

BY-LAWS
OF
HOBSON VILLAGE COMMUNITY ASSOCIATION
OF NAPERVILLE, ILLINOIS
As amended and readopted September 9, 2003

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ARTICLE I

Organization

SECTION 1. The Association is incorporated under the laws of Illinois as a not for profit corporation. Its object is to facilitate, through an elected representative body, communication within the Association and with governmental bodies and their agencies; adherence to reasonable architectural standards within the area; maintenance of the grounds, entranceways, common areas, and tennis courts; and to insure that the interests of the members are fairly represented in all matters of common interest. The Association operates on a fiscal year of November 1 through October 31.

ARTICLE II

Membership

SECTION 1. There shall be only one class of membership and that being all residents of the subdivision or geographic area known as Hobson Village.

SECTION 2. All members in good standing shall enjoy voting privilege and each shall be entitled to one vote.

SECTION 3. Every owner of a Lot is automatically a member of the Hobson Village Community Association. Membership is appurtenant to and shall not be separated from the ownership of a Lot. There shall be one membership per Lot.

SECTION 4. The spouse, children, and any other permanent resident living at the residence of a member shall enjoy all of the privileges afforded by the Association subject to these by-laws and such rules and regulations as the Board of Directors may from time to time prescribe.

SECTION 5. Any member who ceases to be in residence in Hobson Village must advise the Secretary of the Association in writing of their current address. The Secretary will verify the status of any member regarding any pending financial obligation to the Association in order to avoid title encumbrances.

SECTION 5.1. Upon sale of property in Hobson Village, a member shall advise the Secretary of the Association in writing to arrange cancellation of membership.

SECTION 6. The annual dues of members, payable as determined by the Board of Directors, shall be evaluated annually by the Board and an equitable amount established for the current year as, in the sole discretion of the Board, the needs of the Association may require and are non-refundable. Special assessments may be levied from time to time, but no special assessment shall be valid until ratified and approved by a majority of the total members present in person or by written proxy at a regular meeting, or at a special meeting called for the purpose of considering the same.

SECTION 7. The Board of Directors shall by the first day of November of each year formulate an estimate of the probable costs of operation of the Association for the ensuing fiscal year and shall publish due notice of the same.

SECTION 8. The Board of Directors shall fix by vote the terms and conditions upon which guests of members may use the facility of the Association. The Board shall be guided by poll of the membership by establishing the policy of guest privilege as liberal as may be compatible with the best use of facilities by the membership.

SECTION 9. Any member who, for any cause shall cease to be a member, shall forfeit all rights, interest and equity in the Association.

ARTICLE III

Management

SECTION 1. The control and management of the Association and its general affairs and property shall be only entrusted to a Board of seven directors. The Board shall have full management control, as well as fiscal and budgetary approval and responsibility, as defined in the by-laws. All directors elected must be resident voting members serving during any operating year. The Directors shall elect a president who will preside at all meetings of the Board of Directors. A Vice President shall be similarly elected who shall preside in the absence of the President.

SECTION 2. The annual meeting and election of Directors of the Association shall be held in November of each year, at such time, date, and place as the Board of Directors shall direct, notice of which time, date, and place shall be given by mail to the members of the Association not less than fifteen (15) nor more than thirty (30) days before such meeting; but such meeting may be adjourned from time to time as shall be necessary or convenient. The Directors elected at such meeting shall take office immediately.

SECTION 3. The Directors shall hold office for two year terms and/or until their successors are duly elected and qualified.

SECTION 4. Members of the Board of Directors shall be elected annually by the members. Four (4) Board of Director seats shall expire in every even numbered year. Three (3) Board of Director seats shall expire in every odd numbered year. At least thirty (30) days before the annual meeting, the President shall appoint a nominating committee consisting of three (3) members of the Association, two shall be continuing Directors. Such nominating committee shall nominate at least enough candidates to fill expiring Board member terms for the succeeding fiscal year. At least fifteen (15) days before the annual meeting, the Secretary shall mail to each voting member of the Association the nominations so made. Twenty-five or more members of the Association may nominate other Association members as candidates for the Board of Directors by filing with the Secretary a written nomination at least ten (10) days prior to the annual meeting. The Secretary will promptly mail notice of any additional nominations to all the voting members.

SECTION 5. The Board of Directors shall have the power to fill any vacancy that may occur in their own number in any office in the Association. The Directors or Officers so elected shall serve until the next annual election.

SECTION 5.1. Four members of the Board of Directors shall constitute a quorum for the transaction of business and the action of a majority of such a quorum shall be the action of the Board of Directors, but a less number may adjourn from time to time.

SECTION 5.2. Officers and Directors shall serve without compensation, provided, however, that they shall be entitled to out-of-pocket expenses necessarily incurred by them in their performance of their duties.

SECTION 5.3. If any Director fails to attend four meetings of the Board in any fiscal year, the Board may, in its sole discretion, declare his/her office vacant.

SECTION 6. The regular meetings of the Board of Directors shall be held on the third Tuesday of each month, or on such other day of each month as the Directors shall decide, and at such time and place as they shall determine. Special meetings may be called on the order of the President or on the motion in writing of four Directors. At least two days notice of each special meeting, specifying its object, shall be given by mail or telephone to each Director.

SECTION 7. The Officers of the Association shall be a President, Vice President, Secretary, and Treasurer. They shall be elected by the Directors at the first regular or special meeting of the Board of Directors subsequent to the annual election of Directors and shall hold their respective offices for one year, and/or until their successors are elected or qualified. The Officers shall be subject to the control of the Board of Directors and may be removed by a majority of Directors at any regular meeting or at any special meeting called for the purpose.

SECTION 8. The President, who must also be a Director, shall preside at all meetings of the members and shall be the general executive officer of the Association, subject to the direction

and control of the Board of Directors. The President and the Secretary shall sign, on behalf of the Association, all instruments in writing, contracts, deeds, notes, mortgages, and other legal documents which it may become necessary for the Association to execute after authorization from the Directors.

SECTION 9. The Vice President, who must also be a Director, shall perform the duties of the President in the event of the President's death, absence, or inability to act.

SECTION 10. The Secretary, who is a non-voting member appointed by the Board, shall attend the meetings of the members and of the Board of Directors, and shall keep in a book or books of the Association provided for that purpose, true and correct records of all the meetings; shall give all notices herein provided for or required by law, or that may from time to time be necessary or expedient; shall have custody of the corporate seal, charter, constitution, by-laws, and records; shall conduct its correspondence, except such as belongs to the office of the Treasurer; and shall perform such other duties as are usual to the office or as may be required by the Board of Directors. The Secretary shall be at all times subject to the discretion and control of the Board of Directors.

SECTION 11. The Treasurer, who is a non-voting member appointed by the Board, shall keep all accounts of the Association in books belonging to the Association which shall at all times be open to the inspection of the Board of Directors. The Treasurer shall collect and disburse funds of the Association under the direction of the Board of Directors. The Treasurer shall, if requested by the Board of Directors, render a statement in writing at each regular meeting of the Board of Directors, showing receipts, disbursements, and expenses during the preceding month, the amounts due from members, and the cash balance on the hand, and as fair as practical, the outstanding balance sheet showing the financial condition of the Association and full reporting detail of the receipts, disbursements, and expenses of the fiscal year just closed, which balance sheet and report shall have been previously printed and distributed to the members at least three days prior to the annual meeting. The fiscal year shall end October 31 each year. The Treasurer shall keep the funds of the Association on deposit in the name of the Association in a bank to be designated by the Board of Directors and shall furnish such bond as the Board of Directors may require; such bond to be deposited with and kept by the President. The Board of Directors shall require that all checks, drafts, and other instruments for payment of funds of the Association in excess of \$500.00 shall require two signatures, one of which shall be the Treasurer, the other of which shall be a director(s) as authorized by the Board of Directors at their first meeting following annual election. The Treasurer shall also perform such other duties as are usual to the office or may be required by the Board of Directors, and shall be at all times subject to the direction and control of the Board of Directors.

ARTICLE IV

Committees

SECTION 1. The President, at the first meeting of the Board of Directors following the annual meeting, shall appoint Chairpersons for the following standing Committees:

By-Law Committee
Auditing Committee
Social Committee
Maintenance and Landscaping Committee
Tennis Committee
Architectural Committee

Chairpersons of all committees, except for the Auditing Committee, must be Directors. The chairpersons so appointed shall prepare and submit to the President a list of Committee members to serve on such Committees for the succeeding year. The President may appoint such other Committees, and delegate to them such powers and duties, as he/she may from time to time deem expedient. The Committee Chairpersons and members shall at all times be subject to the direction and control of the Board of Directors.

SECTION 2. The By-Laws Committee shall be responsible for overseeing the by-laws of the Association and, from time to time as conditions warrant, updating the language and/or the content of the bylaws to insure they reflect current conditions and deal reasonably with the needs of the members and the Association. The By-laws Committee shall provide the Board and the members with information and interpretation concerning the by-laws and shall, as required or directed by the Board of Directors, obtain professional legal counsel to resolve concerns or disputes related to the application or interpretation of the by-laws.

SECTION 3. The Auditing Committee, consisting of three full members who are not Directors, shall annually audit the books of the Association and shall report the results of their audit at the annual meeting. The report of the auditor shall be available at all times.

SECTION 4. The Social Committee shall be responsible for all social functions sponsored by the Association.

SECTION 5. The Maintenance and Landscape Committee shall be responsible for the on-going care and refurbishment of the grounds, entranceways, common areas, and area outside fences of the tennis courts with the authority to contract with equipment and service suppliers, let and approve bids for services, and carry out other related functions under the direction of the Board of Directors.

SECTION 6. The Tennis Committee shall be responsible for the maintenance of the Tennis Courts, including the storage of nets and related mechanical equipment. In addition, the Tennis Committee shall be responsible for the on-going care and refurbishment of the tennis courts and grounds in the immediate area of the courts, including fencing and gates, net posts, nets, wind screens and parking lot area, but excluding those areas that fall under the responsibility of the Maintenance and Landscape Committee. Posting and maintenance of appropriate signage that apply to the use of the courts are also the responsibility of the Tennis Committee.

SECTION 7. The Architectural Committee shall provide the members with a single point of contact concerning the standards of the neighborhood related to the construction of any external structure, enclosure, or appurtenance added to an existing dwelling in Hobson Village.

ARTICLE V

Meetings

SECTION 1. See ARTICLE III, Section 2.

SECTION 2. Special meetings of the members may be called at any time by the Board of Directors and shall be called by them on the request in writing of not less than twenty-five (25) voting members. Members shall be given at least five days notice by mail of any special meeting, which notice shall state the subject of such meeting.

SECTION 2.1. The Directors may call a special Spring meeting of the Association at such time and place set by the Board of Directors, at which meeting they shall report upon the general condition of the Association, furnish an estimate of income and expenses for the current year, and request action to be taken on such matters as they may deem advisable for the best interest of the Association.

SECTION 3. At any annual or special meeting of the Association, twenty-five (25) voting members, present in person or by written proxy, shall constitute a quorum for the transaction of business; but a less number shall have the power to adjourn any such meeting from time to time.

ARTICLE VI

Architectural

SECTION 1. The Board of Directors shall require that, prior to the erection of any external structure, enclosure or appurtenance added to the existing dwelling, (e.g. swimming pools, solar panels, decks, screened-in porches, fences, dog runs, etc.) the owner of that dwelling shall review the actual physical plans with all adjoining neighbors and obtain each neighbor's written agreement to the building plan. The plans shall be presented to the Chairperson of the Architectural Committee or the Chairperson's representative. The Board of Directors will

review the material and respond to the requesting party in seven (7) business days or less. Should an unapproved structure, enclosure or appurtenance be added to an existing dwelling in Hobson Village without observing the procedure of this Section, the Board of Directors shall have the right to require removal or rehabilitation of said structure, enclosure or appurtenance at the owner's cost. Notwithstanding any of the aforementioned procedures, satellite dishes greater than one (1) meter in diameter, ham radio towers and above-ground swimming pools are strictly prohibited. The aforementioned requirements are in addition to the requirements of the municipal codes of the City of Naperville.

ARTICLE VII

Miscellaneous

SECTION 1. Consistent with the mandate in Article III, Section 1 of the by-laws, the Board of Directors shall exercise its responsibilities in a reasonable and prudent manner, and shall have the power to expend funds in the discharge of those responsibilities in accordance with the budget approved for the current fiscal year at the previous annual meeting. No additional authorization of the membership shall be required to permit the Board of Directors to so discharge its responsibilities as defined in these by-laws.

SECTION 2. Nothing in these by-laws shall be construed to permit the Board of Directors to borrow or pledge the credit of the Association, except as provided in an annual budget properly submitted and approved by the membership at an annual or special meeting, without the specific approval of a majority of two-third (2/3) of the voting members of the Association at a duly held regular or special meeting.

SECTION 3. The Association shall keep correct and complete records containing names and addresses all of voting members. Such records may be inspected by any voting member for any proper purposes upon reasonable written notice and statement of purpose.

SECTION 4. The Association shall file with the Secretary of State an Annual Report between the fifteen day of January and the last day of February of each year.

SECTION 5. Each person acting as a Director, Officer, Registered Agent, attorney, accountant, or employee for or on behalf of the Association shall be indemnified by the Association against any expenses actually and necessarily incurred by such person in connection with the defense of any action, suit, or proceeding in which such person is made a party by reason of such person acting in such capacity. Such indemnification shall not be applicable where such person would be adjudged guilty by a court of law of willful misconduct in the performance of such duties.

SECTION 6. The Board of Directors shall promulgate rules and regulations which are consistent with these by-laws governing the operation and use of the Association's facilities, such as, but not limited to, entranceways, common grounds, and tennis courts, and in connection therewith

shall take such other action as it deems necessary and proper.

SECTION 6.1. All unlicensed motor vehicles are prohibited from use of Hobson Village common properties unless expressly authorized by the Board of Directors in writing as a part of a recognized special event or to fulfill a special need.

SECTION 7. These by-laws are subordinate to the Articles of Incorporation and the Declaration of Conditions, Restrictions and Reservations of the Association, but shall control and take precedence over any other rule and regulation of the Association, or publication, or other matter, whether oral or written.

SECTION 8. All points of order not covered by the by-laws shall be ruled upon according to Robert's Rules of Order.

SECTION 9. Consistent with provisions of the Declaration of Conditions, Restrictions and Reservations of Hobson Village, for the purpose of enforcement of liens against delinquent homeowners, and other legal actions necessary to enforce said by-laws, it shall be the duty of the Association to bring suit to enforce such liens before the expiration thereof. The Association shall have the right, in all suits brought to enforce these by-laws, to recover all attorney's fees and costs incurred in connection with such court action.

SECTION 10. Vehicles exceeding a 10,000 GVW rating, with or without advertising displays, may be placed, kept, or maintained upon any lot or parcel of land not to exceed the following:

- a. Forty-eight (48) consecutive hours;
- b. An aggregate of four (4) days (which may or may not be consecutive) within a period of sixty (60) days.

ARTICLE VIII

Amendments

SECTION 1. These by-laws may be amended at any annual or special meeting by vote of a simple majority of the total membership in person or by written proxy. Notices of proposed amendments shall be furnished to the Secretary, and the Secretary shall mail a notice of such proposed amendments, with copies of same to each member at least fifteen (15) days and not more than thirty (30) days before such meeting.

ARTICLE IX

Offices

SECTION 1. The Post Office address of the principal office of the Association shall be that designated by the Board of Directors. The Association shall have and continuously maintain in this state a registered office and a registered agent whose office shall be determined by the Board of Directors.

ARTICLE X

Effective Date

SECTION 1. These by-laws shall become effective on such date as determined by the membership at the time they are adopted and shall supersede any previous by-laws of the Association.

ARTICLE XI

Agreement

The recorded certain agreement entitled "Amendment and Restatement of Conditions, Restrictions and Reservations for Hobson Village," executed by the Hobson Village Community Association, by reference is incorporated in said by-laws and any provision contained herein, in conflict with same, be and is hereby amended or deleted.

HEREBY ADOPTED by the Board of Directors of Hobson Village Community Association and certified by the President and Secretary thereof, this 9th day of September, 2003 .