Member shall vote in person or by another qualified person in actual attendance holding a written, notarized, proxy authorization, signed and dated, on behalf of the voting member. Proxy votes must be delivered or postmarked on or prior to the date of the meeting of the members. No proxy shall be valid after thirty days from the date of its execution unless otherwise provided in the proxy.
- (g) Five percent (5%) of the total Eligible Voting Members shall constitute a quorum at any meeting of the members. Proxies will count toward this quorum.

Section 2.

- (a) Special meetings of the Board of Directors may be called at any time upon request of the President or at least 3 members of the Board of Directors.
- (b) Such request must specify, but is not limited to, the purpose of the call and should be given at least seven (7) days prior to the meeting date except, however, the seven (7) day notice period may be waived in the event of emergency situations. Emergency situations are those critical to the day-to-day operation of the Corporation or as determined by the President.

Section 3. Any Board member will waive notice of any meeting by attendance at the meeting.

Section 4. A quorum at the Board meeting shall consist of fifty percent (50%) or greater of the members of the Board of Directors.

Section 5. Any act of a majority of the directors present at a meeting at which a quorum is present shall be an act of the Board of Directors. An act of the Board of Directors shall be an act of the Corporation.

Section 6. There shall be a membership meeting once a year, and such other membership meetings, as determined by the Board of Directors.

ARTICLE III

Officers

Section 1. The officers of the corporation shall be a president, a secretary, and a treasurer, and if desired, any number of vice presidents, assistant treasurers, assistant secretaries or other officers as may be elected by the members. Any two or more offices may be held by the same person.

Section 2. The President shall be chief executive officer and shall direct the conduct of the business of this Corporation and shall also be Chairman of the Board of Directors. The President shall be the presiding officer at all meetings of the membership and the Board, and shall appoint all committees unless otherwise provided in these By-Laws or in the motion authorizing the committee, and shall be an ex-officio member of all committees.

Section 3. The Vice-President shall assist the President in the discharge of their duties as the President, may direct and shall perform such other duties as from time to time may be assigned to them by the President or by the Board of Directors. In the absence of the President the Vice-President shall perform the duties of the President.

Section 4. The Treasurer shall maintain records of all receipts, expenditures, and deposits and balances in the accounts of the Corporation, and shall supervise the financial procedures of the Corporation. The Treasurer also shall be a member of the Board of Directors.

Section 5. The Secretary shall keep written minutes of all membership, Board, and committee meetings, and shall maintain a record of attendance of all such meetings. The Secretary shall be responsible to see that notices of all meetings are sent as required by these By-Laws of the Corporation. The Secretary shall also be a member of the Board of Directors.

ARTICLE IV

Duties of the Board of Directors

Section 1. The Board of Directors shall have control and administrative responsibility for the operation, funds, and property of the Corporation. Such responsibility may be delegated to officers or committees, provided such delegation is consistent with the By-Laws of the Corporation.

ARTICLE V

Indemnification of Officers and Directors

The Corporation shall and does hereby indemnify any officer or member of the Board of Directors who was or is a party, or is threatened to be made a party, to any 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 or she is or was a director or officer of the Corporation, or who is or was serving at the request of the Corporation on a committee, against expenses (including attorney's fees), judgment, fines and amounts paid in settlement actually and reasonably incurred by him or her in connection with such action, suit or proceeding, if he or she acted in good faith and in a manner he or she reasonably believed to be in, or not opposed to, the best interest of the Corporation, and, with respect to any criminal action or proceeding had no reasonable cause to believe his or her conduct was unlawful. The 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 or she reasonably believed to be in, or not opposed, to the best interest of the Corporation, and, with respect to any criminal action or proceeding, had no reasonable cause to believe that his or her conduct was unlawful.

ARTICLE VI

Checks, Deposits, Etc.

All checks or other orders for the payment of money for indebtedness issued in the name of the Corporation shall be approved by the Board of Directors. Such payments shall be signed by the Treasurer or any other Board officer. Such payments must be authorized by a majority vote of the Board of Directors before they are executed. All transactions must be documented sufficiently to comply with generally accepted accounting principles.

All funds (dues) shall be deposited within thirty (30) days to the credit of the Corporation, in the Corporation's designated account at a federally insured depository (bank).

The Corporation shall keep correct and complete books and records of accounts. All books and records may be inspected by any member, or their agent or attorney, with proper purpose and prior notification in writing to the President of the Association.

ARTICLE VII

Dues

Annual dues notices will be sent to each member no later than July 1st of each year. If any members have not paid their dues after September 30th, the Board of Directors may assess reasonable late payment charges, or cause a lien to be recorded on the subject member's property. The subject member shall be liable for payment of collection costs and/or attorney fees incurred as a result of such default in payment of dues.

ARTICLE VIII

Amendments to the By-Laws of the Corporation

These By-Laws may be altered, amended, or repealed and new By-Laws may be adopted by an absolute majority of the Board of Directors at any regular Board Meeting, provided that at least ten days written notice is given of intention to alter, amend, or repeal or to adopt new By-Laws at such meeting.

Approved this _____ day of _____ 2016

Director

Director

Director

Director

Director