

BY-LAWS
OF
COUNTRY CROSSINGS
OF
RINGWOOD HOMEOWNERS ASSOCIATION

ARTICLE I

General Provisions

SECTION 1. Preamble. The COUNTRY CROSSINGS OF RINGWOOD HOMEOWNERS ASSOCIATION (Association) is responsible for the overall administration of all Phases in Country Crossings Subdivision. The Association shall have the powers and responsibilities specified in the General Not-For-Profit Corporation Act of 1986 of the State of Illinois which are not inconsistent with the Declaration of Covenants, Conditions and Restrictions recorded in the Office of the Recorder of Deeds, McHenry County, Illinois as Document No. 1998 R 0062715, as amended from time to time (Declaration). The Association shall have and exercise all powers necessary or convenient to effect any or all of the purposes for which the Association 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.

ARTICLE II

Members

SECTION 1. Classes of Members. Membership, and Termination Thereof. The Association shall have one class of members. The designation of such class and the qualifications of the members of such class shall be as follows:

Each Owner shall be a member of the Association, which membership shall terminate upon the sale or other disposition of such member's Lot, at which time the new Owner shall automatically become a member of the Association. 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 Declaration or the Association, during the period of such ownership and membership in the Association. Furthermore, such termination shall not impair any rights or remedies which the Board or others may 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 certificates evidencing membership shall be issued by the Association.

SECTION 2. Votes and Voting Rights. (a) Until the date of the first annual meeting of the members, as provided in ARTICLE III, Section i hereof, no member of the Association shall have the right to elect the Board of Managers, all such members of the Board shall be appointed and shall hold office as provided in ARTICLE IV, Section 2 of these By-Laws.

(b) Commencing with the date of the said first annual meeting of the members, the total number of votes of all members shall be equal to the total number of Lots in Country Crossings Subdivision. Each member shall be entitled to one vote (as defined in the Declaration) at the time any matter is submitted to a vote of the members.

(c) If a Lot is owned by more than one person, the voting rights with respect to such Lot shall not be divided, but shall be exercised as if the Owner consisted of only one person in accordance with the proxy or other designation made by the persons constituting such Owner. Any proxy must be executed in writing by the Owner or his duly authorized attorney-in-fact, must bear the date of execution, and shall be invalid after 11 months from the date of its execution. If only one of the multiple owners of a Lot is present at a meeting, he is entitled to cast all vote allocated to that Lot. If more than one of the multiple owners are present, and if any one of the multiple owners cast the vote allocated to that Lot without protest being made promptly to the person presiding over the meeting by any of the other owners of the Lot, there is deemed to be majority agreement.

SECTION 3. Transfer of Membership. Membership in this Association is not transferable or assignable, except as provided in ARTICLE II, Section 1 hereof.

SECTION 4. Installment Contracts. Anything herein to the contrary notwithstanding, in the event of a sale of a Lot, the purchaser of such Lot from a seller other than the Developer pursuant to an installment contract for purchase shall, during such times as he or she resides in the Lot, be counted toward a quorum for purpose of election of members of the Board at any meeting of the Owners called for the purposes of electing members of the Board, shall have the right to vote for the election of members of the Board and to be elected to and serve on the Board unless the seller expressly retains in writing any or all of such rights. In no event may the seller and purchaser both be counted toward a quorum, be permitted to vote for a particular office or be elected and serve on the Board. Satisfactory evidence of the installment

contract shall be made available to the Association or its agents.

ARTICLE III

Meetings of Members

SECTION 1. Annual Meetings. The first annual meeting of the members shall be held on such date as is fixed by the Developer, which date shall in no event be later than sixty (60) days from the date when all of the Lots have been conveyed by Developer. Thereafter, an annual meeting of the members for the purpose of electing Board members and for the transaction of such other business as may come before the meeting shall be held on the First Monday in March each year or such other date as is selected by the Board which date is within sixty (60) days before or after said date, provided, however that no such meeting need be held less than one year after the first annual meeting of the members.

SECTION 2. Special Meetings. Special meetings of the members may be called by the Board, the President, or not less than 20% of the members. All matters to be considered at special meetings of the members called by not less than 20% of the members shall first be submitted in writing to the Board 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 of Meeting. The Board of Directors may designate any place as the place of meeting for any annual meeting, or for any special meeting called by the Board of Directors. If no designation is made or if a special meeting be otherwise called, the place of meeting shall be the registered office of the corporation in the State of Illinois.

SECTION 4. Notice of Meetings. Written notice stating the place, date, and hour of any meeting of members shall be mailed or delivered or sent by facsimile or electronic transmission to each member entitled to vote at such meeting not less than five nor more sixty days before the date of such meeting, or, in the case of a removal of one or more directors, a merger, consolidation, dissolution or sale, lease or exchange of assets, not less than twenty nor more than sixty days before the date of the meet In case of a special meeting or when required by statute or by these by-laws, the purpose for which the meeting is called shall be stated in the notice. If mailed, the notice of a meeting shall be deemed delivered when deposited in the United States mail addressed to the member at his or her address as it appears on the records of the corporation, with postage thereon prepaid. When a meeting is adjourned to another time or place, notice need not be given of the adjourned meeting if the time and place thereof are announced at the meeting at which the adjournment is taken.

SECTION 5. Informal Action by Members. Any action required to be taken at a meeting of the members of the Association, or any other action which may be taken at a meeting of members, may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed either (i) by all the members entitled to vote with respect to the subject matter thereof, or (ii) by the members having not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting at which all members entitled to vote thereon were present and voting. If such consent is signed by less than all of the members entitled to vote, then such consent shall become effective only: (1) if, at least 5 days prior to the effective date of such consent, a notice in writing of the proposed action is delivered to all of the members entitled to vote with respect to the subject matter thereof, and (2) if, after the effective date of such consent, prompt notice in writing of the taking of the corporate action without a meeting is delivered to those members entitled to vote who have not consented in writing.

SECTION 6. Quorum. The members present at a meeting in person or by proxy, holding 20% 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 7. 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 duly authorized attorney-in-fact. No proxy shall be valid after eleven months from the date of its execution. Any proxy distributed for election of members of the Board shall give Owners the opportunity to designate any person as the proxy holder and shall give the Owner the opportunity to express a preference for any of the known candidates for the Board or to write in a name.

SECTION 8. Manner of Acting. Except as set forth below and except as otherwise required by the Declaration or the Act, 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 50% of the members represented at such meeting. the following matters shall require the affirmative vote of not less than 67% of all the members at a meeting duly called for that purpose:

- (a) Merger or consolidation of the Association;
- (b) Sale, lease, exchange or other disposition (other than a mortgage or pledge) of all, or substantially all, of the property and assets of the Association; or
- (c) The purchase and sale of land or Units on behalf of the Unit Owners.

SECTION 9. Voting by Ballot. Voting on any question or in any election may be by voice unless the chairman of the meeting shall order or any member shall demand that voting be by ballot.

ARTICLE IV
Board of Directors

SECTION 1. General Powers. The affairs of the Association shall be managed by or under the direction of its Board of Directors, which shall act as the Board of Directors of the Association as provided in the Declaration and herein.

SECTION 2. Number, Tenure and Qualifications. The number of members of the Board shall initially be four. Until the date of the first annual meeting of the members as hereinabove provided, members of the Board shall be the directors named in the Articles of Incorporation of the Association, otherwise, the members of the Board shall be as appointed by the Developer. Such members of the Board shall hold office until the first annual meeting of the members. Commencing with the annual meeting of the members, in March of 2003 the number of members of the Board shall be increased to five, one of whom shall be elected for a one year term, two of whom shall be elected for a two year term, three of whom shall be elected for a three year term. Thereafter, all Directors shall serve for a three year term. Each Director shall hold office until the expiration of his or her term and until his or her successor shall have been elected and qualified. The number of Directors may be decreased to not fewer than three (3) or increased to any number from time to time by amendment of this section. All members of the Board shall be elected at large. Each member of the Board shall hold office without compensation. In the event that a member of the Association is a corporation, partnership, trust or other legal entity other than a natural person or persons, then any shareholder, officer or director of such corporation, partner of such partnership, beneficiary or individual trustee of such trust, or manager of such other legal entity, may be eligible to serve as a member of the Board. If there are multiple owners of a single Lot, only one of the multiple owners shall be eligible to serve as a member of the Board at any one time. A member of the Board may succeed himself in office.

SECTION 3. Election. At each annual meeting of the members, the members shall be entitled to vote on a cumulative basis and the candidates receiving the highest number of votes with respect to the number of offices to be filled shall be deemed to be elected.

SECTION 4. Regular Meetings. A regular annual meeting of the Board shall be held without other notice than these By-Laws

immediately after, and at the same place as, the annual meeting of members. The Board shall, by regulations which the Board may, from time to time adopt, provide the time and place for the holding of additional regular meetings of the Board, provided that the Board shall meet at least four times per year.

SECTION 5. Special Meetings. Special meetings of the Board may be called by or at the request of the President or 25% of the 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 meeting of the Board called by them.

SECTION 6. Notice. Written notice of any special meeting of the Board shall be mailed or delivered or sent by facsimile or electronic transmission to all members of the Board at least 48 hours prior to the date of such special meeting. All such notices shall be deemed to be mailed when deposited in the United States mail addressed to each member of the Board at his or her address as it appears on the records of the Association, with proper postage thereon paid. The business to be transacted at, or the purpose of any regular or special meeting of the Board, shall be specified in the notice. Notices of a regular meeting of the Board need not be served on members of the Board.

SECTION 7. Quorum. A majority of the members of the Board 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 in accordance with the provisions of these By-Laws.

SECTION 8. Manner of Acting. The act of a majority of the members of the Board present at a 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 9. Vacancies. Any vacancy occurring in the Board by reason of death, removal or resignation of a member of the Board shall be filled by a two-thirds vote of the remaining members of the Board. A member elected to fill a vacancy shall be elected until the next annual meeting of the members of the Association. Members of the Board including those appointed by the De-zper, may resign at any time by written resignation delivered or mailed to any officer of the Association, which resignation shall be effective upon receipt of said resignation. If as the result of the death, removal or resignation of a member of the Board, no member of the Board remains in office, a special meeting of members of the Association may be called to fill all vacancies for the unexpired terms of the members of the Board.

SECTION 10. Removal. From and after the date of the first

annual meeting of the members, may be removed from office by the affirmative vote of at least 67% of all the members of the Association at special meeting called for such purpose. In addition, from and after the date of the first annual meeting of the members, any director may be removed with cause as specified by statute.

SECTION 11. Adoption of Rules and Regulations. All rules and regulations, or amendments thereto, shall be adopted by the Board 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, which rules and regulations conform to the requirements of the Declaration and these By-Laws. No quorum is required at such meeting of the members. Such rules and regulations shall be effective thirty (30) days after their adoption.

SECTION 12. General Duties, Powers, Etc. of the Board.

The Board shall exercise for the Association all powers, duties and authority vested in the Association by the Declaration and by these By-Laws, including but not limited to the following:

- (a) Operation, care, upkeep, maintenance, replacement, and improvement of the Common Property.
- (b) Preparation, adoption and distribution of the annual budget for the Property.
- (c) Levying of assessments, whether monthly, annual, special assessments or otherwise.
- (d) Collection of assessments from owners.
- (e) Employment and dismissal of the personnel necessary or advisable for the maintenance and operation of the common Property.
- (f) Obtaining adequate and appropriate kinds of insurance.
- (g) Adoption and amendment of rules and regulations covering the details of the operation and use of Country Crossings Subdivision.
- (h) Keeping of detailed, accurate records of the receipts and expenditures affecting the use and operation of the Property.
- (i) Paying real property taxes, special assessments, 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 Common Property

(j) Imposing charges for late payments of a Owner's assessments, or any other expenses lawfully agreed upon, and after notice and an opportunity to be heard, levy reasonable fines for violation of the Declaration, By-Laws, and rules and regulations of the Association.

SECTION 13. Default in Payment. (a) If an owner is in default in the monthly payment of the aforesaid charges or assessments for thirty (30) days, the Association may assess a late payment charge of \$10.00, or such other amount as may be determined from time to time by the Board of Directors, for each month, or part thereof, that 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 Association may bring suit for and on behalf of itself and as representative of all Owners, to enforce collection thereof or to foreclose the lien therefor as provided by law; and there shall be added to the amount due, the costs of said suit, together with legal interest and attorneys fees.

(b) Each such assessment, together with interest, court costs, late charges and attorneys' fees and costs of collections or the amount of any unpaid fine shall also be the personal obligation of the person who was the 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.

SECTION 14. Owner Accounts. Upon ten (10) days notice to the Association, and the payment of a reasonable fee fixed by the Association, any Owner shall be furnished a statement of his account setting forth the amount of any unpaid assessments or other charges due and owing from such Owner.

SECTION 15. Rules and Regulations. The Association may, pursuant to the provisions of these By-laws, from time to time, adopt or amend such rules and regulations governing the operation, maintenance, beautification and use of the Common Property, not inconsistent with the terms of the Declaration, as it sees fit, and the Owners shall conform to, and abide by, such rules and regulations. Written notice of such rules and regulations shall be delivered to all Owners.

ARTICLE V
OFFICERS

The Corporation shall have the following Officers:

1. President. The President shall be the principal Executive Officer of the Corporation. Subject to the direction and control of the Board of Directors, he or she shall be in charge of the business and affairs of the Corporation; he or she shall see that the resolutions and directives of the Board of Directors are carried into effect except in those instances in which that responsibility is assigned to some other person by the Board of Directors; and, in general, he or she shall discharge all duties as may be prescribed by the Board of Directors. He or she shall preside at all meetings of the members and of the Board of Directors. Except in those instances in which the authority to execute is expressly delegated to another Officer or agent of the Corporation or a different mode of execution is expressly prescribed by the Board of Directors or these By-laws, he or she may execute for the Corporation any contracts, deeds, mortgages, bonds, or other instruments which the Board of Directors has authorized to be executed, and he or she may accomplish such execution either under or without the Seal of the Corporation and either individually or with the Secretary, any Assistant Secretary, or any other Officer thereunto authorized by the Board of Directors, according to the requirements of the form of the instrument. He or she may vote all securities which the Corporation is entitled to vote except as and to the extent such authority shall be vested in a different Officer or agent of the Corporation by the Board of Directors.

2. Vice President. The Vice President shall assist the President in the discharge of his/her duties as the President may direct and shall be responsible for the common areas, insurance and shall perform such other duties as from time to time may be assigned to him/her by the President or by the Board of Directors. In the absence of the President, or in the event of his/her inability or refusal to act, the Vice President shall perform the duties of the President, and when so acting, shall have the powers of and be subject to all the restrictions upon the President. Except in those instances in which the authority to execute is expressly delegated to another officer or agent of the corporation or a different mode of execution is expressly prescribed by the Board of Directors or these By-Laws, the Vice President may execute for the corporation certificates for its shares and any contracts, deeds, mortgages, bonds or other instruments which the Board of Directors has authorized to be executed.

3. Treasurer. The Treasurer shall be the principal accounting and financial Officer of the Corporation. He or she shall: (a) have charge of and be responsible for the maintenance of

adequate books of account for the Corporation; (b) have charge and custody of all funds and securities of the Corporation, and be responsible therefor, and for the receipt and disbursement thereof; and (c) perform all the duties incident to the office of Treasurer and such other duties as from time to time may be assigned to him or her by the President or by the Board of Directors. If required by the Board of Directors, the Treasurer shall give a bond for the faithful discharge of his duties in such sum and with such surety or sureties as the Board of Directors shall determine, said bond to be carried at the expense of the Corporation.

4. Secretary. The Secretary shall record the minutes of the meetings of the Board of Directors in one or more books provided for that purpose; see that all notices are duly given in accordance with the provisions of these By-laws or as required by Law; be custodian of the corporate records and of the Seal of the Corporation; keep a register of the post office address of each Director which shall be furnished to the Secretary by such Director; and perform all duties incident to the office of Secretary and such other duties as from time to time may be assigned to him or her by the President or by the Board of Directors.

5. Chairperson Of The Architectural Review Committee. The Chairperson shall be designated from time to time by the Board Of Directors and shall be responsible for all matters regarding Applications to the Architectural Review Committee, including but not limited to, calling and presiding over all meetings of the Architectural Review Committee and coordinating with the Village of Ringwood all such issues coming before the committee.

6. Other Officers. Each year at the Annual Meeting, the Directors shall determine if other officers are needed for the coming year. In such event, the Directors, by resolution, shall specify such offices and duties for same and then elect a Director to fill such office.

ARTICLE VI COMMITTEES

The President may appoint various advisory committees. All committees shall be ad hoc and shall expire at the next Meeting. The persons appointed to such committees may, but, need not be, Directors of this Corporation.

ARTICLE VII BOOKS AND RECORDS

1. Books. The Corporation shall keep a correct and complete book of its accounts and also keep minutes of the proceedings of

the Board of Directors. All books and records of the Corporation may be inspected by any Director or any member, or its agents at any reasonable time.

2. Fiscal Year. The fiscal year of the Corporation shall be fixed by resolution of the Board of Directors.

3. Checks, Drafts, Etc. All checks, drafts, or other orders for the payment of money, notes, or other evidences 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 Board of Directors. In the absence of such determination by the Board of Directors, such instruments shall be signed by any two

(2) Officers of the Corporation.

4. Seal. The Official Seal of the Corporation shall be adopted by resolution of the Board of Directors.

ARTICLE VIII AMENDMENTS

The power to alter, amend, or repeal the By-laws and/or Articles of Incorporation shall be vested in the Board of Directors, unless otherwise provided by Law. Such action may be taken at an Annual, Regular, or Special Meeting for which written notice of this specific purpose shall have been given three (3) Days prior to the meeting. Any such revision may be adopted only by a two thirds (2/3) vote of the entire Board of Directors.

ARTICLE IX CONTRACTS, CHECKS, DEPOSITS AND FUNDS

SECTION 1. Contracts. 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 in the name of and on behalf of the Association and such authority may be general or confined to specific instances.

SECTION 1. Checks, Drafts, Etc. All checks, drafts or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Association, shall be signed by such officer or officers, agent or agents of the Association 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 of the Association.

SECTION 3. Deposits. All funds of the Association shall be deposited from time to time to the credit of the Association in such banks, trust companies or other depositories as the Board may elect.

ARTICLE XI **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 at least 67% of all of the members at a regular meeting or at any special meeting called for such purpose, by recording an instrument in writing setting forth such alteration, amendment or repeal, which is signed and acknowledged by the President or Vice President and the Secretary or Assistant Secretary of the Association and which contains an affidavit by an officer of the Board certifying that the necessary affirmative Vote of the members of the Association has been obtained.

ARTICLE XII **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 Common 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.

(c) The term "Board", "Board of Directors" or "Director" as used herein shall refer to the Board of Directors, or one of its members respectively, or the Association. The term Association or Corporation as used herein shall refer to Country Crossings Homeowners Association, an Illinois Not-For-Profit Corporation.