

ATRIUM TOWNHOMES ASSOCIATION

BY-LAWS

ARTICLE I

DEFINITIONS

The following words when used in these By-Laws shall have the following meanings:

1. "Association" means the ATRIUM TOWNHOMES ASSOCIATION, an Illinois not-for-profit corporation.
2. "Board of Directors" means the Board of Directors of the Association, as constituted at any time or from time to time.
3. "Common Areas" means those areas of land which are Common Areas pursuant to the Declaration.
4. "Declaration" means the Declaration of Party Wall Rights, Easements, Covenants and Restrictions dated the 15th day of March, 1972 made by National Boulevard Bank of Chicago as Trustee under Trust Agreement dated May 26, 1969, and known as Trust No. 3133 (the "Trustee"), relating to the Subject Property, as amended and supplemented from time to time.
5. "Developer" means the beneficiary under the Trust Agreement dated May 26, 1969, and known as National Boulevard Bank of Chicago Trust No. 3133.
6. "Owner" means each record owner of one or more Townhouses.
7. "Subject Property" means the real estate defined as the Subject Property in the Declaration.
8. "Townhouse" means each townhouse and other single family dwelling at any time situated on the Subject Property.

ARTICLE II

PURPOSES

The purposes of the Association are to promote the health, safety and welfare of the residents within the Subject Property, as defined in the Declaration, or in any Declaration supplemental thereto, and for this purpose to (a) own, acquire, build, operate and maintain on the Subject Property common areas, including buildings, structures and personal property incident thereto (the "Common Areas"); (b) maintain, rebuild and replace the external structural portions of the townhouses to be constructed on the Subject Property; (c) maintain land and trees; (d) levy and enforce collection of assessments against the townhouses and the owners thereof and disburse the same; (e) enforce any and all covenants, restrictions and agreements applicable to the Subject Property; (f) pay taxes and insurance on the Common Areas; and (g) insofar as permitted by law do any other thing that in the opinion of the Board of Directors will promote the common benefit and enjoyment of the residents of the Subject Property.

The Association also has such powers as are now or may hereafter be granted by the General Not For Profit Corporation Act of the State of Illinois.

ARTICLE III

OFFICES

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 of Directors may from time to time determine.

ARTICLE IV

MEMBERSHIP

Section 1. Members. Every person who is an Owner shall be a Class A member, except that prior to May 1, 1977, the Developer shall be the Class B member. In any case where title to a Townhouse is held in a land title holding trust under a trust agreement which gives the beneficiary the right to occupy the property and the power to direct the trustee with respect to disposition of the property, the beneficiary of such trust shall be treated as the Owner. The Developer shall be the Class B member until April 30, 1977, after which date Class B membership shall cease. Any person or entity who holds a townhouse merely as security for the performance of an obligation shall not be a member.

Section 2. Voting Rights. The voting rights of the members shall be as follows:

Class A. Each Class A member shall be entitled to one vote for each Townhouse in which he holds an interest. When more than one person holds such an interest, all such persons shall be members of the corporation, and the vote for such Townhouse shall be exercised as they among themselves determined.

Class B. The Class B member shall be entitled to that number of votes equal to four times the excess of 210 over the number of Townhouses owned by Class A members. Class B membership shall cease on April 30, 1977, after which date the Developer shall become a Class A member with respect to any Townhouses then owned by the trust of which the Developer is the beneficiary.

ARTICLE V

MEETINGS OF MEMBERS

Section 1. Annual Meetings. An annual meeting of the members shall be held on the Wednesday following the first Tuesday in June in each year, beginning with the year 1973, at a location on the Properties (as defined in the Declaration), or such other location in the City of Elmhurst, Illinois, as the Board of Directors shall determine, for the purpose of electing Directors and for the transaction of such other business as may come before the meeting. If such day be a legal holiday, the meeting shall be held at the same hour on the next succeeding business day. If the election of Directors shall not be held on the day designated herein for any annual meeting, or at any adjournment thereof, the Board of Directors shall cause the election to be held at a special meeting of the members called as soon thereafter as conveniently may be.

Section 2. Special Meetings. Special meetings of the members may be called by the President, and shall be called by the President upon adoption of a resolution by the Board of Directors, or upon the signing of a petition by members having not less than 1/3 of the votes. Special meetings shall be held at a location on the Properties, or such other location in the City of Elmhurst, Illinois, as the Board of Directors shall determine.

Section 3. Notice of Meetings. Written or printed notice stating the place, day and hour of any meeting of members shall be delivered, either personally or by mail, to each member entitled to vote at such meeting, not less than five nor more than forty days before the date of such meeting, by or at the direction of the President, or the Secretary, or the officers or persons calling the meeting. 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 address as it appears on the records of the Association with postage thereon prepaid.

Section 4. 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 by all of the members entitled to vote with respect to the subject matter thereof.

Section 5. Quorum. The members holding 1/5 of the votes which may be cast at any meeting shall constitute a quorum at such meeting. If a quorum is not present at any meeting of members, a majority of the members present may adjourn the meeting from time to time without further notice.

Section 6. 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 unless otherwise provided in the proxy.

Section 7. Election of Directors. All elections to the Board of Directors shall be made by written ballot. Each member shall be entitled to cast his vote or votes for up to the number of Directors equal to the number of vacancies to be filled.

The candidates with the greatest number of votes shall be elected. The ballots shall be prepared and mailed by the Secretary to the members at least 10 days in advance of the date set forth therein for a return (which shall be a date not later than the day before the annual meeting or special meeting called for elections).

Each ballot shall be placed in a separate envelope which shall bear on its face the name and signature of the member or his proxy, and such other information as the Board of Directors may determine will serve to establish his right to cast the vote presented in the ballot contained therein. The ballots shall be returned to the Secretary of the Association. Upon receipt of each ballot, the Secretary shall immediately place it in a safe or other locked place until the day set for the annual or special meeting at which the elections are to be held. On that day, the envelopes containing the ballots shall be turned over, unopened, to an Election Committee which shall consist of 5 members appointed by the Board of Directors. The Election Committee shall then adopt a procedure which shall establish that the signature of the member or his proxy on the envelope is genuine and if the vote is by proxy, that such proxy is valid. Such procedure shall be taken in such manner that the vote of any member or his proxy shall not be disclosed to anyone, even the Election Committee. The Election Committee shall then proceed to the opening of the ballot envelopes and the counting of the votes. The results of the counting shall be announced at the meeting.

Section 8. Nominations. Nominations to the Board of Directors may be made by the Nominating Committee, or by petition signed by members who have not less than 10% of the voting rights in the Association, which petitions shall be delivered to the Secretary at least 30 days before the date of the annual meeting.

ARTICLE VI

BOARD OF DIRECTORS

Section 1. General Powers. The affairs of the Association shall be managed by its Board of Directors. The Board of Directors shall have power, without limiting the generality of the foregoing:

- (a) To call special meetings of the members whenever it deems necessary.
- (b) To establish, levy and assess, and collect the assessments and charges referred to in the Declaration.
- (c) To adopt and publish rules and regulations governing the use of the Common Areas.
- (d) To exercise architectural control over the Townhouses as more fully provided for in the Declaration.
- (e) To exercise for the Association all powers, duties and authority vested in the Association.

Section 2. Duties. It shall be the duty of the Board of Directors:

- (a) To cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof to the members at the annual meeting of the members.
- (b) To supervise all officers, agents and employees of the Association and to see that their duties are properly performed.
- (c) As more fully provided in Article VII of the Declaration:
 - (i) to fix the amount and the due dates of the periodic assessments for each assessment period;
 - (ii) to levy and fix the due date for any special assessments as authorized by the Declaration;

- (iii) to prepare a roster of the properties and the assessments applicable thereto which shall be kept in the office of the Association and shall be open to inspection by any member;
- (iv) to send written notice of each assessment to every member subject thereto.

Section 3. Number, Tenure and Qualification. The number of Directors shall be 9. Beginning May 1, 1977, all Directors shall be members of the Association. The Board of Directors shall be elected annually at the annual meeting of members. Each Director shall hold office until his successor shall have been duly elected and shall have qualified.

Section 4. Semi-Annual Meetings. The Board of Directors shall have regular semi-annual meetings on the Wednesday following the first Tuesday in June immediately following the annual meeting of members, and on the Wednesday following the first Tuesday in December in each year beginning with the year 1973, provided, however, that the Board of Directors may, by resolution, change the day and hour of holding such regular meetings. If the day for the regular meeting shall fall upon a holiday the meeting shall be held at the same hour on the first day following which is not a holiday. Regular meetings shall be held at a location on the Properties or at such other place in the City of Elmhurst, Illinois, as the Board of Directors shall determine.

Section 5. Special Meetings. Special meetings of the Board of Directors may be called by or at the request of the President or any 2 Directors. The person or persons authorized to call special meetings of the Board may fix any place within the City of Elmhurst, Illinois, as the place for holding any special meeting of the Board called by them.

Section 6. Notice. Notice of any special meeting of the Board of Directors shall be given at least 2 days previous thereto by written notice delivered personally or sent by mail or telegram to each Director at his address as shown by the records of the Association. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail in a sealed envelope so addressed, with postage thereon prepaid. If notice be given by telegram, such notice shall be deemed to be delivered when the telegram is delivered to the telegraph company. Any Director may waive notice of any meeting. The attendance of a Director at any meeting shall constitute a waiver of notice of such meeting, except where a Director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened.

Section 7. Quorum. A majority of the Board of Directors shall constitute a quorum for the transaction of business at any meeting of the Board, provided, that if less than a majority of the Directors are present at said meeting, a majority of the Directors present may adjourn the meeting from time to time without further notice.

Section 8. Manner of Acting. The act of a majority of the Directors present at a meeting at which a quorum is present shall be the act of the Board of Directors, except where otherwise provided by law or by these By-Laws.

Section 9. Vacancies. Any vacancy occurring in the Board of Directors or any directorship to be filled by reason of an increase in the number of Directors, shall be filled by the Board of Directors. A Director elected to fill a vacancy shall be elected for the unexpired term of his predecessor in office.

Section 10. Compensation. Directors shall not receive any stated salaries for their services.

Section 11. Informal Action by Directors. Any action required to be taken at a meeting of the Directors, or any action which may be taken at a meeting of the Directors, may be taken without a meeting if a consent in writing setting forth the action so taken shall be signed by all the Directors.

ARTICLE VII

OFFICERS

Section 1. Officers. The officers of the Association shall be a President, one or more Vice Presidents (the number thereof to be determined by the Board of Directors), a Treasurer, a Secretary and such other officers as may be elected in accordance with the provisions of this article. The Board of Directors may elect or appoint such other officers, including one or more Assistant Secretaries and one or more Assistant Treasurers, as it shall deem desirable, such officers to have the authority and perform the duties prescribed, from time to time, by the Board of Directors. Any two or more offices may be held by the same person, except the offices of President and Secretary.

Section 2. Election and Term of Office. The officers of the Association shall be elected annually by the Board of Directors at the first Board of Directors meeting following the annual meeting of the members. If the election of officers shall not be held at such meeting, such election shall be held as soon thereafter as conveniently may be. Vacancies may be filled or new offices created and filled at any meeting of the Board of Directors. Each officer shall hold office until his successor shall have been duly elected and shall have qualified.

Section 3. Removal. Any officer or agent elected or appointed by the Board of Directors may be removed by the Board of Directors whenever in its judgment the best interests of the Association would be served thereby.

Section 4. Vacancies. A vacancy in any office because of death, resignation, removal, disqualification or otherwise, may be filled by the Board of Directors for the unexpired portion of the term.

Section 5. President. The President shall be the principal officer of the Association and shall in general supervise and control all of the business and affairs of the Association. He shall preside at all meetings of the members and the Board of Directors. He may sign, with the Secretary or any other proper officer of the Association authorized by the Board of Directors, any deeds, mortgages, bonds, contracts, or other instruments which the Board of Directors have authorized to be executed, except in cases where the signing and execution thereof shall be expressly delegated by the Board of Directors or by these By-Laws or by statute to some other officer or agent of the corporation; and in general shall perform all duties incident to the office of President and such other duties as may be prescribed by the Board of Directors from time to time.

Section 6. Vice President. The Vice President shall perform all the duties of the President in his absence.

Section 7. Treasurer. The Treasurer shall have charge and custody of and be responsible for all funds and securities of the Association; receive and give receipts for moneys due and payable to the Association from any source whatsoever, and deposit all such moneys in the name of the Association in such banks, trust companies or other depositories as shall be selected in accordance with the provisions of these By-Laws; and in general perform all the duties incident to the office of Treasurer and such other duties as from time to time may be assigned to him by the President or by the Board of Directors.

Section 8. Secretary. The Secretary shall keep the minutes of the meetings of the members and 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 records and seal of the Association and see that the seal of the Association is affixed to all documents, the execution of which on behalf of the Association under its seal is duly authorized in accordance with the provisions of these By-Laws; keep a register of the post office address of each member which shall be furnished to the Secretary by such member; and in general perform all duties incident to the office of Secretary and such other duties as from time to time may be assigned to him by the President or by the Board of Directors.

ARTICLE VIII

COMMITTEES

Section 1. Standing Committees. The Standing Committees of the Association shall be:

The Nominating Committee
The Maintenance Committee
The Audit Committee

Unless otherwise provided herein, each committee shall consist of a Chairman, who shall be a Director, and two or more members, who need not be Directors but who shall be members of the Association. The committees shall be appointed by the Board of Directors at the June meeting of the Board to serve from the close of such meeting until the close of the next June meeting of the Board. The Board of Directors may appoint such other committees as it deems desirable.

Section 2. Nominating Committee. Nominations for election to the Board of Directors shall be made by a Nominating Committee. The Nominating Committee shall make as many nominations for election to the Board of Directors as it shall in its discretion determine but not less than the number of vacancies that are to be filled. After April 30, 1977, all such nominations shall be made from members of the Association. Nominations shall be placed on written ballot as provided in Article V hereof.

Section 3. Maintenance Committee. The Maintenance Committee shall advise the Board of Directors on all matters pertaining to the maintenance, repair or improvement of the Common Properties and facilities of the Association, and shall perform such other functions as the Board, in its discretion, determines.

Section 4. Audit Committee. The Audit Committee shall supervise the annual audit of the Association's books and approve the annual budget and balance sheet statement to be presented to the membership at its regular annual meeting. The Treasurer shall be an *ex officio* member of the Committee.

Section 5. Sub-Committees. With the exception of the Nominating Committee, each committee shall have power to appoint a sub-committee from among its membership and may delegate to any such sub-committee any of its powers, duties and functions.

Section 6. 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.

Section 7. Quorum; Rules. A majority of the members of a 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. Each committee may adopt rules for its own government not inconsistent with these By-Laws or with the rules adopted by the Board of Directors.

ARTICLE IX

CONTRACTS, CHECKS, DEPOSITS AND FUNDS

Section 1. Contracts. The Board of Directors 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 2. 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 of Directors. In the absence of such determination by the Board of Directors, such instruments shall be signed by the Treasurer or an Assistant Treasurer, if any, and countersigned by the President or a Vice 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 of Directors may select.

Section 4. Gifts. The Board of Directors may accept on behalf of the Association any contribution, gift, bequest or devise for the general purposes or for any special purpose of the Association.

ARTICLE X

CERTIFICATES OF MEMBERSHIP

Section 1. Certificates of Membership. The Board of Directors may provide for the issuance of certificates evidencing membership in the Association which shall be in such form as may be determined by the Board. Such certificates shall be signed by the President or a Vice President and by the Secretary or an Assistant Secretary and shall be sealed with the seal of the Association. The name and address of each member and the date of issuance of the certificate shall be entered on the records of the Association. If any certificate shall become lost, mutilated or destroyed, a new certificate may be issued therefor, upon such terms and conditions as the Board of Directors may determine.

Section 2. Issuance of Certificates. When any person shall become a member of the Association, a certificate of membership shall be issued in his name and delivered to him by the Secretary, if the Board of Directors shall have provided for the issuance of certificates of membership under the provisions of Section 1 of this article.

ARTICLE XI

BOOKS AND RECORDS

The Association shall keep correct and complete books and records of account and shall also keep minutes of the proceedings of its members, Board of Directors and committees having any of the authority of the Board of Directors, and shall keep at the principal office a record giving the names and addresses of the members entitled to vote. All books and records of the Association may be inspected by any member, or his agent or attorney for any proper purpose at any reasonable time.

ARTICLE XII

WAIVER OF NOTICE

Whenever any notice whatsoever is required to be given under the provisions of the General Not For Profit Corporation Act of Illinois or under the provisions of the Articles of Incorporation or the By-Laws of the Association, a waiver thereof in writing signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice.

ARTICLE XIII

AMENDMENTS

Section 1. Amendments. These By-Laws may be amended, at a regular or special meeting of the members, by a vote of members who have $\frac{2}{3}$ of the voting power of the members present, provided that notice of the proposed amendment was included in notice of the meeting. Those provisions of these By-Laws which are governed by the Articles of Incorporation of this Association may not be amended except as provided in the Articles of Incorporation; any provisions of these By-Laws which are governed by the Declaration may not be amended except as provided in the Declaration.

Section 2. Conflicts. In the event of a conflict between the Articles of Incorporation and these By-Laws, the Articles of Incorporation shall control. In the event of a conflict between the provisions of the Declaration and these By-Laws, the applicable provisions of the Declaration shall control.