

BY-LAWS OF LITTLE SWAN LAKE CLUB

ARTICLE I

NAME AND PURPOSES

LITTLE SWAN LAKE CLUB, an Illinois not-for-profit corporation, is an association of lot owners in Little Swan Lake, Warren County, Illinois, and is organized for the purposes of preserving the natural beauty of Little Swan Lake and the preservation of the area for leisure and recreational facilities and the other purposes as set forth in its Articles of Incorporation.

ARTICLE II

MEMBERS

SECTION 1. ELIGIBILITY: Any lot owner or lessee shall be a member of the Club and any member of their family over 12 years of age shall be eligible for membership in the Club.

SECTION 2. ANNUAL MEETING: The annual meeting of the lot owners and members shall be held on the last Sunday of October at two in the afternoon for the purpose of electing directors and for the transaction of such other business as may properly come before the meeting. Motions to be brought before the membership must be presented to the Board no later than the September Board meeting, unless the motion is introduced directly from a Board member by the October Board meeting.

SECTION 3. SPECIAL MEETING: Special meetings of the lot owners and members may be called by the President, by a majority of the Board of Directors, or at the written request of not less than twenty individual lot owners.

SECTION 4. PLACE OF MEETING: Meetings shall be held at the Clubhouse or Club Office, or such place as may be designated by the Board of Directors.

SECTION 5. NOTICE OF MEETINGS: Written or printed notice stating the place, day and hour of the meeting and, in case of a special meeting, the purpose(s) for which the meeting is called, shall be provided to the lot owners and members not less than eight days before the date of the meeting.

SECTION 6. QUORUM: Those lot owners present in person at any meeting shall constitute a quorum.

SECTION 7. VOTING: Voting on any question or in any election may be by voice vote unless the presiding officer shall order that the voting be by ballot or a lot owner with a second may request the same. No more than one vote may be cast by the owner or owners of any one lot in Little Swan Lake Subdivision. A lot owner owning more than one lot may cast as many votes as shall be equal to the number of lots so owned. Votes may be cast in person at the annual meeting or by absentee ballot received no later than the Thursday prior to the annual meeting.

SECTION 8. MEMBERS PRIVILEGES: Membership in Little Swan Lake Club is a personal privilege and shall be subject to the rules and regulations of the Club and these By-Laws. Membership cannot be assigned or conveyed. Each member shall agree to abide by and conform to the rules and regulations and By-Laws of the Club now or hereafter enacted. Failure of any member to comply with such rules and regulations and By-Laws or with the covenants, conditions and restrictions contained in the Declaration of Restrictions for Little Swan Lake Subdivision shall be grounds for exclusion of such lot owner from participation in any club or recreational facilities under the jurisdiction of Little Swan Lake Club.

SECTION 9. NOTICE OF CHANGE OF ADDRESS: All lot owners shall notify the Secretary of the Club of any change of address, and by failure to do so shall be deemed to have waived any notice to which they may have been entitled.

SECTION 10. MEETINGS: All meetings are open to all lot owners and members in good standing.

ARTICLE III

DIRECTORS

SECTION 1. NOMINATION OF DIRECTORS: The Board of Directors shall consist of eleven members, whose term of office shall be three years. Not less than one month prior to the date of the annual meeting, the Board of Directors shall appoint a nominating committee consisting of the President of the Club, two other members of the Board of Directors and two others selected from the other lot owners. This committee shall nominate lot owners and/or lessees in good standing as candidates for election to the Board of Directors, whose term shall expire at the next regular Board Meeting following the annual meeting and shall post names of those lot owners and/or lessees so

nominated on the Club bulletin board at least fifteen days before the annual meeting. Incumbent members of the Board of Directors whose terms of office are expiring are eligible for re-nomination. Other lot owners in good standing may be nominated for the Board of Directors if not less than twenty (20) individual lot owners propose them as such nominees in writing and deliver the nomination to the Secretary of the Club, five days prior to annual meeting.

SECTION 2. POWERS: The powers of the Board of Directors shall be as follows:
General Powers. The business and affairs of the Club shall be managed by its Board of Directors, except that at no time shall the Board of Directors take action which would result in the creation of an indebtedness in excess of available funds or action which would be contrary to a motion passed by the membership at a regular or special meeting.
Special Powers. The Board of Directors shall have power to:
Appoint such committees as it may deem necessary, with power in such committee to perform the duties assigned to them.
Suspend or expel a member for a violation of the regulations, rules and By-Laws of the Club or the Covenants and Restrictions contained in the Declaration of Restrictions for Little Swan Lake or for any conduct in violation of the same, by a two-thirds vote of the members of the Board of Directors.
Make rules for the transaction of its own business.
Direct the expenditure of the Club dues and maintenance fees and authorize the proper officers to execute contracts and agreements.
Provide for the collection of membership dues and maintenance fee from members and lot owners.

SECTION 3. QUALIFICATIONS: Directors must be lot owners or lessee (number of lessees on the board is limited to one) and must be Club members in good standing.

SECTION 4. REGULAR MEETING: The Board of Directors shall provide by resolution a time and place for the holding of regular meetings. The membership will be notified by posting, publication, or written notice.

SECTION 5. SPECIAL MEETINGS: Special meetings of the Board of Directors may be called by or at the request of the president or any five directors.

SECTION 6. NOTICE: Notice of any special meetings shall be given by written notice delivered personally or mailed to each director's address shown on the club records or by telephone or email and posted on bulletin board (5) five days before said meeting.

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 of Directors. If a

quorum is not present, the directors present will adjourn the meeting.

SECTION 8. MANNER OF ACTING: The act of the majority of directors present at the meeting at which a quorum is present shall be the act of the Board of Directors. Robert's Rules of Order are to be followed at all Board Meetings.

SECTION 9. REMOVAL: Any member of the Board of Directors who is absent from three consecutive regular meetings of the board without having been excused previously by the President of the Board on written request and announced at the meeting, shall be considered as having resigned as a member of the Board of Directors and shall cease to be a member thereof. The Secretary shall notify such member in writing of his/her delinquency, immediately following such third consecutive absence, quoting this Section of the By-Laws, and the President shall declare a vacancy to exist not later than next regular meeting of the Board.

SECTION 10. FORFEITURE OF BOARD MEMBERSHIP: Any member of the Board of Directors who forfeits Club membership under any provisions of these By-Laws shall automatically forfeit membership in the Board of Directors.

ARTICLE IV

OFFICERS

SECTION 1. NUMBER: The officers of the Club shall be a President, a Vice President, a Secretary and a Treasurer who shall be elected by the Board of Directors from its members. The Board of Directors may appoint such assistant treasurers, assistant secretaries or other officers as it deems proper.

SECTION 2. ELECTION AND TERM OF OFFICE: The officers of the Club shall be elected annually by the Board of Directors at the November Board meeting held after each annual meeting of the regular members. Each officer shall hold office until a successor is named or until death, resignation, or removal in the manner hereinafter provided.

SECTION 3. REMOVAL: Any Officer elected by or appointed by the Board of Directors may be removed by the Board of Directors whenever in its judgment the best interests of the Club would be served thereby.

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

SECTION 5. DUTIES: The officers of the Club shall have such duties as are customarily required by their offices and as assigned or delegated to them by the Board of Directors.

ARTICLE V

MAINTENANCE FEE AND MEMBERSHIP DUES

SECTION 1. MAINTENANCE FEE: Each lot is subject to a \$35.00 annual fee.

SECTION 2. MEMBERSHIP DUES: Every lot owner shall be a member of Little Swan Lake Club, and shall be entitled to one vote for each lot owned. Annual membership dues are \$135 in 2012 and \$150 in 2013 and \$250 currently, per household, regardless of how many lots owned. Late fees are \$25. Additional membership cards are available for \$1.00 each.

SECTION 3. LESSEE MEMBERSHIP: On leased property, only the lessee and members of his/her immediate family are eligible for Club membership.

SECTION 4. WHEN DUE AND PAYABLE: All maintenance fee and membership dues shall be due January 31st of each year payable annually in advance. A late fee of \$25.00 will be assessed.

SECTION 5. DELINQUENCIES: When the maintenance fee or membership dues or other indebtedness of any lot owner or member shall remain unpaid for thirty (30) days after the date due, the lot owner or member so delinquent shall cease to be a member of the Club. He/she will then be subject to proceedings necessary to collect same. Any lot owner or member thus forfeiting membership may be reinstated upon payment of all arrears.

SECTION 6. FISCAL YEAR: The fiscal year of the Club shall begin the first day of January each year and end on the 31st day of December in each year.

ARTICLE VI
AMENDMENTS

These By-Laws may be altered, amended or replaced and new By-Laws may be recommended by the Board of Directors of the Club or a petition signed by 10% of the lot owners. Adoption of the alteration, amendment or repeal shall be by a simple majority vote of the lot owners present at the annual meeting and those voting by absentee ballot.