

BY-LAWS OF SIGNAL HILL NEIGHBORHOOD ASSOCIATION, INC

ARTICLE I--Name

The name of the Association shall be "Signal Hill Neighborhood Association, Inc.", hereinafter called "Association".

ARTICLE II--Purpose

The purpose of the Association will be to act in the common interest of the residents of lots within the boundaries of the Association as set forth in the By-Laws of said Association to maintain and promote high standards of quality in the appearance, safety and peaceful enjoyment of the streets and grounds within the boundaries of the Association and in the maintenance and upkeep of any common ground, facilities and equipment which may, from time to time, be owned by the Association.

ARTICLE III--Boundaries of the Association

The boundaries of the Association shall be as outlined on the attached General Highway Map, Centreville Township, St. Clair County, Illinois as prepared by the Department of Transportation.

ARTICLE IV--Membership, Dues and Meetings

Section 1: Any person of legal voting age who resides within the boundaries of the Association as set forth herein, is eligible to be, and may be admitted to membership in the Association upon application to the Secretary and the payment of annual dues and any unpaid assessments against the property which he or she owns within the boundaries of said Association. Dues shall be assessed by household or mailing address. If title of said property is held by more than one person as joint tenants or tenants in common, each of said owners shall be entitled to membership in the Association. Any person who owns legal title or beneficial interest in the property within said boundaries as Trustee, Executor, Administrator, Conservator or Guardian, who is acting for the benefit of a person who resides within the boundaries of the Association or who owns property within said boundaries shall be eligible for membership in the Association upon the same terms and conditions as hereinabove set forth for other residents and owners of property within the boundaries of said Association.

Section 2: Membership shall include an undertaking by the applicant to comply with and be bound by the Articles of Incorporation, these By-Laws and amendments thereto, policy rules, regulations and resolutions at any time adopted by the Board of Directors of the Association in accordance with the By-Laws.

Section 3: Membership in this Association shall terminate on such members ceasing to be the beneficial owner of property within the aforementioned boundaries and/or upon ceasing to be a resident residing therein.

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Section 4: An annual meeting of the members of the Association shall be held each year, at a time and place to be designated by the Board of Directors for the purpose of electing directors and for the transaction of such other business as may come before the meeting. Special meetings of the members of the Association may be called either by the president, by the Board of Directors or by written request submitted to the Board of Directors by the holders of not less than ten (10) of the outstanding and paid up voting memberships of the Association for the purposes and at the time and place stated in the call of the meeting.

Section 5: - Written notice stating the place, date and hour of the meeting, and in the case of a meeting, the purpose or purposes for which the meeting is called, shall be delivered not less than fifteen (15) nor more than sixty (60) days before the date of the meeting, either personally, by mail, or by publication in a neighborhood newsletter, by or at the direction of the president, the secretary or the officer or persons calling the meeting, to each member of the Association. 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.

Section 6: Twenty members of the Association present in person or represented by proxy shall constitute a quorum at any meeting of the members of the Association. If less than twenty members are represented at a meeting, either by person or by proxy, a majority of the memberships so represented may adjourn the meeting at any time without further notice. If a quorum is present, the affirmative vote of the majority of the voting memberships represented either by person or by proxy at the meeting shall be the act of the Association, unless a vote of a greater number is required by these By-Laws. At any adjourned meeting at which a quorum shall be present any business may be transacted which might have been transacted at the original meeting. Withdrawal of representatives of outstanding voting memberships and or their proxy from any meeting shall not cause failure of a duly constituted quorum at that meeting.

Section 7: Any member of this Association whose dues are paid shall be entitled to one vote upon each matter submitted to a vote at the meeting of the members of the Association. Ownership of more than one lot within the boundaries of the Association shall not entitle a member to more than one vote upon each matter submitted to a vote at the meeting of the members of the Association.

Section 8: At membership meetings all votes shall be cast in person or by proxy registered with the Secretary of the Association no later than seven (7) days before the membership meeting.

Section 9: Voting on any question or in any election may be by voice unless the presiding officer shall otherwise order the vote to be by a show of hands or written ballot.

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Section 10: The Board of Directors is authorized to establish regulations providing for voting by mail.

ARTICLE V--Management

Section 1: The affairs of the Corporation shall be managed by the Board of Directors, subject to instructions of the members of the Corporation at a regular or special meeting, or subject to the approval of the membership as expressed by a vote of the membership.

Section 2: The number of directors shall be not less than six (6) and not more than twenty-one (21). Each director shall be a voting member of the Association and shall hold office until three (3) annual meetings of the members following their original qualification shall have been held, and until their successor shall have been elected and qualified. Beginning in 1992, the directors shall be divided into three (3) classes of three (3) staggered three year terms. Each director shall hold office for the period of their term or until their successor shall have been elected and qualified or unless removed by two-thirds votes of all outstanding voting memberships. The number of directors may be increased or decreased from time to time by amendment of this Section, but no decrease shall have the effect of shortening the term of any incumbent director.

Section 3: A regular meeting of the Board of Directors may be held without other notice than this By-Law, immediately after the annual meeting of the members of the Association. The Board of Directors may provide by resolution the time and place for the holding of additional regular meetings without other notice than such resolution. Special meetings of the Board of Directors may be called by or at the request of the president or by written request submitted to the president of the Association by any two (2) directors. The president shall fix the place for holding any special meeting of the Board of Directors.

Section 4: Notice of any special meeting of the Board of Directors shall be given at least five (5) days previous thereto, either in person, orally by telephone, or by written notice to each director at his or her residence address. If mailed, such notice shall be deemed to be delivered when deposited in the United States Mail so addressed with postage thereon prepaid. 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.

Section 5: One third of the number of directors fixed by these By-Laws shall constitute a quorum for transaction of business at any meeting of the Board of Directors provided that if less than one third of such number of directors are present at such meeting, a majority of the directors present may adjourn the meeting at any time without further notice. The act of the majority of the directors present at a meeting at which a quorum is present shall be

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the act of the Board of Directors, unless the act of a greater number is required by these By-Laws.

Section 6: In addition to powers and authority by these By-Laws expressly conferred upon them, the Board of Directors may exercise all such powers of corporation and do all such lawful acts and things as are not, by statute, by agreement of Association, by the Articles of Incorporation, or by these By-Laws directed or required to be exercised or done by the members of this Association.

Section 7: Unless specifically prohibited by these By-Laws, 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 a meeting if a consent in writing, setting forth the action so taken, shall be signed by all of the directors qualified 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 8: The officers of the Association shall be a president, vice-president, secretary and treasurer. 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 unless removal by a two-thirds vote of all outstanding voting memberships of this Association.

Section 9: The duties of the officers of the Association shall be as follows:

President: The president shall see that the resolutions and directions of the Board of Directors are carried into effect except in those instances in which that responsibility is specifically assigned to some other person by the Board of Directors, and, in general, shall discharge 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. The president shall preside at all meetings of the members of the Association and of the Board of Directors. The president may execute on behalf of the Association any contracts, deeds, mortgages, bonds, or other instruments, which the Board of Directors has authorized to be executed.

Vice-President: The vice-president shall assist the president in the discharge of 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 of Directors. In the absence of the president, or in the event of the president's inability or refusal to act, the vice-president shall perform the duties of the president, and when so doing, 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 an instrument is expressly delegated to another officer, the vice-president may execute on behalf of the Association any contracts, deeds, mortgages, bonds or other instruments which the Board of Directors has authorized

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to be executed and may accomplish such execution either individually or with another authorized officer of the Association to the requirements of the form of the instrument.

Secretary: The secretary shall record the minutes of the meeting of the members of the Association and of the Board of Directors, see that all notices are duly given in accordance with the provisions of the By-Laws, be custodian of the records of the Association and sign with the president and vice-president any contracts, deeds, mortgages, bonds or other instruments which the Board of Directors has authorized to be executed according to the requirements of the form of the instrument. The secretary shall perform all other duties incident to the office of secretary and such other duties as from time to time be assigned to the secretary by the president or by the Board of Directors.

Treasurer: The treasurer shall have charge of and be responsible for maintaining adequate books of account for the Association, have custody of all funds, and be responsible for the receipt and disbursement thereof.

ARTICLE VI--Contracts, Checks, Deposits and Assessments

Section 1: The Board of Directors 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 with the exception that no loans shall be contracted on behalf of the Association and no evidences of indebtedness shall be issued in its name without the consent of two-thirds of the voting membership of this Association.

Section 2: All checks, drafts or other orders for the payment of money 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 of Directors. All funds of the Association not otherwise employed shall be deposited from time to time to the credit of the Association in such banks, savings and loan associations, or other depositories as the Board of Directors may select.

Section 3: A special assessment approved by the Board of Directors may not be charged to the members of the Association until approved by a two-thirds vote of the representatives of all outstanding voting memberships.

ARTICLE VII--Fiscal Year

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

ARTICLE VIII--Amendments

The power to make, alter, amend or repeal the By-Laws of, the Association shall be vested in the members of the Association. No provision of the By-Laws shall be amended, altered

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or repealed unless approved by a majority vote at a meeting, regular or special, of the membership. All proposed amendments shall be posted in specified places as are deemed appropriate to the Board of Directors.

ARTICLE IX--Election of Officers and Directors

Section 1: The election of the Association's Board of Directors shall take place annually at the time and place of the regular annual meeting of the membership of this Association. Only voting members shall be eligible for election to the Board of Directors of this Association.

Section 2: The voting membership shall nominate the candidates for the Board of Directors and said nomination shall take place at the annual meeting of the membership. The voting membership shall then vote for and elect candidates to the Board of Directors of this Association and said directors shall serve for the term specified by these By-Laws. The Board of Directors may nominate candidates, either itself or through a nominating committee.

Section 3: The new Board of Directors shall at their first meeting elect the officers of this Association for the following year from among the newly elected Board.

Section 4: Any vacancy on the Board or in any office shall be filled by the Board of Directors.

ARTICLE X--Fees and Dues

Section 1: The annual dues shall be assessed by household or mailing address and shall be payable before April of each year, and not later than thirty (30) days before the annual meeting. The annual dues for each given year are subject to such modification as a majority of the directors may require, provided, however, that an increase in excess of 25% of the annual dues established for said year shall not be permitted without a two-thirds vote of all outstanding voting memberships approving such increase. The Board of Directors shall have the right to waive the annual dues any increase therein and/or assessments levied against any member of this Association for good cause shown by said member.

Section 2: Special assessment in excess of 25% of the annual dues set for the year in which the assessment is made may be levied on members of this Association only by a vote of two-thirds of all members of the Association.

Section 3: The annual dues, any increases therein and assessments shall be payable within thirty (30) days after notification by the Board of Directors of said dues, any increases therein and/or assessments.

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ARTICLE XI--Proxies

Persons entitled to vote or to execute consents shall have the right to do so either in person or by one or more agents authorized by a written proxy executed by the person or by his duly authorized agent and filed with the secretary of the Association no later than fifteen (15) days before meeting at which the proxy is to be voted. Such proxy shall be valid only if executed in favor of another voting member of the Association.

ARTICLE XII--Indemnification of Directors, Officers and Employees

Each person who is or has been a director or officer of this Association, and each employee of the Association acting in a managerial capacity shall be indemnified by the Association against expenses, including attorney's fees, necessarily incurred by such person in connection with the defense or settlement of any action, suit or proceeding to which he is a party, alone or together with others, by reason of his being or having been a director, officer or an employee acting in a managerial capacity of this Association.

Each such person shall also be reimbursed by the Association for any amounts paid by such person in satisfaction of any judgment or settlement in connection with any such action, suit, or proceeding, unless the amount of such judgment or settlement is payable to the Association itself or unless such person shall be adjudged in such action, suit or proceeding to be liable for misconduct in the performance of his duties to this Association. The foregoing right of indemnification shall be in addition to any other rights to which such person may be entitled as a matter of law.

The undersigned hereby certifies that:

1. They are the duly elected and acting secretary of the Signal Hill Neighborhood Association, Inc., a non-profit corporation, duly organized and existing under the laws of the State of Illinois.
2. The foregoing By-Laws comprising seven (7) pages, constitute the organized By-Laws of the Corporation, as duly adopted by the Board of Directors on _____, and by the members of the Association on the twenty-fourth day of June, 2007.

In Witness Whereof, the undersigned has hereto subscribed their name and affix the seal of the Corporation on this _____ day of _____.

Secretary