

SADDLE BROOK COMMUNITY ASSOCIATION

BY-LAWS

As approved by the Board of Directors, November 11, 1997

BY-LAWS
OF
THE SADDLE BROOK COMMUNITY
ASSOCIATION

ARTICLE I

MEETINGS OF MEMBERS

Section 1. Place of Meeting

All meetings of members shall be held at a place in the County of DuPage as may be fixed from time to time by resolution of the Board of Directors.

Section 2. Annual Meeting

The annual meeting of the members shall be held on the last week in February, each year at the hour of 8:00 p.m. Notwithstanding these provisions, the Board of Directors may change and designate another time and date for such annual meetings upon resolution and upon thirty (30) days notice of the new time and date of such meetings.

Section 3. Special Meetings

Special meetings of the members for any purpose may be called at any time by the President or by the Board of Directors, or by any two or more members thereof, or by any group of members holding not less than twenty percent (20%) of the voting rights of the members of the Association.

Section 4. Notices of Meetings

Written notice of meetings, shall be given to each member entitled to vote, either personally or by sending a copy of the notice through the mail, postage prepaid, to his address appearing on the books of the Association, or supplied by him to the Association for the purpose of the notice. All such notices shall be sent to each member entitled thereto not less than thirty (30) days nor more than sixty (60) days before each meeting, and shall specify the place, the day and the hour of such meeting, and in case of special meetings, the general nature of the business to be transacted. When any meeting of members, either annual or special, is adjourned for thirty (30) days or more, notice of the time and place of the adjourned meeting shall be given as in the case of an original meeting. Except as aforesaid, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting other than by announcement thereof at the meeting at which such adjournment is taken.

Section 5. Consent of Absentees

The transaction of any business at any meeting of members, either annual or special, however called and noticed, shall be as valid as though had at a meeting duly held after regular call and notice if a quorum be present either in person or by proxy, and if, either before or after the meeting, each of the members entitled to vote, not present in person or by proxy signs a written waiver of notice, or a consent to the holding of such meeting, or approval of the minutes thereof. All such waivers, consents or approvals shall be filed with the records of the Association or made a part of the minutes of the meeting.

Section 6. Quorum

The presence at the meeting of members entitled to cast, or of proxies entitled to cast, fifty percent (50%) of the voting power shall constitute a quorum for any action except as otherwise provided in the Declaration or these By-Laws. If any meeting cannot be held because a quorum is not present, the members present, either in person or by proxy, may adjourn the meeting to a time not less than forty-eight (48) hours nor more than thirty (30) days from the time the original meeting was called. Except where a greater portion of the voting power is required by the Declaration or these By-Laws a majority of the voting power present, in person or by proxy, shall prevail at all meetings.

Section 7. Proxies

Every member entitled to vote or execute consents shall have the right to do so either in person, or by an agent or agents authorized by a written proxy executed by such member of his duly authorized agent and filed with the Secretary of the Association; provided that no such proxy shall be valid after the expiration of the eleven (11) months from the date of its execution.

Section 8. Action Without Meeting

Any action which, under any provision of the Articles, these ByLaws, or the General Not-for-Profit Corporation Law of the State of Illinois, may be taken at a meeting of members, may be taken without a meeting if authorized by in writing signed by members entitled to exercise a majority of the voting power of the corporation and filed with the Secretary of the corporation.

ARTICLE II

DIRECTORS

Section 1. Powers

Subject to limitations of the Declaration or these By-Laws and of the Illinois General Not for Profit Corporation Act as to action to be authorized or approved by the members, and subject to the duties of the directors as prescribed by these By Laws, all corporate powers shall be exercised by or under the authority of, and the business and affairs of the Association shall be controlled by the Board of Directors. Without prejudice to such general powers but subject to the same limitations, the directors are vested with and shall have the following powers:

(a) To select, appoint, and remove all officers, agents, and employees of the Association, to prescribe such powers and duties for them as may be consistent with law, the Declaration and/or these By-Laws, to fix their compensation and to require from them security for faithful service when deemed advisable by the Board.

(b) To conduct, manage and control the affairs and business of the Association, and to make and enforce such rules and regulations therefor consistent with law, the Articles of Incorporation, the Declaration and/or these By-Laws, as the Board may deem necessary or advisable.

(c) To change the principal office for the transaction of the business of the Association from one location to another within the County of DuPage, to designate any place within said County for the holding of any annual or special meeting or meetings of members.

(d) To borrow money and to incur indebtedness for the purposes of the Association and to cause to be executed and delivered therefor, in the Association's name, promissory notes, bonds, debentures, deeds of trust, mortgages, pledges or other evidences of debt and security therefor.

(e) To fix and levy from time to time regular dues and assessments upon the members of the Association; to fix and levy from time to time in any calendar year special assessments applicable that year only and as otherwise provided in the Amended and Restated Declarations of Covenants, Conditions and Restrictions; to determine and fix the due date for the payment of such dues and assessments, and the date upon which the same shall become delinquent; provided, however, that such dues and assessments shall be fixed and levied only to provide for the payment of the expenses of the Association and of taxes and assessments upon real or personal property owned, leased, controlled or occupied by the Association, or for labor rendered or materials or supplies used and consumed, or equipment and appliances furnished for the maintenance, improvement or development of such property or for the payment of any and all obligations in relation thereto, or in performing or causing to be per-

formed any of the purposes of the Association for the general benefit and welfare of its members, and the Board of Directors is hereby authorized to incur any and all such expenditures for any of the foregoing purposes and to provide adequate reserves for replacements as it shall deem to be necessary or advisable in the interest of the Association or welfare of its members. Such assessments shall be fixed at a uniform rate for all Lots. Should any member fail to pay such dues and assessments before delinquency, the Board of Directors in its discretion, is authorized to enforce the payment of such delinquent dues and assessments as provided by Article IX of the Amended and Restated Declarations of Covenants Conditions and Restrictions.

(f) To enforce the provisions of the Declaration, these By-Laws or other agreements of the Association.

(h) To contract for and pay fire, casualty, liability and other insurance insuring the unit owners, including bonding the members of any management body, if deemed advisable by the Board.

(i) To contract for and pay maintenance, gardening, utilities, materials and supplies, and services relating to the common area and to employ personnel necessary for the operation of the project, including legal and accounting services. To contract for and pay for improvements and community facilities. To employ a manager or other persons and to contract with independent contractors or managing agents to perform all or any part of the duties and responsibilities of the Association.

(j) To delegate its powers according to law, and subject to the approval of the members, to adopt these By-Laws.

(k) To grant easements where necessary for utilities and sewer facilities over the common area to serve the common areas and the Lots.

(l) To acquire on behalf of the Association, (by gift, purchase or otherwise), own, hold, improve, build upon, operate, maintain, convey, sell, lease, transfer, dedicate for public use or otherwise dispose of real or personal property in connection with the affairs of the Association.

(m) To dedicate, sell or transfer all of or any part of the common area to any public agency, authority or utility for such purposes and subject to such conditions as may be agreed to by the members.

(n) To establish and maintain a working capital account and contingency fund account in an amount and at a banking institution which, from time to time, shall be determined by said Board of Directors.

- (o) To provide for the maintenance of all drainage facilities and easements owned by the Association in accordance with the requirements of the Village.
- (q) To provide for the maintenance of all private streets and adjacent streetscapes within the Property in conformance with the requirements of the Village.
- (r) To take whatever legal steps it deems necessary to prohibit the violation of any restrictions of record relative to the uses to which Property or any Lot therein may be put. Further, in the event of a breach or violation of such restriction, to take whatever legal steps it deems necessary to abate the same and/or recover damages therefor.
- (s) To take whatever steps necessary, including but not limited to the levy of a special assessment, to repair, replace, or otherwise restore any and all improvements upon the Common Area should the same be partially or totally destroyed, regardless of the causes of destruction.
- (t) To make reasonable rules related to and otherwise generally administer the rights and duties of architectural control over improvements made upon the Property, as provided in Article V of the Declaration.

Section 2. Number and Qualifications of Directors

The Board of Directors shall consist of seven (7) directors until changed by amendment to this Section of these By-Laws, fixing or changing such number, adopted by the vote or written assent of members entitled to exercise a majority of the voting power; but in no event shall there be less than three (3) directors.

Section 3. Election and Term of Office

The directors shall be elected at each annual meeting of members, but if any such annual meeting is not held, or if the directors are not elected thereat, the directors may be elected at any special meeting of members held for that purpose. All directors shall hold office until their respective successors are elected.

Section 4. Vacancies

Vacancies on the Board of Directors may be filled by a majority of the remaining directors, and each director so elected shall hold office until his successor is elected at an annual meeting of members, or at a special meeting called for that purpose. A vacancy or vacancies shall be deemed to exist in case of the death, resignation or removal of any director. If the members shall increase the authorized number of directors but shall fail to elect the additional directors as provided for at the meeting at which such increase is authorized, or at an adjournment thereof, of the authorized directors, a vacancy or vacancies shall be deemed to exist. The members may at any time elect directors to fill any vacancy not filled by the directors, and may elect the additional directors at the meeting at which an amendment of

the By-Laws is voted authorizing an increase in the number of directors. If any director tenders his resignation to the Board of Directors, the Board shall have power to elect a successor to take office at such time as the resignation shall become effective. No reduction of the number of directors shall have the effect of removing any director prior to the expiration of his term of office.

Section 5. Place of Meetings

All meetings of the Board of Directors shall be held any place within the County of DuPage.

Section 6. Organization Meeting

Immediately following each annual meeting of the members, the Board of Directors shall hold a regular meeting for the purpose of organization, election of officers and the transaction of other business. Notice of such meeting is hereby dispensed with.

Section 7. Special Meetings - Notices

Special meetings of the Board of Directors for any purpose may be called at any time by the Chairman or by the President, or if they are unable or refuse to act, by the Vice President or by any two directors. Written notice of the time and place of special meetings shall be delivered personally to the directors or sent to each director by letter or by fax, postage or charges prepaid, addressed to him at his address as it is shown upon the records of the Association. In case such notice is mailed or faxed, it shall be deposited in the United States mail or faxed at or near the place in which the principal office of the Association is located at least forty-eight (48) hours prior to the time of the holding of the meeting. Such mailing, faxing or delivery as provided herein shall be due, legal and personal notice to each such director.

Section 8. Notice of Adjournment

Notice of adjournment of any directors' meeting, either regular or special, need not be given to absent directors, if the time and place are fixed at the meeting adjourned.

Section 9. Waiver of Notice

The transaction of any business at any meeting of the Board of Directors, however called and noticed, or wherever held, shall be as valid as though had at a meeting duly held after regular call and notice, if a quorum be present, and if, either before or after the meeting, each of the directors not present signs a written waiver of notice or a consent to holding such meeting or an approval of the minutes thereof. All such waivers, consents or approvals shall be filed with the records of the Association or made a part of the minutes of the meeting

Section 10. Quorum

A majority of the number of directors as fixed by the or these By-Laws shall be necessary to constitute a quorum for the transaction of business, except to adjourn as hereinafter provided. Every act or decision made or done by a majority of the directors present at a meeting duly held at which a quorum is present shall be regarded as the act of the Board of Directors.

Section 11. Adjournment

A quorum of the directors may adjourn any directors' meeting to meet again at a stated day and hour; provided, however, that in the absence of a quorum, a majority of the directors present at any directors' meeting, either regular or special, may adjourn from time to time until the time fixed for the next regular meeting of the Board.

Section 12. Consent of Board Obviating Necessity of Meetings

Notwithstanding anything to the contrary contained in these By-Laws, any action required or permitted to be taken by the Board of Directors may be taken without a meeting if all members of the Board of Directors shall individually or collectively consent in writing to such action. Such written consent or consents shall be filed with the Minutes of the proceedings of the Board. Such action by written consent shall have the same force and effect as a unanimous vote of such directors.

Section 13. Fees and Compensations

No director or officer shall receive any salary for his services as such director or officers.

ARTICLE III

OFFICERS

Section 1. Officers

The officers shall be a President, Vice-President, a Secretary and a Treasurer, which officers shall be elected by and hold office at the pleasure of the Board of Directors. Each of the officers may, but need not, be a member of the Board of Directors. Any two or more of such offices, except those of President and Secretary, may be held by the same person. The Board of Directors shall from time to time set forth the specific duties and responsibility of each officer.

Section 2. Election

The officers of the Association, except such officers as may be appointed in accordance with the provisions of Section 3 or Section 5 of this Article, shall be chosen annually by the Board of Directors, and each shall hold his office until he shall resign or shall be removed or otherwise disqualified to serve, or until his successor shall be elected and qualified.

Section 3. Subordinate Officers

The Board of Directors may appoint such other officers as the business of the Association may require, each of whom shall hold office for such period, have such authority and perform such duties as are provided in these By-Laws or as the Board of Directors may from time to time determine.

Section 4. Removal and Resignation

Any officer may be removed, either with or without cause, by the vote of a majority of all the directors then in office at any regular or special meeting of the Board at which a quorum is present. Any officer may resign at any time by giving written notice to the Board of Directors or to the President or to the Secretary of the Association. Any such resignation shall take effect as of the date of the receipt of such notice or at any later time specified herein; and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 5. Vacancies

A vacancy in any office because of death, resignation, removal, disqualification or any other cause shall be filled in the manner prescribed in these By-Laws for regular appointments to such office.

ARTICLE IV

MISCELLANEOUS

Section 1. Record Date and Closing Membership Register

The Board of Directors may fix a time, in the future, not exceeding fifteen (15) days preceding the date of any annual or special meetings of the members, as a record date for the determination of the members, entitled to notice of and to vote at any such meeting, and in such case only members of record on the date so fixed shall be entitled to notice of and to vote at such meeting, notwithstanding any transfer of any membership on the books of the Association after any record date so fixed. For the purpose of determining such record date, the Board of Directors may close the books of the Association against transfer of membership during the whole, or any part, of any such period.

Section 2. Inspection of Corporate Records

The Membership register, books of account, and minutes of meetings of the members' and directors' meetings shall be open to the inspection of the directors and members upon reasonable notice.

Section 3. Checks, Drafts, etc.

All checks, drafts, or other orders for payment of money, notes or other evidences of indebtedness, issued in the name of or payable to the Association, shall be signed or endorsed by such officer or officers and in such manner as, from time to time, shall be determined by resolution of the Board of Directors.

Section 4. Contracts

The Board of Directors, except as in these By-Laws otherwise provided, may authorize any officer or officers, agent or agents, to enter into any contract or execute any instrument in the name of and on behalf of the Association, and such authority may be general or confined to specific instances; and unless so authorized by the Board of Directors, no officer, agent or employee shall have any power or authority to bind the Association by any contract or engagement or to pledge its credit or to tender it liable for any purpose or for any amount.

Section 5. Annual Report

At least once during the fiscal year the Board of Directors shall cause a copy of a yearly financial report to be sent to each member of the Association.

Section 6. Inspection of By-Laws

The Association shall keep in its principal office for the transaction of business the original or a copy of the By-Laws as amended, and made available to all of the members.

Section 7. Annual Independent Review

An annual independent review of the financial books and records of the Association shall be made by a Certified Public Accountant(CPA) or equivalent, and a copy of such review shall be available for the inspection of each member, officer, or director of the Association within thirty (30) days of completion thereof.

ARTICLE V

AMENDMENTS

Section 1. By-Laws

These by-laws may be amended or modified at any time, or from time to time, or the by-laws may be repealed and new by-laws adopted, at any meeting of the Board of Directors, by a majority of the directors serving on the Board, except that those by-laws which apply to provisions of the Declaration may be motified, amended or repealed only subsequent to a proper amendment to the Declaration pursuant to terms of the Declaration.

Section 2. Record of Amendments

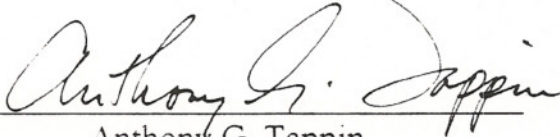
Whenever an amendment or new By-Law is adopted, it shall be placed in the book of By-Laws in the appropriate place. If any By-Law is repealed, the fact of repeal, with the date of the meeting at which the repeal was enacted or written assent was filed shall be stated in said book.

Section 3. Conflicts

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

Adopted :

Date: 11/14/97



Anthony G. Tappin
President



Cathy Giangrasso
Secretary

These By-Laws on the foregoing pages are hereby ratified, approved and adopted as the By-laws of Saddle Brook Community Association.

UNANIMOUS WRITTEN CONSENT OF THE BOARD OF DIRECTORS OF SADDLE BROOK COMMUNITY ASSOCIATION

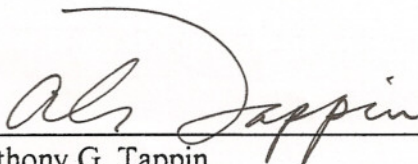
Pursuant to Section 108.45 of the Illinois General Not-For-Profit Corporation Act of 1986, the Board of Directors of Saddle Brook Community Association (the "Corporation") hereby adopts the following resolution by unanimous written consent and without a meeting:

WHEREAS, the Board of Directors believes it is in the best interest of the Corporation to adopt revised By-Laws and to govern itself in accordance with such By-Laws;

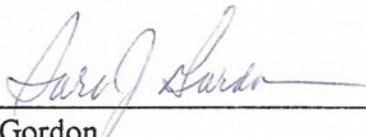
The undersigned, constituting all the directors of the Saddle Brook Community Association, hereby approve the By-Laws of the Association in the form attached hereto as Exhibit A.

This Consent may be signed in counterparts.

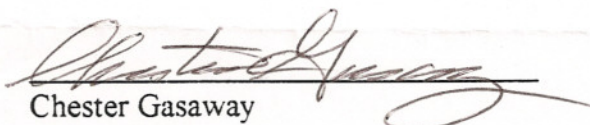
Dated this 15th day of September, 1997.



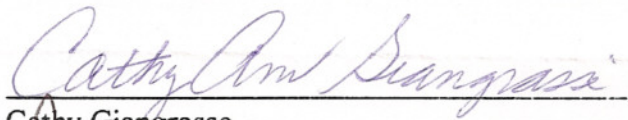
Anthony G. Tappin



Sara Gordon



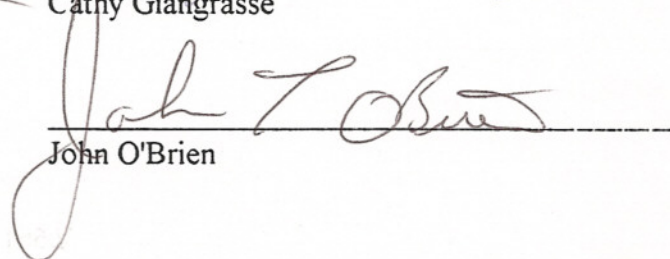
Chester Gasaway



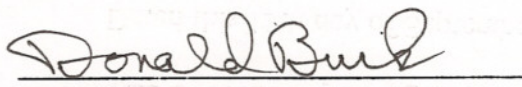
Cathy Giangrasso



Jim Guertler



John O'Brien



Don Buik