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BY-LAWS

OF

COVINGTON COURT COMMUNITY ASSOCIATION

(An Illinois General Not For Profit Corporation)

7200-10004
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ARTICLE I

PURPOSES

The purposes of the corporation as stated in its Certificate of Incorporation are: To administer and operate property owned by a homeowners association.

ARTICLE II

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. CLASSES OF MEMBERS. The corporation shall have one class of members. The designation of such class and the qualifications of the members of such class shall be as follows: Every Owner of a Lot which is subject to assessment pursuant to Paragraph 4.01 of the Amended and Completely Restated Declaration of Easements, Restrictions, and Covenants for the Covington Court Community Association (the "Declaration"), a copy of which is attached hereto as Exhibit "A", is hereby declared to be a Member of the Community Association. Membership is appurtenant to and shall not be separated from ownership of such Owner's Lot. Each such Owner, by acceptance of a deed or other conveyance of a Lot, thereby becomes a Member, whether or not the Declaration or such membership is made a part of, incorporated by reference in, or expressed in said deed or conveyance. There shall be one membership allocable to each assessable Lot (herein called a "Membership") and any Member who is the Owner of more than one such Lot shall have the number of Memberships equal to the number of such Lots. If the record ownership of a Lot shall be in more than

one person, or if an Owner of a Lot is a trustee, corporation, partnership or other legal entity, then the individual who shall enjoy the Membership and be eligible for all the rights and privileges of a Member and be responsible for the obligations attributable thereto, shall be designated by such Owner or Owners in writing to the Community Association at the time the Lot becomes subject to assessment by the Community Association. Such designation may be changed from time to time thereafter by notice in writing to the Community Association. Ownership of a Lot shall be the sole qualification for membership in the Community Association. The Declarant under the Declaration shall be a Member of the Community Association only to the extent that Declarant owns Lots which are subject to assessment pursuant to Paragraph 4.01 of the Declaration.

SECTION 2. VOTING RIGHTS. Each Member shall be entitled to one (1) vote.

SECTION 3. RESIGNATION. Any Member may resign by filing a written resignation with the Secretary, but such resignation shall not relieve the Member so resigning of the obligation to pay any dues, assessments or other charges imposed pursuant to the Declaration, which obligation may be enforced in accordance with Article 4.01 of the Declaration.

SECTION 4. TRANSFER OF MEMBERSHIP. Membership in this corporation is transferable or assignable only as provided in the Declaration.

ARTICLE IV

MEETINGS OF MEMBERS

SECTION 1. ANNUAL MEETING. An annual meeting of the Members shall be held on the 1st Tuesday in December in each year, beginning with the year 1994, 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 Sunday or a legal holiday, the meeting shall be held 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 MEETING. Special meetings of the Members may be called either 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 place, either within or without the State of Illinois, 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 at the registered office of the corporation in the State of Illinois, provided, however, that if all of the Members shall meet at any time and place, either within or without the State of Illinois, and consent to the holding of a meeting, such meeting shall be valid without any 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 (5) nor more than forty (40) 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 or her 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 itself 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. Such consent shall have the same force and effect as a unanimous vote of the Members.

SECTION 6. QUORUM. The total number of votes which may be cast on any matter requiring assent of Members of the Community Association shall be equal to the total number of Memberships at the time of any such vote. Unless the Declaration or the charter or these By-Laws of the Community Association, or any law, shall specify a greater vote, all Community Association matters requiring action by Members shall be decided by a majority of the votes cast by Members voting at a meeting at which are present Members representing a majority of the Memberships at the time of such vote. Whenever a vote is to be taken, the total number of votes which may be cast shall be equal to the total number of Memberships at the time of any such vote, and unless otherwise provided such action shall be decided by a majority of the votes cast by Members voting at a meeting at which are present Members representing a majority of the Memberships at the time of such vote. For purposes of this Section 6, a Member may be present either in person or by proxy.

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 the Member or by his or her 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.

ARTICLE V

BOARD OF DIRECTORS

SECTION 1. GENERAL POWERS. The Board shall have the following general powers:

(a) To adopt rules and regulations governing the use, maintenance and administration of the Community Area and for the health, comfort, safety and general welfare of persons using the Community Area. The Board shall also have the right to adopt rules and regulations limiting the number of pets permitted to be kept or maintained on any Lot to two (2), and limiting the kinds of pets permitted to be kept or maintained on any Lot to dogs, cats and other household domesticated animals approved of by the Board.

(b) To repair, maintain, improve and replace the Community Area and all facilities and improvements located thereon; and to have such rights of ingress and egress over and upon the Premises as may be required to exercise such rights.

(c) To provide all necessary maintenance, repairs and services with respect to the Community Area, including without limitation (i) maintenance, repair, replacement, improvement and care of all streets, trees, shrubs, grass and landscaped areas; and (ii) maintenance, repair and replacement of those "Utilities" (as said term is defined in Paragraph 7.04 of the Declaration) or portions thereof which are not maintained by a public or quasi-public utility or authority.

(d) To provide all necessary maintenance, repairs and services with respect to the storm water facilities as set forth in Paragraphs 3.08 and 3.09 of the Declaration.

(e) To provide all necessary maintenance, repairs and services with respect to the fences and gates as set forth in Paragraph 3.12 of the Declaration.

(f) To pay for out of the assessment funds provided for in Article IV of the Declaration, all taxes and assessments and other liens and encumbrances which shall properly be assessed or charged against the Community Area, subject to the provisions of Paragraph 6.03 of the Declaration.

(g) To retain and compensate a person or firm to manage the Community Association and the Community Area or any separate portion thereof, and provide the services of such other personnel as the Board shall determine to be necessary or proper for the operation of the Community Association, whether such personnel are employed directly by the Board or by such manager.

(h) To provide or pay for any material, supplies, insurance, furniture, equipment, fixtures, labor, services, maintenance, repairs, taxes or assessments which the Board is required to obtain or pay for pursuant to the terms of these By-Laws or Declaration or which in its opinion shall be necessary or proper for the operation or protection of the Community Association and its members of for the enforcement of the Declaration.

(i) To make the dedications and grant the easements described in Paragraphs 3.02, 3.06, 3.08, 3.09, 3.13, 3.14 and 7.04 of the Declaration, the provisions of Paragraph 3.07 of the Declaration notwithstanding.

SECTION 2. SPECIAL POWERS OF THE BOARD. The Board shall have the following additional rights and powers, and shall pay the costs and expense of exercising the same out of the assessment funds:

(a) To execute, on behalf of all Owners, all divisions of ownership for tax assessment purposes with regard to the Community Area, or any portion thereof.

(b) To borrow funds to pay costs of operation secured by assignment or pledge of rights against delinquent Owners, if the Board sees fit.

(c) To enter into contracts; maintain bank accounts granting authority as the Board shall desire to one or more persons (including the managing agent of the Community Association) to draw upon such accounts; invest surplus funds of the Community Association in U.S. Government securities, in passbook savings accounts or in Certificates of Deposit insured by the Federal Deposit Insurance Corporation or the Federal Savings & Loan Insurance Corporation; and generally to have all the

powers necessary or incidental to the operation and management of the Community Association.

(d) To protect or defend the Community Area from loss or damage by suit or otherwise, and to provide adequate reserves for contingencies and replacements.

(e) To adjust the amount, collect and use any insurance proceeds to repair or replace damaged or lost property, and if proceeds are insufficient to repair or replace damaged or lost property, to assess Members to cover the deficiency.

(f) To transfer any part of the Community Area to any title-holding land trust in exchange for the entire beneficial interest therein, or to any corporation in which the Community Association is the sole shareholder.

(g) To enforce the provisions of the Declaration and rules made within and to enjoin and seek damages from any Owner for violation of such provisions or rules.

SECTION 3. NUMBER, TENURE AND QUALIFICATIONS. The number of Directors shall be seven (7). Each Director shall hold office until the next annual meeting of Members and until his or her successor shall have been elected and qualified. Directors need not be residents of Illinois or Members of the corporation.

A majority of that portion of the Board, if any, which is not appointed by the Developer, shall be Members or spouses of Members, or, if the Member is a trust, then said Director may be the beneficiary, or the spouse of the beneficiary, of said trust. Directors appointed by the Developer, and a minority of the Board, need not be Members.

Prior to the appointment of the first Board of the Community Association pursuant to Section 4 hereof, Developer may exercise all rights, powers and privileges of the Board and may perform all of its functions, including its functions under Article IV of the Declaration.

The term of office of any Director appointed by the Developer shall be at the sole discretion of the Developer, and any Director appointed by the Declarant may be removed by the Developer at any time. The term of office of any Director elected by the Members pursuant to Section 5 or 6 shall be for a period of two (2) years.

SECTION 4. APPOINTMENT OF DIRECTORS BY DEVELOPER. Notwithstanding any other provisions of the Declaration or the charter or these By-laws of the Community Association, the first and each subsequent Board of the Community Association shall

consist of, and vacancies on the Board shall be filled by, such persons as Developer shall from time to time appoint, until the first to occur of any one of the following event: (i) Developer notifies the Community Association that it has sold in excess of seventy-five percent (75%) of the Lots (including, for such purposes, Lots comprising 75% of the "Resubdivision Area"), (ii) Declarant notifies the Community Association in writing that ~~it has completed and sold or leased all residences to be~~ constructed by Developer on the Premises, (iii) three (3) years shall have elapsed from the date upon which this Declaration is recorded; or (iv) Developer by written notice to the Community Association voluntarily elects to terminate its control of the Community Association. Such right of Developer to appoint Directors shall be to the exclusion of the right of the Members to do so. The Owners and Members shall not, without the prior written consent of Developer, have the right to amend, modify or change the charter or By-Laws of the Community Association to in any way diminish the authority of the Board during the period that Developer has the right to appoint any members of the Board. Developer may, from time to time, by written notice to the Community Association, voluntarily waive its right to appoint one or more Directors, and continue to exercise its right to appoint the remaining members of the Board for the period hereinabove specified. Election by Developer to waive its right to appoint any member or members of the Board or to terminate its control of the Community Association, shall not affect the right of Developer or Declarant to participate in the Community Association as a Member thereof and to cast the number of votes equal to the number of Lots owned by Developer or Declarant. All Directors who are not subject to appointment by Developer shall be elected by Members in accordance with the provisions of Sections 5 and 6 hereof.

SECTION 5. FIRST MEETING OF MEMBERS TO ELECT DIRECTORS. Upon receipt by the President of the Community Association of appropriate evidence of the waiver of Developer's right to select some or all the Directors of the Community Association, he shall promptly convene a meeting of the Members for the purpose of electing a new Board or to elect those Directors who no longer are to be appointed by Developer.

SECTION 6. ELECTION OF REMAINING DIRECTORS. Upon waiver of Developer's right to appoint any of or all the Directors, pursuant to Section 3 hereof, those Directors not subject to appointment by Developer shall be elected in accordance with the provisions of this Article. Notwithstanding such election, any Director theretofore appointed by Developer who does not elect to resign may stay in office for the balance of his unexpired term and until his successor is elected and qualified.

SECTION 7. REGULAR MEETINGS. A regular 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, either within or without the State of Illinois, for the holding of additional regular meetings of the Board without other notice than such resolution.

SECTION 8. SPECIAL MEETINGS. Special meetings of the Board of Directors may be called by or at the request of the President or any two (2) Directors. The person or persons authorized to call special meetings of the Board may fix any place, either within or without the State of Illinois, as the place for holding any special meeting of the Board called by them.

SECTION 9. NOTICE. Notice of any special meeting of the Board of Directors shall be given at least five (5) days previously thereto by written notice delivered personally or sent by mail or telegram to each director at his or her address as shown by the records of the corporation. 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. 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 10. 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 11. 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 12. 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 or her predecessor in office.

SECTION 13. 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 each regular or special meeting of the Board; provided, that nothing herein contained shall be construed to preclude any Director from serving the corporation in any other capacity and receiving compensation therefor.

SECTION 14. INFORMAL ACTION BY DIRECTORS. Any action required to be taken at a meeting of the Board of Directors, or any ~~other action which may be taken at a meeting of the Board of~~ Directors, may be taken without the 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. Any such consent signed by all the Directors shall have the same effect as a unanimous vote.

SECTION 15. TELEPHONE CONFERENCE MEETINGS. Any action required to be taken at a meeting of the Board of Directors, or any other action which may be taken at a meeting of the Board of Directors, or of any committees of the Board of Directors, may be taken without the meeting by participation through the use of a conference telephone or other communications equipment by means of which all persons participating in the meeting can hear each other, provided that a majority of such members consent in writing to the recording of such communications and provided that such recording is in fact made and becomes a part of the official corporate records. Participation in such a meeting shall constitute attendance and presence in person at the meeting of such person or persons so participating.

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. 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.

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 or her 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 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. The president shall preside at all meetings of the Members and of the Board of Directors. The president 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 the president's 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, 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 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 or her duties in such sum and with such surety or sureties as the Board of Directors shall determine. The treasurer shall have charge and custody of and be responsible for all funds and securities of the corporation; receive and give receipts for moneys due and payable to the corporation from any source whatsoever, and deposit all such moneys 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 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 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 by the president or by the Board of Directors.

SECTION 9. ASSISTANT TREASURERS AND ASSISTANT SECRETARIES. If required by the Board of Directors, the assistant treasurers shall give bonds for the faithful discharge of their duties in such sums and with such sureties as the Board of Directors shall determine. The assistant treasurers and assistant secretaries, in general, shall perform such duties as shall be assigned to them 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 the exercise of the authority of the Board of Directors in the management of the corporation; but the designation of such committees 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 such Director 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 either Members of the corporation or Directors of the corporation, and the

President of the corporation shall appoint the members thereof. The President of the corporation, as such officer, shall be a member of each committee established hereunder. Any member of any committee may be removed by the person or persons authorized to appoint such member whenever, in their judgment, the best interests 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 or her 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.

SECTION 7. RULES. Each committee may adopt rules for its own government not inconsistent with these By-Laws or with rules adopted by the Board of Directors.

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 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 depositories 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 device for the general purposes or for any special purpose of the corporation.

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 therefor upon such terms and conditions as the Board of Directors may determine.

SECTION 2. ISSUANCE OF CERTIFICATES. When a Member has been elected to membership and has paid any initiation fee and dues that may then be required, a certificate of membership shall be issued in the Member's name and delivered to him or her by the secretary, if the Board of Directors shall have provided for the issuance of certificates of membership upon 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 the 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 or her agent or attorney for any proper purpose at any reasonable time.

ARTICLE XI

FISCAL YEAR

The fiscal year of the corporation shall be established by resolution of the Board of Directors.

ARTICLE XII

INDEMNIFICATION OF OFFICERS, DIRECTORS, EMPLOYEES AND AGENTS

SECTION 1. GENERAL RIGHT TO INDEMNIFICATION. Any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of the corporation) by reason of the fact that he or she is or was a director, officer, employee or agent of the corporation, or is or was serving at the request of the corporation as a director, officer, employee or agent of another corporation, or is or was serving at the request of the corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise shall be indemnified by the corporation against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by him or her in connection with such action, suit or proceeding if he or she acted in good faith and in a manner he or she reasonably believed to be in or not opposed to the best interests of the corporation, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his or her conduct was unlawful. The termination of any action, suit or proceeding by judgment, order, settlement, conviction or upon a plea of nolo contendere or its equivalent, shall not, of itself, create a presumption that the person did not act in good faith and in a manner which he or she reasonably believed to be in or not opposed to the best interests of the corporation, and with respect to any criminal action or proceeding, had reasonable cause to believe that his or her conduct was unlawful.

SECTION 2. INDEMNIFICATION IN DERIVATIVE ACTIONS. Any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action or suit by or in the right of the corporation to procure a judgment in its favor by reason of the fact that he or she is or was a director, officer,

employee or agent of the corporation, or is or was serving at the request of the corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise shall be indemnified by the corporation, against expenses (including attorneys' fees) actually and reasonably incurred by him or her in connection with the defense or settlement of such action or suit if he or she acted in good faith and the best interest of the corporation and except that no indemnification shall be made in respect of any claim, issue or matter as to which such person shall have been adjudged to be liable for negligence or misconduct in the performance of his or her duty to the corporation, unless and only to the extent that the court in which such action or suit was brought shall determine upon application that, despite the adjudication of liability but in view of all the circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses which the court shall deem proper.

SECTION 3. DETERMINATION OF RIGHT TO INDEMNIFICATION. Any indemnification under Sections 1 and 2 (unless ordered by a court) shall be made by the corporation only as authorized in the specific case upon a determination that indemnification of the director, officer, employee or agent is proper in the circumstances because he or she has met the applicable standard of conduct set forth in Sections 1 or 2. Such determination shall be made (1) by the Board of Directors by a majority vote of a quorum consisting of directors who were not parties to such action, suit or proceeding, or (2) if such a quorum is not obtainable, or, even if obtainable, a quorum of disinterested directors so directs, by independent legal counsel in a written opinion, or (3) by a majority vote of a quorum of the Members. Anything hereinabove set forth to the contrary notwithstanding, to the extent that a director, officer, employee or agent of the corporation has been successful on the merits or otherwise in defense of any action, suit or proceeding referred to in Sections 1 and 2, or in defense of any claim, issue or matter therein, he or she shall in any event be indemnified against expenses (including attorneys' fees) actually and reasonably incurred by him or her in connection therewith.

SECTION 4. AUTHORITY TO ADVANCE EXPENSES. Expenses incurred in defending a civil or criminal action, suit or proceeding may be paid by the corporation in advance of the final disposition of such action, suit or proceeding as authorized by the Board of Directors in the specific case upon receipt of an undertaking by or on behalf of the director, officer, employee or agent to repay such amount, unless it shall ultimately be determined that he or she is entitled to be indemnified by the corporation as authorized in this Article.

SECTION 5. PROVISIONS NONEXCLUSIVE. The indemnification provided by this Article shall not be deemed

exclusive of any other rights to which those seeking indemnification may be entitled under any By-Law, agreement, vote of Members or disinterested directors or otherwise, both as to action in his or her official capacity and as to action in another capacity while holding such office, and shall continue as to a person who has ceased to be a director, officer, employee, or agent and shall inure to the benefit of the heirs, executors and administrators of such a person.

SECTION 6. AUTHORITY TO INSURE. The corporation is authorized to purchase and maintain insurance on behalf of any person who is or was a director, officer, employee or agent of the corporation, or is or was serving at the request of the corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against any liability asserted against him or her and incurred by him or her in any such capacity, or arising out of his or her status as such, whether or not the corporation would have the power to indemnify him or her against such liability under the provisions of this Article.

SECTION 7. INVALIDITY. If any word, phrase, sentence, paragraph or other provision of this Article is adjudged or decreed to be invalid, void or voidable, then the remaining portions and provision of this Article and these By-laws shall continue to remain in full force and effect.

ARTICLE XIII

SEAL

The Board of Directors may, but shall not be obligated to, provide a corporate seal, which shall be in the form of a circle and shall have inscribed thereon the name of the corporation and the words "Corporate Seal, Illinois."

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 or under the articles of incorporation or the 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

AMENDMENTS TO BY-LAWS

These By-Laws may be altered, amended or repealed and new By-Laws may be adopted by a majority of the Directors present at any regular meeting or at any special meeting, provided that at least two days' written notice is given of intention to alter, amend or repeal or to adopt new By-laws at such meeting.

ARTICLE XVI

CONFLICTS OF INTEREST

No member, director, officer, employee or agent of the corporation shall derive any personal profit or gain, directly or indirectly, by reason of his or her position as a director, officer, employee or agent, or by reason of services rendered to or on behalf of the corporation; provided, however, that nothing contained herein shall be construed to prohibit this corporation from entering into contracts for services in the ordinary course of its business at a reasonable and competitive fee with such individuals or corporations, partnerships or associations of which one or more such individuals is a director, officer, employee, partner, or member, and which contract terms shall be fully disclosed to the Board of Directors.

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