

BYLAWS

RIVERBEND NORTH HOMEOWNER'S ASSOCIATION, INC.

ARTICLE I

Name and Location

The name of the corporation is Riverbend North Homeowner's Association, Inc. The principal office of the corporation shall be located at 600 South State Street, Belvidere, Illinois 61008, but meetings of members and directors may be held at such places within the State of Illinois as may be designated by the Board of Directors.

ARTICLE II

Definitions

Section 1. "Association" shall mean and refer to RIVERBEND NORTH HOMEOWNER'S ASSOCIATION, INC. its successors and assigns.

Section 2. "Common Area" shall mean that real property owned by the Association for the common use and enjoyment of the owners described as Plats 2, 3, 4 and 5 of Riverbend North, being a subdivision of a part of the Southeast Quarter, Section 24, Township 44 North, Range 3 East of the Third Principal Meridian in the City of Belvidere, Boone County, Illinois.

Section 3. "Declarant" shall mean and refer to Riverbend Partners, LLC., an Illinois limited liability company, its successors and assigns.

Section 4. "Declaration" shall mean and refer to the Declaration of Covenants, Conditions, and Restrictions that may be applicable to the subdivision from time to time.

Section 5. "Lot" shall mean and refer to any plot of land shown on the recorded subdivision plat with the exception of the Common Area.

Section 6. "Member" shall mean and refer to those persons entitled to membership in the Association as provided in the Declaration.

Section 7. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of the fee simple title to any lot which is a part of the subdivision, including contract sellers, but excluding those holding title merely as security for the performance of an obligation.

Section 8. "Subdivision" shall mean and refer to that certain tract of real property known as the Riverbend North Subdivision, situated in Boone County, Illinois in the

Declaration, and such additions thereto as may be brought within the jurisdiction of the Association pursuant to the provisions of the Declaration.

ARTICLE III

Meetings of Members

Section 1. Annual Meetings. There shall be an annual meeting of the voting members on such date as selected by the Board as may be designated by a written notice of the Board.

Section 2. Special Meetings. Special meetings of Members may be called at any time by the president or by the Board Directors, or on written request of ten (10) Members.

Section 3. Notice of Meetings. Written notice of each meeting of Members shall be given by, or at the direction of, the secretary or other person authorized to call the meeting, by mailing a copy of such notice, postage prepaid, at least ten (10) but not more than thirty (30) days before such meeting to each member entitled to vote there at, addressed to the Member's address last appearing on the books of the Association, or supplied by such Member to the Association for the purpose of receiving notice. Such notice shall specify the day, hour, and place of the meeting, and in the case of a special meeting, the purpose of the meeting.

Section 4. Quorum. The presence at the meeting, in person or by proxy, of Members entitled to cast at least 50 votes of the membership shall constitute a quorum for authorization of any action, except as may otherwise be provided in the Declaration, the Articles of Incorporation, or these Bylaws. If a quorum is not present at any meeting, the Members entitled to vote there shall have power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum is present.

Section 5. Proxies. At all meetings of Members, each Member may vote in person or by proxy. All proxies shall be in writing. Proxies shall be revocable, and the proxy of any owner shall automatically terminate on conveyance by the Owner of a Lot.

ARTICLE IV

Board of Directors; Term of Office; Removal

Section 1. Number. The affairs of the Association shall be managed by a Board of Directors of five (5) directors, who shall be members of the Association.

Section 2. Term of Office. After election to the Board, the Directors shall select

two (2) directors for a term of one (1) year, two (2) directors for a term of two (2) years, and one (1) director for a term of three (3) years; at each annual meeting thereafter, the Members shall select not more than two (2) directors for a term of Two (2) years.

Section 3. Removal. Any director may be removed from the Board, with or without cause, by a majority vote of the Members of the Association. In the event of death, resignation, or removal of a director, a successor shall be selected by the remaining Members of the Board and shall serve for the unexpired term of the predecessor.

Section 4. Compensation. No director shall receive compensation for any service rendered to the association. However, any director may be reimbursed for actual expenses incurred in the performance of duties (for example, postage, copying, etc. paid for personally on behalf of the Association).

ARTICLE V

Board of Directors; Nomination and Election

Section 1. Nomination. Nomination for election to the Board of Directors shall either be by nominating committee or nomination by the Members. Nominations may also be made from the floor at any annual meeting of Members where the election has not already been done by mail. The nominating committee, if so selected, shall consist of a chairman who shall be a Member of the Board of Directors, and two or more Members of the Association. The committee shall be appointed by the Board of Directors prior to each annual meeting to serve from the close of such meeting until the close of the next annual meeting, and such appointment shall be announced at each annual meeting. The nominating committee shall make as many nominations for election to the Board of Directors as it shall in its discretion determine, but in no event shall it nominate less than the number of vacancies to be filled.

Section 2. Election. Election to the Board of Directors shall be by secret written ballot. At such election the Members or their proxies may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Declaration. Persons receiving the largest number of votes shall be elected. Cumulative voting is not permitted.

ARTICLE VI

Board of Directors; Meetings

Section 1. Regular Meetings. Regular meetings of the Board of Directors shall be held quarterly without notice, at such place and hour as may be fixed from time to time by resolution of the board. In the event the regular date for a meeting falls on a legal holiday, such meeting shall be held at the same time on the next following day that is not a legal holiday.

Section 2. Special Meetings. Special meetings of the Board of Directors shall be held when called by the president of the Association, or by any two directors, after not less than three (3) days' notice to each director.

Section 3. Quorum. A majority of the directors shall constitute a quorum for the transaction of business. Every act performed or decision made by a majority of directors present at a duly held meeting in which a quorum is present shall constitute the act or decision of the Board.

ARTICLE VII

Board of Directors; Powers and Duties

Section 1. Powers. The Board of Directors shall have power to:

- (a) Adopt and publish rules and regulations governing the use of the Common Area and facilities including the personal conduct of the Members and their guests thereon; and to establish penalties for infractions of such rules and regulations;
- (b) Suspend the voting right of any member during any period in which such Member is in default in the payment of any assessment levied by the Association. Such right may also be suspended after notice and hearing, for a period not to exceed thirty (30) days, for infraction of published rules and regulations;
- (c) Exercise on behalf of the Association all powers, duties, and authority vested in or delegated to the Association and not specifically reserved to the membership by the Declaration, Articles of Incorporation, or by other provisions of these Bylaws;
- (d) Declare the office of a Member of the Board of Directors to be vacant in the event that such Member is absent from three (3) consecutive regular meetings of the Board of Directors; and
- (e) Employ a manager, independent contractors, and such other employees as deemed necessary, and to prescribe their duties.

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

- (a) Cause to be kept a complete record of all its acts and corporate affairs and to make available to the Members at each annual meeting, or at any special meeting;
- (b) Supervise all officers, agents, and employees of the Association

and see to it that their duties are properly performed;

- (c) As more fully provided in the Declaration:
 - (1) Fix the amount of the annual assessment against each Lot at least forty-five (45) days in advance of the due date for each annual assessment payment;
 - (2) Send written notice of each assessment to every owner subject thereto at least thirty (30) days in advance of each annual assessment payment;
 - (3) Foreclose the lien against any property for which assessments are not paid within sixty (60) days after the due date, or bring an action at law against the owner personally obligated to pay the same.
- (d) Issue, or cause an appropriate officer to issue, on demand by any person, a certificate setting forth whether or not any assessment has been paid. A statement in a certificate to the effect that an assessment has been paid shall constitute conclusive evidence of payment. The Board may impose a reasonable charge for the issuance of these certificates;
- (e) Procure and maintain adequate liability and hazard insurance on all property owned by the Association;
- (f) Cause all officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate; and
- (g) Cause the common area to be maintained

ARTICLE VIII

Officers and Their Duties

Section 1. Enumeration of Officers. The officers of the Association shall be a president and vice president, who shall at all times be members of the Board of Directors, and a secretary, treasurer, and such other officers as the Board may from time to time by resolution create.

Section 2. Election of Officers. The election of officers shall take place at the first meeting of the Board of Directors following an election.

Section 3. Term. The officers of the Association shall be elected annually by the

Board. Each shall hold office for a term of one year unless he shall sooner resign, or shall be removed or otherwise disqualified to serve.

Section 4. Special Appointments. The Board may elect such other officers as the affairs in the Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board, from time to time, may determine.

Section 5. Resignation and Removal. Any officer may be removed from office by the Board at any time with or without cause. Any officer may resign at any time by giving written notice to the board, the president, or the secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective. Resignation as an officer shall not automatically constitute resignation from the Board.

Section 6. Vacancies. A vacancy in any office may be filled by appointment by the Board. The officer appointed to such vacancy shall serve for the unexpired term of the officer replaced.

Section 7. Multiple Offices. The offices of secretary and treasurer may be held by the same person. No person shall simultaneously hold more than one of any of the other offices, except in the case of special offices created pursuant to Section 4 of this Article.

Section 8. Duties. The duties of the officers are as follows:

- (a) President. The president shall preside at all meetings of the Board of Directors; shall see that orders and resolutions of the Board are carried out; shall sign all leases, maintenance agreements, and other instruments, and shall co-sign all checks and promissory notes.
- (b) Vice President. The vice president shall act in the place of the president in the event of the president's absence, inability, or refusal to act, and shall exercise and discharge such other duties as may be required by the Board.
- (c) Secretary. The secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the Members; serve notice of meetings of the Board and of Members; keep appropriate current records showing the Members of the Association together with their addresses; and perform such other duties as may be required by the Board or by law.
- (d) Treasurer. The treasurer shall receive and deposit in appropriate bank accounts all funds of the Association, and shall disburse such

funds as directed by resolution of the Board of Directors; shall sign all checks of the Association; shall keep proper books of account; and shall prepare an annual budget and statement of income and expenditures, a copy of which documents shall be delivered to each member, and a report on which shall be given at the regular annual meeting of Members.

ARTICLE IX

Committees

The Association may appoint such committees as are necessary to carry out the business of the Board.

ARTICLE X

Assessments

As more fully provided in the Declaration, each Member is obligated to pay to the Association annual and special assessments, which are secured by a continuing lien on the property against which such assessments are made. Any assessments that are not paid when due are considered delinquent. If an assessment is not paid within sixty (60) days after the due date, the assessment bears interest from the date of delinquency at the rate of ten percent (10%) per year, and the Association may bring an action at law against the owner personally obligated to pay the same, or may foreclose the lien against the property. Interest, costs, and reasonable attorneys' fees of any such action shall be added to the amount of any assessment due. No owner may waive or otherwise escape liability for assessments by nonuse of the Common Area or abandonment of the Lot.

ARTICLE XI

Books and Records; Inspection

The books, records and papers of the Association shall be subject to inspection by any Member by appointment. The Declaration, Articles of Incorporation and Bylaws of the Association shall be available for inspection by any Member at the principal office of the Association, where copies shall be made available for sale at a reasonable price.

ARTICLE XII

Fiscal Year

The fiscal year of the Association shall be the calendar year.

ARTICLE XIII

Amendments

These Bylaws may be amended, at a regular or special meeting of Members, by vote of a majority of a quorum of Members present in person.