

BY-LAWS

OF

ACORN ACRES IMPROVEMENT ASSOCIATION, INC.

ARTICLE I

Purposes

PURPOSES: The purposes of the corporation as stated in its Certificate of Incorporation are: To combat community deterioration and bring about civic betterments in and about the area known as Acorn Acres in the Village of Hawthorn Woods, Lake County, Illinois, including without limitation: (a) the installation, upkeep, maintenance and replacement of trees, shrubs, flowers, grass and other landscaping, and to provide such other facilities as shall promote community welfare and recreation in, upon and around the lake area, entranceway, public and community owned properties; (b) maintaining and enforcing to the extent lawful and not against public policy, the easements, restrictions and covenants established in the deeds to the lots of present and future units of Acorn Acres Subdivision. The corporation shall also have such powers as are now or may hereafter be granted by the General Not For Profit Corporation Act of the State of Illinois.

ARTICLE II

Offices

OFFICES: The corporation 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 III

Members

Section 1. Membership

The corporation shall have two classes of membership. Members must be property owners of lots within the present or future units of Acorn Acres Subdivision. One class of membership is owners of unimproved lots and the other is owners of improved lots. An unimproved lot is a lot in the Acorn Acres Subdivision upon which no residence has been started prior to November 1st preceding the due date of the annual assessment. An improved lot is a lot in the Acorn Acres Subdivision upon which a residence has been started by November 1 preceding the due date of the annual assessment. When a resident other than the original subdivider owns two or more lots, he will be assessed dues for each lot and be entitled to cast a vote for each lot.

Section 2. Voting Rights

Each membership shall be entitled to one (1) vote on each matter submitted to a vote to the members, if the dues, assessments or fees assessed have been paid in full.

Section 3. Transfer of Membership

Membership in this corporation is transferable or assignable, only through transfer of property, and upon receipt of prorated dues from new owner.

ARTICLE IV

Meetings of Members

Section 1. Annual Meeting

An annual meeting of the Members shall be held on or about November 1st of each year for the purposes 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 Saturday. 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 Meeting

Special meetings of the Members may be called by the President, the Board of Directors, or not less than one-tenth of the Members having voting rights.

Section 3. Place of Meeting

The Board of Directors may designate any location within the Village of Hawthorn Woods 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 Hawthorn Woods Village Hall, provided, however, that if all of the Members shall meet at any time and place, and consent to the holding of a meeting, such meeting shall be valid and without call or notice, and at such meeting any corporate action may be taken.

Section 4. 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 U. S. mail addressed to the Member or addressed to "Acorn Acres Homeowner" at his address as it appears on the records of the corporation, with postage thereon prepaid.

Section 5. Informal Action By Members

Any action required to be taken at a meeting of the Members of the corporation, 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 6. Quorum

The Members holding one-tenth of the votes entitled to be cast represented in person or by proxy shall constitute a quorum at any 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 7. Proxies

At any meeting of Members, a Member entitled to vote may vote either in person or by proxy executed in writing by such Member or by his or its duly authorized attorney-in-fact, provided that the vote of a corporation which is a Member may be cast by such officer, agent or proxy as the By-Laws of such officer, agent or proxy as the by-laws of such corporation may prescribe, or, in the absence of such provision, as the Board of Directors of such corporation may determine. No proxy shall be valid after eleven months from the date of its execution unless otherwise provided in the proxy.

ARTICLE V

Board of Directors

Section 1. General Powers

The affairs of the corporation shall be managed by its Board of Directors which shall have all of the powers and duties conferred upon it by law, articles of incorporation, and these By-Laws.

Section 2. Number, Tenure and Qualifications

The number of directors shall be five, each director to serve a two-year term. Beginning with every odd year three directors will be elected. Beginning every even year two directors will be elected. Directors must be members in good standing of this corporation. Each director shall hold office of the corporation until his successor shall have been elected and qualified.

Section 3. Regular Meetings

A regular annual meeting of the Board of Directors shall be held without other notice than this By-Law, immediately after and at the same place as, the annual meeting of Members. The Board of Directors may provide by resolution the time and place for the holding of additional regular meetings of the Board without other notice than such resolution.

Section 4. Special Meeting

Special meetings of the Board of Directors may be called by or at the request of the President or any two directors. The person or persons authorized to call special meetings of the Board may fix any place as the place for holding any special meeting of the Board called by them.

Section 5. Informal Action By Directors

Any action required to be taken at a regular or special meeting of the directors of the corporation, or any other 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 of the directors entitled to vote with respect to the subject matter thereof.

Section 6. Notice

Notice of any special meeting of the Board of Directors shall be given at least 10 days previously thereto by written notice delivered personally or sent by mail to each director at his address as shown by the records of the corporation. If mailed, such notice shall be deemed to be delivered when deposited in the U. S. mail in a sealed envelope so addressed, with postage thereon prepaid. 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. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the Board need be specified in the notice or waiver of notice of such meeting, unless specifically required by law or by these By-Laws.

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 is 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 of 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 appointed for the unexpired term of his predecessor in office.

Section 10. Compensation

Directors as such shall not receive any stated salaries for their services, but by resolution of the board of directors, a fixed sum and expenses of attendance, if any, may be allowed for attendance at such regular or special meeting of the board, provided that nothing contained herein shall be construed to prohibit any director from serving the corporation in any other capacity and receiving compensation, therefrom.

ARTICLE VI

Officers

Section 1. Officers

The officers of the corporation 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. Officers shall be elected from the board of directors. 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.

Section 2. Election and Term of Office

The officers of the corporation shall be elected annually by the board of directors at the regular annual meeting of the board of directors. 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 been 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 judgement the best interests of the corporation would be served thereby. But such removal shall be without prejudice to the contract rights, if any, of the person so removed.

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 executive officer of the corporation and shall in general supervise and control all of the business and affairs of the corporation. He shall preside at all meetings of the members and of the board of directors. He may sign, with the secretary or any other proper officer of the corporation 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

In the absence of the president or in the event of his inability or refusal to act, the vice-president (or in the event there be more than one vice-president in the order designated, or in the absence of any designation, then in the order of their election) shall perform the duties of the president and when so acting, shall have all the powers of and be subject to all the restrictions upon the president. Any vice-president shall perform such other duties as from time to time may be assigned to him by the president or by the board of directors.

Section 7. Treasurer

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. He shall have charge and custody of and be responsible for all funds and securities of the corporation; receive and give receipts for money due and payable to the corporation from any source whatsoever, and deposit all such monies in the name of the corporation in such banks, trust companies or other depositories as shall be selected in accordance with the provisions of Article VIII 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 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 corporate records and of the seal of the corporation and see that the seal of the corporation is affixed to all documents, the execution of which on behalf of the corporation 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.

Section 9. Assistant Treasurer

If required by the board of directors, the assistant treasurer shall give bonds for the faithful discharge of his duties in such sums and with such sureties as the board of directors shall determine. The assistant treasurer, in general, shall perform such duties as shall be assigned to him by the treasurer or the secretary or by the president or the board of directors.

ARTICLE VII

Committees

Section 1. Committees of Directors

The board of directors, by resolution adopted by a majority of the directors in office, may designate one or more committees, each of which shall consist of two or more directors, which committees, to the extent provided in said resolution, shall have and exercise the authority of the board of directors in the management of the corporation; but the designation of such committee and the delegation thereto of authority shall not operate to relieve the board of directors or any individual director, of any responsibility imposed upon it or him by law.

Section 2. Other Committees

Other committees not having and exercising the authority of the board of directors in the management of the corporation may be designated by a resolution adopted by a majority of the directors present at a meeting at which a quorum is present. Except as otherwise provided in such resolution, members of each such committee shall be members of the corporation, and the president of the corporation shall appoint the members thereof. Any member thereof may be removed by the person or persons authorized to appoint such member whenever in their judgement the best interest of the corporation shall be served by such removal.

Section 3. Term of Office

Each member of a committee shall continue as such until the next annual meeting of the members of the corporation and until his successor is appointed, unless the committee shall be sooner terminated, or unless such member be removed from such committee, or unless such member shall cease to qualify as a member thereof.

Section 4. Chairman

One member of each committee shall be appointed chairman.

Section 5. 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 6. Quorum

Unless otherwise provided in the resolution of the board of directors designating a committee, a majority of the whole 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.

ARTICLE VIII

Contracts, Checks, Deposits and Funds

Section 1. Contracts

The Board of Directors may authorize any officer or officers, agent or agents of the corporation, 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 corporation 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 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 the Treasurer or an Assistant Treasurer and countersigned by the President or a Vice President of the corporation.

Section 3. Deposits

All funds of the corporation shall be deposited from time to time to the credit of the corporation in such banks, trust companies or other depositaries as the board of directors may select.

Section 4. Gifts

The board of directors may accept on behalf of the corporation any contribution, gift, bequest or devise for the general purposes or for any special purpose of the corporation.

Section 5. Budget Limitation

No debt in excess of the approved budget shall be incurred without approval of the full membership. The budget is defined as the amount of monies from dues, carryover from previous years, gifts and special fund raising.

ARTICLE IX

Certificates of Membership

Section 1. Certificates of Membership

The board of directors may provide for the issuance of certificates evidencing membership in the corporation 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 corporation. All certificates evidencing membership of any class shall be consecutively numbered. The name and address of each member and the date of issuance of the certificate shall be entered on the records of the corporation. If any certificate shall become lost, mutilated or destroyed a new certificate may be issued therefore upon such terms and conditions as the board of directors may determine.

Section 2. Issuance of Certificates

When a party has gained membership and has paid any initiation fee and dues that may then be required, 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 X

Books and Records

The corporation 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 registered or principal office a record giving the names and addresses of the members entitled to vote. All books and records of the corporation may be inspected by any member, or his agent or attorney for any proper purpose at any reasonable time.

ARTICLE XI

Fiscal Year

The fiscal year of the corporation shall begin on the first day of January and end on the last day of December in each year.

ARTICLE XII

Dues

Section 1. Annual Dues

Annual dues are shown in the following schedule:

<u>Type Membership</u>	<u>Annual Dues</u>
Unimproved Lot	\$ 12.50 17.50
Improved Lot	25.00 35.00

Increases and special assessments must be approved by a majority of the members.

Section 2. Payment of Dues

Dues for each year shall be payable on the first day of January. Dues of a new member shall be prorated from the first day of the month in which such new party has gained membership, for the remainder of the calendar year. Dues shall be considered in arrears thirty days after due date.

Section 3. Penalty for Non-Payment of Dues

Dues, charges and assessments as declared by the directors or membership, if not paid by the end of the calendar year for which they are assessed, shall be a valid and enforceable lien on the respective property. Said lien shall also include attorney's fees and filing charges applicable at time of placement, and attorney fees and legal fees to collect said lien. In addition a penalty of 10 per cent of the unpaid balance per year shall be charged and included in the lien.

ARTICLE XIII

Seal

The board of directors shall provide a corporate seal which shall be in the form of a circle and shall have inscribed thereon Acorn Acres Improvement Association, Inc.

ARTICLE XIV

Waiver of Notice

Whenever any notice whatever 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 By-Laws of the corporation, 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 XV

Amendment to By-Laws

These By-Laws may be altered, amended or repealed and new by-laws may be adopted by a majority of the members present at any regular meeting or any special meeting of the members, provided that at least seven days written notice is given of intention to alter, amend or repeal or to adopt new By-Laws at such meeting. Said written notice shall contain specifically the proposed amendments to be considered at said meeting.

ARTICLE XVI

Fund Raising

The Acorn Acres Improvement Association reserves the right to raise necessary funds by social events and or the sale of donated merchandise. All profits from these activities must be turned into and accounted for by the association's board of directors.

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