

**BY-LAWS
OF
LAKE PROPERTY OWNERS' ASSOCIATION OF LAKE ZURICH ("LPOA")
(As Amended and Restated at the Annual Meeting of the Members in 2018.)**

ARTICLE I - INCORPORATION

The Lake Property Owners' Association of Lake Zurich ("LPOA") was incorporated on January 25, 2008 in the State of Illinois.

ARTICLE II – DEFINITIONS

For the purpose of brevity and clarity, certain words and terms used in these By-laws are defined as follows:

- 1.1 "Act" shall mean and refer to The Illinois General Not For Profit Association Act of 1986, as amended.
- 1.2 "Articles of Incorporation" shall mean and refer to the Articles of Incorporation of the Association filed with the Illinois Secretary of State on January 25, 2008, as amended.
- 1.3 "Association" shall mean and refer to the Lake Property Owners' Association of Lake Zurich ("LPOA"), an Illinois not for profit corporation.
- 1.4 "Board" shall mean and refer to the members of the Board of Directors determined pursuant to Article VI hereof who are vested with the authority and responsibility of governing the Association.
- 1.5 "By-laws" shall mean and refer to these Amended and Restated By-laws of the Association.
- 1.6 "Code" shall mean and refer to the Internal Revenue Code of 1986 or the corresponding provision of any future United States Internal Revenue law.
- 1.7 "Entity-Property Owner" shall mean and refer to each of the following: Bayshore Village Homeowners Association, Inc., The Lions Club, of Lake Zurich, Ill., Oakwood Beach Club, Inc., Sandy Point Condominium Association, Inc., South Shore Mobile Home Park, Village of Lake Zurich, West Lake Club, and Whitney Shores Association, and any other entity designated as such by the Board for purposes of the By-laws.
- 1.8 "Lake" shall mean and refer to the lake of Lake Zurich, a private, non-navigable waterway, located in the Village of Lake Zurich, Lake County, Illinois.
- 1.9 "Lake Property" shall mean and refer to any real estate or property under or immediately contiguous to the shoreline of the Lake **with deeded Lake bed ownership** (i.e., conveyed or transferred by deed).
- 1.10 "Members" shall mean and refer to the Persons determined pursuant to Article V hereof.
- 1.11 "Membership fees" shall mean and refer to those fees and/or assessments as may be required of members of the Association as provided in these By-laws.

- 1.12 “Non-Voting Members” shall mean and refer to all purchasers of a Lake Maintenance and Use Permit from the Association who consent to membership in the Association (without voting rights) and abide by these By-laws and all of the rules and regulations promulgated by the Association.
- 1.13 “Occupant” shall mean and refer to one or more Persons, other than a Property Owner or Entity-Property Owner, in possession of Lake Property.
- 1.14 “Person” shall mean and refer to a natural individual, corporation, limited liability company, partnership, trust or other legal entity capable of holding title to real property.
- 1.15 “Property Owner” shall mean and refer to the record owner, whether one or more Persons, of the fee simple absolute title to any improved or unimproved Lake Property, excluding Bayshore Village Homeowners Association, Inc., The Lions Club, of Lake Zurich, Ill., Oakwood Beach Club, Inc., Sandy Point Condominium Association, Inc., South Shore Mobile Home Park, Village of Lake Zurich, West Lake Club, Whitney Shores Association, any other entity designated as an Entity-Property Owner by the Board for purposes of the By-laws, and their directors, trustees, officers, residents and members, as the case may be.
- 1.16 “Voting Members” shall mean and refer to all Members At Large and Entity Members in good standing as determined pursuant to Article V hereof.

ARTICLE III – PURPOSE AND POWERS

SECTION 1. Purpose. The Association is organized and operated as a social and recreation club, within the meaning so described in Section 501(c)(7) of the Code, for the purpose of promoting the safe and enjoyable use of the Lake by its members.

SECTION 2. Powers. The Association shall have and exercise all powers as are now or may hereafter be granted by the Act, the Articles of Incorporation and these By-laws.

ARTICLE IV - OFFICES

SECTION 1. Registered Office. The Association shall continuously maintain in the Village of Lake Zurich and the State of Illinois a registered office and a registered agent whose business office is identical with such registered office and may have other offices within or without the state.

SECTION 2. Principal Office. The Association’s principal office shall be maintained on the Lake Property or at the office of any managing agent engaged by the Association.

ARTICLE V – MEMBERS

SECTION 1. Classes of Members; Voting Rights. The Association shall have three (3) classes of members. The designation of such classes and the qualification and voting rights of the members of each such class shall be as follows:

- 1.1 Members At Large. Any Property Owner who has consented to membership in writing may be eligible for membership in the Association as a “Member At Large.” No Members At Large

shall have the right to vote except those who are in good standing and, except as required by other provisions of these By-laws or the Articles of Incorporation, such members shall have the right to vote only in the election and removal of Directors At Large (as provided in Article VI, Section 2 hereof) and amendments to these By-laws (as provided in Article XV hereof). Notwithstanding anything in these By-laws to the contrary, if a Property Owner is more than one Person, then the record owners of the applicable Lake Property shall designate one record owner in writing to the Board as the only Voting Member for the applicable Lake Property. If, in the case of multiple record owners of a Lake Property, no designation is given, then the Board may, at its election, recognize one record owner of the Lake Property as the only Voting Member for such Lake Property. Subject to the preceding sentences in this Section 1.1, each Member At Large (or its designated Voting Member, as applicable) entitled to vote shall have one vote.

- 1.2 **Entity Members.** Any Entity-Property Owner that has consented to membership in writing may be eligible for membership in the Association as an “Entity Member.” No Entity Members shall have the right to vote except those who are in good standing and, except as required by other provisions of these By-laws or the Articles of Incorporation, such members shall have the right to vote only in the election and removal of Entity Directors (as provided in Article VI, Section 2 hereof) and amendments to these By-laws (as provided in Article XV hereof). Each Entity Member entitled to vote shall have one vote.
- 1.3 **Non-Voting Members.** Any natural individual who is not a Property Owner and meets the following qualifications may be eligible for membership in the Association as a “Non-Voting Member”:
 - 1.3.1 consents to membership in writing; and
 - 1.3.2 purchases a Lake Maintenance and Use Permit from the Association for the applicable boating season.

Membership in the Association as a Non-Voting Member shall commence and expire or terminate on the same dates of commencement and expiration or termination of the LPOA watercraft permit issued for the boating season each year, unless sooner terminated pursuant to Article V, Section V of these By-laws. Non-Voting Members shall not be entitled to vote on any matter.

Members shall have only those voting rights specifically set forth in Article V, Sections 1.1 and 1.2 hereof.

Members who do not abide by these By-laws and all of the rules and regulations promulgated by the Association may be suspended or expelled from membership in the Association.

SECTION 2. Good Standing; Occupants. Members in good standing are those members who are current in the payment of their membership fees, if any, abide by the terms of these By-laws and whose membership has not been terminated by death, dissolution, resignation, or otherwise. Occupants shall not be eligible for membership in the Association and shall not be entitled to vote on any matter.

SECTION 3. Membership Certificates. No membership certificates of the Association shall be required.

SECTION 4. Membership Fees. Members shall pay membership fees to the Association in such amounts and in such manner and at such time as shall from time to time be determined by the Board. Fees unpaid by the applicable due date(s) shall be subject to penalties for nonpayment in such amounts as shall from time to time

be determined by the Board. No Person shall be entitled to a refund of any portion of membership fees paid; provided, however, that if such Person's membership in the Association is terminated by reason of sale to another of such Person's Lake Property, such Person shall be entitled to assign to the new record owner of such Lake Property the benefit of such Person's previously paid membership fees.

SECTION 5. Termination of Membership. The membership of each member of the Association shall terminate upon that member's death, dissolution, resignation or expulsion and, in the case of Non-Voting Members, shall also terminate on the date of expiration or termination of the LPOA watercraft permit issued for the boating season. In addition, each member's membership shall terminate because of his, her or its non-payment of any required membership fees on a date which is thirty (30) days after the date for which that member's membership fees were due; provided, however, that the Board may prescribe procedures for extending the time for payment of membership fees and continuation of membership privileges upon request of a member and for good cause shown. Unless otherwise determined by the Board, members whose membership has terminated may renew their membership only by reapplication, except that members whose membership has been terminated because of the non-payment of dues may reactivate their membership by the payment of current dues and any applicable penalties at any time after the termination of their membership.

SECTION 6. Suspension and Expulsion. Any member of the Association may be suspended or expelled from membership, with cause, upon the affirmative vote of two-thirds (2/3) of the members of the Board present and voting at any meeting of the Board if, in the discretion of the Board, as indicated by that vote, such suspension or expulsion would be in the best interests of the Association.

SECTION 7. Annual Meeting. An annual meeting of the members shall be held on the third Thursday of May in each year for the purpose of electing the Directors At Large (as defined in Article VI, Section 2) and affirming appointment of the Entity Directors (as defined in Article VI, Section 2), and transacting such other business as may come before the meeting. If the day fixed for the annual meeting shall be a legal holiday, or by a majority vote of the Board or by not less than one-fifth of all of the votes entitled to be cast at such a meeting, the date of such annual meeting may be changed to an alternate date determined by the President and approved by the moving party.

SECTION 8. Special Meetings. Special meetings of the members may be called by either the President, by the Board, or by not less than one-fifth of all of the votes entitled to be cast at such a meeting, for the purpose or purposes stated in the notice of the meeting.

SECTION 9. Place of Meetings. The Board may designate any place as the place of meeting for any annual meeting or for any special meeting called pursuant to Section 8 above.

SECTION 10. Notice of Meetings. Written notice stating the place, date, and hour of each meeting and, in the case of a special meeting, the purpose or purposes for which the meeting is called, shall be delivered to each member of record entitled to vote at such meeting not less than ten (10) nor more than thirty (30) days before the date of the meeting, either personally or by mail, by or at the direction of the President or the Secretary, or the officer or persons calling the meeting, to each member entitled to vote at the meeting. "Delivered," for the purpose of determining if any notice required by this Section 10 is effective, means: (a) transferred or presented to the member in person; (b) deposited in the United States mail addressed to the member at his, her or its address as it appears on the records of the Association, with sufficient first-class postage prepaid thereon; or (c) transmitted by electronic means to the e-mail address, facsimile number, or other contact information appearing on the records of the Association as authorized in writing by the member. 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. The proposed annual budget shall be provided to

all members entitled to vote at least thirty (30) days but not more than sixty (60) days prior to its adoption. Notice of a Board meeting regarding the adoption of the proposed annual budget must be given within ten (10) to sixty (60) days prior to the meeting.

SECTION 11. Informal Action by Members. Any action required to be taken at a meeting of the members of the Association, or any other action that may be taken at a meeting of the members, may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed either (a) by all the members entitled to vote with respect to the subject matter thereof or (b) 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 (x) if, at least five (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 (y) 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 12. Inspectors. At any meeting of members, the chairman of the meeting may, or upon the request of any members shall, appoint one or more persons as inspectors for such meeting. Such inspectors shall ascertain and report the number of votes represented at the meeting, based upon their determination of the validity and effect of proxies; count all votes and report the results; and do such other acts as are proper to conduct the election and voting with impartiality and fairness to all the members. Each report of an inspector shall be in writing and signed by him or her or by a majority of them if there be more than one inspector acting at such meeting. If there is more than one inspector, the report of a majority shall be the report of the inspectors.

SECTION 13. Quorum and Manner of Acting. Members holding ten percent (10%) of the votes entitled to be cast on a matter, represented in person or by proxy, shall constitute a quorum for consideration of such matter at meeting of members. Withdrawal of members from any meeting shall not cause failure of a duly constituted quorum at that meeting. If a quorum is present, the affirmative vote of a majority of the votes present and voted, either in person or by proxy, shall be the act of the members, unless the vote of a greater number or voting by classes is required by the Act, the Articles of Incorporation or these By-laws. Voting on any matter or in any election may be by voice vote unless the presiding officer shall order, or any member shall demand, that voting be by ballot.

SECTION 14. Proxies. Each member entitled to vote at a meeting of members or to express consent or dissent to corporate action in writing without a meeting may authorize another person or persons to act for him, her or it by proxy, but no such proxy shall be voted or acted on after eleven (11) months from its date, unless the proxy provides for a longer period.

SECTION 15. Veto Power. Notwithstanding anything to the contrary in these By-laws, The Lions Club, of Lake Zurich, Ill., Sandy Point Condominium Association, Inc., and a majority of the Members At Large, or their successors and assigns, individually, may execute veto power concerning any expenditure or assessment by the Association in excess of One Thousand and No/100 Dollars (\$1,000.00). Furthermore, such veto power may be exercised in reference to any proposed amendments to these By-laws and the Articles of Incorporation.

ARTICLE VI – DIRECTORS

SECTION 1. General Powers. The property and affairs of the Association shall be managed by the Board.

SECTION 2. Number, Election and Appointment. The number of directors of the Association shall be not less than seven (7) or more than twelve (12). The number of directors may be fixed or changed from time to time, within the minimum and maximum of said variable range, by the affirmative vote of two-thirds (2/3) of the directors then in office without further amendment to the By-laws. At least three (3) of the directors shall be elected by the Members At Large and shall be deemed "Directors At Large." The remaining directors shall be deemed "Entity Directors." Each Entity Member shall elect or appoint one individual to serve as an Entity Director of the Association.

SECTION 3. Tenure. Directors elected (or appointed as the case may be) at the annual meeting of members held in May, 2010 shall be divided by the Board into two groups – Group I and Group II. A third group of directors, Group III, shall consist of incumbent directors whose terms of office have not expired as of the May, 2010 annual meeting. The director(s) in Group I shall be nominated and elected (or appointed) for a term of one year and director(s) in Group II shall be nominated and elected (or appointed) for a term of two years. Each incumbent director in Group III shall hold office until the next annual meeting of the members at which his or her term would have expired. Thereafter, as the respective terms of office of all expire, their successors shall be elected for a term of two years. All directors shall hold office for the term for which they were elected (or appointed as the case may be) and until their successors are elected and qualified. Directors may succeed themselves in office. The Board may assign directors to alternate Groups or designate additional Groups without further amendment to the By-laws; provided, however, that any such assignment or designation does not shorten an incumbent director's term. A decrease in the number of directors also does not shorten an incumbent director's term. The term of a director elected or appointed, as the case may be, to fill a vacancy expires at the next annual meeting of the members at which his or her predecessor's term would have expired.

SECTION 4. Vacancies. Any vacancy occurring in the Board and any directorship to be filled by reason of an increase in the number of directors may be filled by the Board.

SECTION 5. Regular Meetings. An annual meeting of the Board shall be held without other notice than this by-law immediately after the annual meeting of the members for the election of officers and for the transaction of such other business as may properly come before the meeting. Regular quarterly meetings of the Board are scheduled to be held on the third Thursday of February, May (annual meeting), August and November. The Board may provide, by resolution, the time and place for the holding of additional regular meetings without other notice than such resolution.

SECTION 6. Special Meetings. Special meetings of the Board may be called by or at the request of the President or any three (3) directors. The person or persons authorized to call special meetings of the Board may fix the place and time for holding any special meeting of the Board called by them.

SECTION 7. Attendance and Participation. All directors are expected to be physically present in person and to actively participate in all meetings of the Board. When physical presence in person is not possible, the director who is unable to so attend must give notice to the President or Secretary in advance of the time set for the meeting and make arrangements, where practicable, to participate in the meeting by electronic means pursuant to Section 11 of this Article. A director who has two (2) unexcused absences from regularly scheduled Board meetings within a 12-month period may be subject to removal from office, after notice to both the director and represented class of members, by a majority vote of the class of members entitled to elect (or appoint as the case may be) said director. An absence will be considered excused if the director notifies the President or Secretary of his or her absence prior to the meeting.

SECTION 8. Notice. Notice of any special meeting of the Board shall be delivered at least two (2) days previous thereto to each director. "Delivered," for the purpose of determining if any notice required by this Section 6 is effective, means: (a) transferred or presented (orally or in writing) to the director in person; (b) deposited in the United States mail addressed to the director at his or her address as it appears on the records of the Association, with sufficient first-class postage prepaid thereon; or (c) transmitted by electronic means to the e-mail address, facsimile number, or other contact information of the director appearing on the records of the Association. Notice of any special meeting of the Board may be waived in writing signed by the person or persons entitled to the notice either before or after the time of the meeting. The attendance of a director at any meeting shall constitute a waiver of notice of such meeting, except when 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 9. Quorum. One-third (1/3) of the number of directors then in office pursuant to Article VI, Section 2 hereof shall constitute a quorum for transaction of business at any meeting of the Board, provided that if less than said number is present at a meeting, a majority of the directors present may adjourn the meeting at any time without further notice.

SECTION 10. Manner of Acting. The act of the majority of the directors present at a meeting at which a quorum is present shall constitute an act of the Board, unless the act of a greater number is required by these By-laws, the Articles of Incorporation or applicable law. No director may act by proxy on any matter.

SECTION 11. Electronic Communications. Directors may participate in and act at any meeting of the Board through the use of a conference telephone or other communications equipment by means of which all persons participating in the meeting can communicate with each other. Participation in such meeting shall constitute attendance and presence in person at the meeting of the person or persons so participating.

SECTION 12. Informal Action by Directors. Unless specifically prohibited by the Articles of Incorporation or these By-laws, any action required to be taken at a meeting of the Board, or other action which may be taken at a meeting of the same, may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all the directors entitled to vote with respect to the subject matter thereof. Any such consent signed by all the directors shall have the same effect as a unanimous vote, and may be stated as such in any document filed with the Secretary of State. All approvals evidencing the consent shall be delivered to the Secretary to be filed in the Association corporate records. The action taken shall be effective when all the directors have approved the consent unless the consent specifies a different effective date.

SECTION 13. Resignation and Removal. A director may resign at any time by written notice to the Board, the President or the Secretary of the Association. A director may be removed by the members entitled to vote, with cause, by the affirmative vote of two-thirds (2/3) of the members of the applicable class present and voting at any regular or special meeting of the members if the notice of the meeting is delivered in accordance with Article V, Section 10 of these By-laws to all members of the class entitled to vote on removal of directors and states that the purpose of the meeting is to vote upon the removal of one or more directors named in the notice. Such director shall be notified of the meeting and of the specific charges against him or her at least ten (10) days prior to the meeting, and may appear in his or her own defense either in person or by attorney and may present witnesses. Only the director or directors named in the notice may be removed at that meeting.

SECTION 14. Compensation. All directors shall serve without compensation for their services as members of the Board, provided, however, that any director may be reimbursed for his or her actual expenses incurred in the performance of duties to the Association.

SECTION 15. Conflicts of Interest. The Board shall avoid conflicts of interest. Transactions in which a director is directly or indirectly a party may be undertaken only if all of the following are observed: (a) a material transaction is fully disclosed in the financial statements of the Association; (b) such director is excluded from the discussion and approval of such transaction; (c) a competitive bid or comparable valuation exists; and (d) the Board has acted upon and demonstrated that the transaction is in the best interest of the Association. For purposes of this Section, a director is “indirectly” a party to a transaction if the other party to the transaction is an entity in which the director has a material financial interest or of which the director is an officer, director or general partner.

In a proceeding contesting the validity of a transaction described in this Section, the person asserting validity has the burden of proving fairness unless the material facts of the transaction and the director's interest or relationship were disclosed or known to the Board and the Board or committee authorized, approved or ratified the transaction by the affirmative vote of a majority of disinterested directors, even though the disinterested directors were less than a quorum.

The presence of a director who is directly or indirectly a party to the transaction described in this Section or a director who is otherwise not disinterested may be counted in determining whether a quorum is present but may not be counted when the Board or a committee then takes action on the transaction.

The provisions of this Section do not apply where a director of the Association is directly or indirectly a party to a transaction involving a grant or contribution, without consideration, by one organization to another.

SECTION 16. Presumption of Assent. A director who is present at a meeting of the Board at which action on any Association matter is taken shall be conclusively presumed to have assented to the action taken unless his or her dissent shall be entered in the minutes of the meeting or unless he or she shall file his or her written dissent to such action with the person acting as the secretary of the meeting before the adjournment thereof or shall forward such dissent by registered or certified mail to the Secretary of the Association immediately after the adjournment of the meeting. Such right to dissent shall not apply to a director who voted in favor of such action.

ARTICLE VII – OFFICERS

SECTION 1. Number. The officers of the Association shall be a President, one or more Vice Presidents (the number thereof to be determined by the Board), a Treasurer, a Secretary, and such other officers as may be elected or appointed by the Board. Officers whose authority and duties are not prescribed in these bylaws shall have the authority and perform the duties prescribed, from time to time, by the Board. Any two or more offices may be held by the same person.

SECTION 2. Election and Term of Office. The officers of the Association shall be elected every two (2) years by the directors at the annual meeting of the Board and shall take office immediately. Vacancies may be filled or new officers created and filled at any meeting of the Board. Each officer shall hold office until his or her successor shall have been duly elected and shall have qualified or until his or her death or until he or she shall resign or shall have been removed from office in the manner hereinafter provided. Election of an officer shall not of itself create contract rights.

SECTION 3. President. The President shall be the principal executive officer of the Association. Subject to the direction and control of the Board, the President shall be in charge of the business of the Association. The President shall see that the resolutions and direction of the Board are carried into effect except in those instances in which that responsibility is specifically assigned to some other person by the Board; and, in general, the President shall discharge all duties incident to the office of president and such other duties as may be prescribed by the Board from time to time. The President shall preside over all meetings of the members and of the Board. Except in those instances in which the authority to execute is expressly delegated to another office or agent of the Association or a different mode of execution is expressly prescribed by the Board or these By-laws, he or she may execute for the Association any contracts or other instruments which the Board has authorized to be executed, and he or she may accomplish such execution under or without the seal of the Association and either individually or with the Secretary, any assistant secretary or any other officer thereunto authorized by the Board, according to the requirements of the form of the instrument.

SECTION 4. Vice-Presidents. The Vice-President (or in the event there be more than one Vice-President, each Vice-President) shall assist in the discharge of the President's duties as the President may direct and shall perform such other duties as from time to time may be assigned to the Vice President by the President or by the Board. In the absence of the President or in the event of his or her inability or refusal to act, the Vice-President (or in the event there be more than one Vice-President, the Vice-Presidents in the order designated by the Board, or by the President if the Board has not made such a designation, or in the absence of any designation, then in the order of seniority of tenure as Vice-President) 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. Except in those instances in which the authority to execute is expressly delegated to another office or agent of the Association or a different mode of execution is expressly prescribed by the Board or these By-laws, the Vice-President (or each of them if there are more than one) may execute for the Association any contracts or other instruments which the Board has authorized to be executed, and the Vice President may accomplish such execution either under or without the seal of the Association and either individually or with the Secretary, and assistant secretary or any other officer thereunto authorized by the Board, according to the requirements of the form of the instrument.

SECTION 5. Treasurer. The Treasurer shall be the principal accounting and financial officer of the Association. The Treasurer shall: (a) have charge of and be responsible for the maintenance of adequate books and accounts of the Association; (b) have charge and custody of all funds and securities of the Association, and be responsible therefore and for the receipt and disbursement thereof; and (c) perform all 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. If required by the Board, the Treasurer shall give a bond for the faithful discharge of his or her duties in such sum and with such surety or sureties as the Board may determine.

SECTION 6. Secretary. The Secretary shall: (a) record the minutes of meetings of the members and of the in one or more books provided for that purpose; (b) see that all notices are duly given in accordance with the provision of these By-laws or as required by law; (c) be custodian of the corporate records and of the seal of the Association; (d) keep a register of the post office address of each member that shall be furnished to the Secretary by such member; (e) sign with the President or a Vice-President, or any other officer thereunto authorized by the Board any contracts or other instruments which the Board has authorized to be executed, according to the requirements of the form of the instrument, except when a different mode of execution is expressly prescribed by the Board or these By-laws; and (f) perform all other 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.

SECTION 7. Resignation and Removal. An officer may resign at any time by written notice to the Board, the President or the Secretary of the Association. Any officer elected or appointed by the Board may be removed by the Board whenever in its judgment the best interests of the Association would be served thereby, but such removal shall be without prejudice to the contract rights, if any, of the person so removed.

SECTION 8. Vacancies. A vacancy in any office for any reason may be filled by the Board for the unexpired portion of the term.

SECTION 9. Compensation. All officers shall serve without compensation for their services to the Association, provided, however, that any officer may be reimbursed for his or her actual expenses incurred in the performance of duties to the Association as authorized by the Board.

ARTICLE VIII COMMITTEES, COMMISSIONS, AND ADVISORY BOARDS

SECTION 1. Committees. The Board, by resolution adopted by a majority of the directors in office, may designate one or more committees, each of which will consist of two or more directors and such other persons as the Board designates, provided that a majority of each committee's members are directors. The committees, to the extent provided in said resolution and not restricted by law, shall have and exercise the authority of the Board in the management of the Association; but the designation of such committees and the delegation thereto of authority shall not operate to relieve the Board, or any individual director, of any responsibility imposed on it, him, or her by law.

SECTION 2. Commissions or Advisory Bodies. Commissions or advisory bodies not having and exercising the authority of the Board in the Association may be designated or created by the Board and shall consist of such persons as the Board designates. A commission or advisory body may or may not have directors as members, as the Board determines. The commission or advisory body may not act on behalf of the Association or bind it to any actions but may make recommendations to the Board or to the officers of the Association.

SECTION 3. Term of Office. Each member of a committee, advisory board, or commission shall continue as such until the next annual meeting of the members of the Association and until his or her successor is appointed, unless the committee, advisory board, or commission shall be sooner terminated, or unless such member be removed from such committee, advisory board, or commission by the Board, or unless such member shall cease to qualify as a member thereof.

SECTION 4. Chair. One member of each committee, advisory board, or commission shall be appointed chair.

SECTION 5. Vacancies. Vacancies in the membership of any committee, advisory board, or commission 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 designating a committee, advisory board, or commission, a majority of the whole committee, advisory board, or commission 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, advisory board, or commission.

SECTION 7. Rules. Each committee, advisory board, or commission may adopt rules for its own government not inconsistent with these bylaws or with rules adopted by the Board.

SECTION 8. Informal Action. The authority of a committee may be exercised without a meeting if a consent in writing, setting forth the action taken, is signed by all the members entitled to vote.

ARTICLE IX – GENERAL PROVISIONS

SECTION 1. Contracts. The Board may authorize any officer or officers, agent or agents, 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. Loans. No loans shall be contracted on behalf of the Association and no evidence of indebtedness shall be issued in its name unless authorized by a resolution of the Board. Such authority may be general or confined to specific instances and approved by the general membership.

SECTION 3. Checks, Drafts, Etc. All checks, drafts or other orders for 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.

SECTION 4. Deposits. All funds of the Association not otherwise employed 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 select.

ARTICLE X – FISCAL YEAR

The fiscal year of the Association shall be fixed by resolution of the Board.

ARTICLE XI – BOOKS AND RECORDS

The Association shall keep correct and complete books and records of account. It shall also keep minutes of the proceedings of its members, Board and committees having any of the authority of the Board 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 Association may be inspected by any member, or his, her or its agent or attorney, for any proper purpose at any reasonable time.

ARTICLE XII – REASONABLE USE STANDARDS AND PERMITS FOR WATERCRAFT OPERATION ON THE LAKE

SECTION 1. Reasonable Use Standards and Lake-Use Permits. In furtherance of the Association's express purpose "of promoting the safe and enjoyable use of the Lake by its members," the members have determined it to be in their best interest to regulate the use of the Lake so as to prevent the development of obnoxious and dangerous conditions. The Board shall have jurisdiction over the operation of boats and other activities on the Lake. The Board shall determine the issuance and the number of lake-use permits annually.

SECTION 2. Recognition of Private Ownership and Residential Zoning. The Board and all members of the Association recognize title to the lakebed of the Lake is held by individual property owners and that such owners are entitled to full and unconditional respect of that ownership interest. All members of the Association shall refrain from constructing any temporary or permanent structures upon land held by another owner and without written consent of such owner. All members of the Association recognize the lakebed of the Lake is zoned "R-1" under the Zoning Code of the Village of Lake Zurich, and all members of the Association agree to conduct all activities on their respective properties, and on the surface of the Lake, in conformance with the Zoning Code of the Village of Lake Zurich.

SECTION 3. Types and Maximum Numbers of Boats Permitted. The Board shall have jurisdiction over the regulation of the number of lake-use permits given to different types of boats operating on the Lake.

The total number of powerboats permitted on the Lake shall not exceed 232 boats (equivalent of one boat per acre).

The following are reasonable powerboat limits for all current and future individually-owned, private lakeshore property where such platted parcels extend under the waters of the Lake at mean water elevation (844.0 feet above sea level):

- Limit one powerboat (over 65 horsepower) in operation at any time per single family residence occupied by the property owner.
- Limit one powerboat (regardless of horsepower) on the Lake at any time, per non-owner occupied residence.

The following powerboat limits are specific to **existing** lakeshore condominium associations, homeowner associations, clubs and/or groups:

Lions Club Members:

- 26 power boats

West Lake Homeowners Association / Beach Club:

- 12 power boats

Bay Shore Condominium Association:

- 30 power boats

Sandy Point Condominium Association:

- 36 power boats

Whitney Shores Homeowners Association:

- 16 power boats (at Association pier) plus 13 at individual homes

Lake Zurich Golf Club:

- 12 power boats

South Shore Manufactured Home Community:

- 8 powerboats

South Shore Lane Group:

- 4 powerboats

Fair Oaks Subdivision:

- 11 powerboats

John Koffen Group:

- 2 powerboats

Ironwood Court Homeowners Association:

- 4 powerboats

Oakwood Beach Homeowners Association:

- 15 powerboats

NW Corner Group (between Bayshore and Sandy Point Developments)

- 5 powerboats

Bill's Boats

- 5 powerboats

Subject to Article XII, Section 3 hereof, all **future** lakeshore condominium associations, homeowner associations, clubs and or groups are limited to one powerboat per 70 lineal feet of lakeshore frontage (regardless of horsepower).

The Board from time-to-time shall adjust the fees charged for boat operation permits to ensure that adequate reserves are maintained in the Lake Protection Fund to provide for prevention of obnoxious and dangerous conditions upon the Lake.

ARTICLE XIII – INTERACTION OF NON-MEMBER LAKE PROPERTY OWNERS

The Association recognizes that the owner of a Lake parcel shall have a right to reasonable use of the surface of the entire Lake, provided that such use does not unduly interfere with the rights so enjoyed by other property owners. The Association shall encourage all Lake parcel owners to acquire membership in the Association and to share in the benefits of membership. Any and all benefits of membership in the Association, other than those benefits associated with purchase of a lake-use permit referenced in Article XII, Section 3 hereof and the applicable ordinance(s) of the Village of Lake Zurich, offered to members of the Association in good standing shall be withheld from such non-member Lake parcel owners.

ARTICLE XIV – WAIVER OF NOTICE

Whenever any notice is required to be given under the provisions of Act or under the provisions of the Articles of Incorporation or these By-laws, 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.

Attendance at any meeting shall constitute waiver of notice thereof unless the person at the meeting objects to the holding of the meeting because proper notice was not given.

ARTICLE XV – AMENDMENTS

The power to make, alter, amend or repeal the By-laws or adopt new By-laws of the Association shall be vested in the members. Such action may be taken at a regular or special meeting for which written notice of the purpose shall be given. The By-laws may contain any provisions for the regulation and management of the affairs of the Association not inconsistent with law or the Articles of Incorporation.