



THE GALENA TERRITORY
ASSOCIATION, INC.

Bylaws

Established July 23, 1973
Revised March 25, 2017

This instrument prepared by:
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128 S. County Farm Road
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Upon Recording, return to:
The Galena Territory Association, Inc.
2000 Territory Drive
Galena, IL 61036

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This instrument, known as the Amended and Restated By-Laws of the Galena Territory Association, Inc., is recorded for the purpose of amending, restating and replacing in its entirety the Amended and Restated By-Laws of the Galena Territory Association, Inc. ("Prior By-Laws") which is attached as Exhibit "B" to the Amended and Restated General Declaration of Covenants and Restrictions for the Galena Territory Association, Inc., which was recorded on March 5, 2014, with the Office of the Recorder of Deeds of Jo Daviess County, Illinois as Document number 379037.

This Amended and Restated By-Laws of the Galena Territory Association, Inc. is adopted pursuant to the provisions of Article XVI of the Prior By-Laws, which provides that this Amended and Restated By-Laws of the Galena Territory Association, Inc. may be approved by a two-thirds (2/3) vote of the then constituted Board and ratified by the affirmative vote of two-thirds (2/3) of the Members voting, either in person or by mail, at the next ensuing regular or special meeting of the Members. This Amended and Restated By-Laws of the Galena Territory Association, Inc. shall take effect upon recordation in the Office of the Recorder of Deeds of Jo Daviess County, Illinois.

PREAMBLE

WHEREAS, the Galena Territory Association, Inc. (hereinafter the "Association") through its Board of Directors administers the property legally described in Exhibit "A", which is attached hereto and made a part hereof;

WHEREAS, the Prior By-Laws are attached as Exhibit "B" to the Amended and Restated General Declaration of Covenants and Restrictions for the Galena Territory Association, Inc., which was recorded on March 5, 2014, with the Office of the Recorder of Deeds of Jo Daviess County, Illinois as Document number 379037;

WHEREAS, the Board and the Owners of the Association desire to amend and restate the Prior By-Laws replacing it, in its entirety, with this Amended and Restated By-Laws of the Galena Territory Association, Inc.;

WHEREAS, certain changes to the Prior By-Laws were approved in 2015 by a two-thirds (2/3) vote of the then constituted Board and ratified by the affirmative vote of two-thirds (2/3) of the Members voting, either in person or by mail, at the next ensuing regular or special meeting of the Members;

WHEREAS, specifically, changes to Article VII, Sections 1, 2 and 8, Article VIII, Section 1, Article X, Sections 4, 5, 6, 7, and 8, Article XI, Section 1, 4, 5, and 6, Article XII, Section 3, Article XIII, Section 1 and Article XVII, Section 1 were approved in 2015;

WHEREAS, certain changes to the Prior By-Laws were approved in 2016 by a two-thirds (2/3) vote of the then constituted Board and ratified by the affirmative vote of two-thirds (2/3) of the Members voting, either in person or by mail, at the next ensuing regular or special meeting of the Members;

WHEREAS, specifically, changes to Article XI, Sections 1 and 7 were approved in 2016;

WHEREAS, certain changes to the Prior By-Laws were approved in 2017 by a two-thirds (2/3) vote of the then constituted Board and ratified by the affirmative vote of two-thirds (2/3) of the Members voting, either in person or by mail, at the next ensuing regular or special meeting of the Members;

WHEREAS, specifically, changes to Article VII, Section 8 and Article XI, Section 6 were approved in 2017;

WHEREAS, certain changes to Article VII, Section 6 and Article IX, Section 6 of the Prior By-Laws were approved by a two-thirds (2/3) vote of the then constituted Board pursuant to the Illinois Common Interest Community Association Act (765 ILCS 160/1-60(a)) in order to make changes to comply with said Act;

WHEREAS, the Board and the Owners of the Association desire to amend and restate the Prior By-Laws replacing it, in its entirety, with this Amended and Restated By-Laws of the Galena Territory Association, Inc.;

WHEREAS, therefore this Amended and Restated By-Laws of the Galena Territory Association, Inc. has been approved by a two-thirds (2/3) vote of the then constituted Board and ratified by the affirmative vote of two-thirds (2/3) of the Members voting, either in person or by mail, at the next ensuing regular or special meeting of the Members;

WHEREAS, this Amended and Restated By-Laws of the Galena Territory Association, Inc. shall become effective upon recordation in the Office of the Recorder of Deeds of Jo Daviess County, Illinois.

NOW THEREFORE, the Amended and Restated By-Laws of the Galena Territory Association, Inc. which is attached as Exhibit "B" to the Amended and Restated General Declaration of Covenants and Restrictions for the Galena Territory Association, Inc. is hereby restated and amended as follows:

**AMENDED AND RESTATED BY-LAWS OF THE
GALENA TERRITORY ASSOCIATION, INC.**

**ARTICLE I
DEFINITIONS**

Section 1. "Association" shall mean The Galena Territory Association, Inc., an Illinois not-for-profit corporation.

Section 2. "The Properties" shall mean and refer to the existing properties, and all additions to the existing properties subjected to the Declaration.

Section 3. "Common Properties" shall mean any real property and improvements thereon and any personal property or equipment with respect to which the Developer grants, assigns or conveys to the Association, title, interest in or rights of use, or with respect to which the Developer permits use by the Association and its Members, and any replacement of or for any of the foregoing.

Section 4. "Lot" shall mean any plot of land described by a number upon any recorded subdivision map of The Properties, but shall not include any plot designated therein as a "tract".

Section 5. "Owner" shall mean (i) the record owner, equitable owner, beneficiary if the property is held in a trust or contract purchaser, whether one or more persons or entities, of the fee simple title to any Lot or Living Unit situated upon The Properties; but, notwithstanding any applicable theory of the Deed to Secure Debt, shall not mean or refer to any holder thereof unless and until such holder has acquired title pursuant to foreclosure or any proceeding in lieu of foreclosure.

Section 6. "Living Unit" shall mean and refer to any portion of a Multi-Family Structure situated upon The Properties designed for occupancy by a single family.

Section 7. "Board" means Board of Directors of the Association.

Section 8. "Declaration" means the Declaration of Covenants and Restrictions by Developer dated July 26, 1973, and any Supplemental Declaration as referred to therein, recorded with the Recorder of Deeds of Jo Daviess County, Illinois with respect to which the Lots and Living Units of Owners are or will be made subject.

**ARTICLE II
MEMBERSHIP**

Section 1. Membership. Every person or entity, except the Developer, who becomes an Owner of any Lot or Living Unit subject to the provisions of the Declaration and which is subject to assessment by the Association automatically shall be a Member of the Association by acceptance of a Deed or Conveyance or by entering into a contract for purchase of such Lot or Living Unit, provided that any such person or entity who holds such interest merely as security for the performance of an obligation shall not be a Member.

Section 2. Voting Rights. The Association shall have one class of Members who shall be the persons or entities as provided in Article VII Section 1 of the Declarations. Each Member shall be entitled to one vote for each Lot or Living Unit in which he holds the interest required for membership. When more than one person holds such interest, all such persons shall be Members and the vote for such Lot or Living Unit shall be exercised as they among themselves shall determine, but in no event shall more than one vote be cast with respect to any such Lot or Living Unit. However, if only one of the multiple owners is present at a meeting of the membership, he or she shall be entitled to cast the member vote associated with that unit, regardless of any decision the multiple owners as a group may have made.

Section 3. The membership rights of any person whose interest in The Properties is subject to assessments, whether or not he be personally obligated to pay such assessments, may be suspended by action of the Board during the period when the assessments remain unpaid. Upon payment of such assessments, his/her rights and privileges shall be automatically restored. If the Board has adopted and published rules and regulations governing the use of the Common Properties and facilities, and the personal conduct of any person thereon, it may, in its discretion, suspend the membership rights of any such person for violation of such rules and regulations for a period not to exceed thirty (30) days.

Section 4. The rights of membership are subject to the payment of annual assessments levied by the Association in the amount and manner as provided in these Bylaws, the obligation of which assessments is imposed against each Owner of and becomes a lien upon the property against which such assessments are made as provided in the Declaration.

ARTICLE III PROPERTY RIGHTS AND RIGHTS OF ENJOYMENT OF COMMON PROPERTIES

Section 1. Each Member shall be entitled to the use and enjoyment of the Common Properties and facilities as provided by Article VI of the Declaration, subject to reserved rights as stated therein.

ARTICLE IV EVIDENCE OF MEMBERSHIP

Section 1. A certificate of membership in the Association may be issued to Members in such form as the Board may determine. Failure to issue such a certificate shall not affect the rights of a Member.

ARTICLE V ASSOCIATION PURPOSES AND POWERS

Section 1. The Association has been organized to accept and hold title to the Common Properties which will be conveyed and transferred to it from time to time by Developer in accordance with the Declaration; to maintain and administer the Common Properties as provided by the Declaration; to administer and enforce the covenants and restrictions as set forth in the Declaration; and to collect and disburse the assessments and charges as provided in the Declaration.

Section 2. Subject to the provisions of the Declaration, and to the extent provided by law, the Association may participate in mergers and consolidations with other nonprofit corporations organized for the same or similar purposes.

Section 3. The Association may exercise any powers conferred upon it by law subject to any limitation or restriction imposed in its Articles of Incorporation.

ARTICLE VI BOARD OF DIRECTORS

Section 1. The affairs of the Association shall be managed by a Board of Directors who shall be Members of the Association. The Board shall consist of nine (9) members to serve for a term of three (3) years each, one-third of the Board, or three (3) members, plus any vacancies which may occur, shall be elected each year. Only one of multiple owners of a lot or living unit shall be eligible to serve as a director at any one time.

Section 2. Vacancies in the Board shall be filled by a two-thirds vote of the remaining Directors. Any such appointed Director shall hold office until his successor is elected by the Members at the next annual meeting or until Members holding twenty percent (20%) of the votes in the Association request a

meeting of the Members to fill the vacancy for the balance of the term. A meeting of the Members shall be called for purposes of filling a vacancy on the Board no later than thirty (30) days following the filing of a petition signed by Members holding twenty percent (20%) of the votes in the Association requesting such a meeting. The above provision shall not preclude an appointed Director from seeking election as a Director. Such Director appointed or elected to fill a vacancy shall serve only during the unexpired term created by the vacancy.

Section 3. Two-thirds of the membership may remove a board member as a director at a duly called special meeting.

ARTICLE VII ELECTION OF DIRECTORS

Section 1. Election to the Board shall be by written or electronic ballot as hereinafter provided. At such election, the Members may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Declaration.

Section 2. The three candidates receiving the greatest number of votes shall be elected to fill the vacancies caused by the expiration of the full three (3) year terms. The candidate receiving the next highest number of votes shall be elected to fill the vacancy or vacancies caused by an unexpired term or terms. Of those candidates, the candidate with the largest number of votes shall be elected to fill the longest term and so on. If there occurs a tie in the vote for two or more candidates among those candidates receiving the highest number of votes to fill the expired terms and vacancies such that it cannot be determined which candidate(s) should fill an expired term or a particular vacancy, such determination shall be made by lot. The Election Advisory Group shall determine the procedure for drawing lots.

Section 3. No Director shall serve more than two (2) consecutive three-year terms. Partial terms filled by appointment shall not be considered part of said three-year term. A former Board member shall be eligible for re-election to the Board on the expiration of one year from the last six-year term served.

Section 4. Nominations for election to the Board shall be made by a Nominating Committee which shall be one of the standing committees of the Association.

Section 5. The Nominating Committee shall make as many nominations for election to the Board as it shall in its discretion determine, but not less than the number of vacancies that are to be filled and no more than three (3) nominations for each vacancy. Such nominations may be made from among Members only, as the Committee in its discretion shall determine. Nominations shall be placed on a written ballot as provided in Article VII Section 6, and shall be made in advance of the time fixed in Article VII Section 6 for the mailing of such ballots to Members.

Section 6. All elections to the Board shall be made by written or electronic ballot which shall:

- (a) Describe the vacancies to be filled;
- (b) Set forth the names of those nominated by the Nominating Committee for such vacancies and;
- (c) Contain a space for a write-in vote by the Members for each vacancy. Such ballots shall be prepared and mailed by the secretary to the Members at least ten (10) and not more than thirty (30) days in advance of the date set forth therein for return of ballots;
- (d) If there is no more than one candidate for each vacancy on the board, the names of the candidates shall be positioned on the ballot according to lot. The procedures for drawing the names shall be determined by the Nominating Committee. If there are more candidates than vacancies, the ballots shall be printed so that the names of the candidates are listed in each position on the ballot approximately the same number of times.

Section 7. Each Member shall receive as many ballots as he has votes. Notwithstanding that a Member may be entitled to several votes, he shall exercise on any one ballot only one vote for each vacancy shown thereon. The completed ballots shall be returned as follows: Each ballot shall be placed in a sealed envelope marked "Ballot" but not marked in any other way. Each such "Ballot" envelope shall contain only one ballot, and the Member shall be advised that, because of the verification procedures of Article VII Section 8, the inclusion of more than one Ballot in any one "Ballot" envelope shall disqualify the return. Such "Ballot" envelope, or envelopes (if the member is exercising more than one vote), shall be placed in another sealed envelope which shall bear such information as the Board may determine will serve to establish his right to cast the vote or votes presented in the ballot or ballots contained therein. The ballots shall be returned to the secretary at the address stated in ballot transmittal.

Section 8. Upon receipt of each return, the secretary shall immediately place it in a safe or other locked place until the days set for the annual or other special meeting at which the elections are to be held. No earlier than the day before, the external envelopes containing the "Ballot" envelopes shall be turned over, unopened, to an Election Advisory Group which shall consist of at least three (3) Members appointed by the Board. The Election Advisory Group shall then adopt a procedure which shall:

- (a) Establish that the number of envelopes marked "Ballot" corresponds to the number of votes allowed to the Member, be identified on the outside envelope containing them; and
- (b) That the Member is not delinquent in the payment of any of the assessment against the Lot or Living Unit for which the vote is being cast. If the assessments are not fully paid, the vote shall be invalidated.

Such procedure shall be taken in such manner that the vote of any Member shall not be disclosed to anyone, even the Election Advisory Group.

The outside envelopes shall thereupon be placed in a safe or other locked place and the Election Advisory Group shall proceed to the opening of the "Ballot" envelopes and the counting of the votes. If any "Ballot" envelope is found to contain more than one ballot, all such ballots shall be disqualified and shall not be counted. The Election Advisory Group shall announce at the Annual Meeting the names of the candidates elected and the total votes all candidates received. The Election Advisory Group shall also announce the total votes (Yes/No) received for each Bylaw and Covenant and Restriction revision (if applicable). Immediately after the announcement of the results, management shall secure and retain all ballots and outside envelopes for at least one year. Unless a review of the procedure or results is demanded in writing by any candidate within the ballot retention period, the ballots and the outside envelopes shall be destroyed.

Section 9. The procedures for electronic ballots shall be determined by the Board of Directors.

Section 10. Votes cast under this Article VII are valid for the purpose of establishing quorum.

ARTICLE VIII POWERS AND DUTIES OF THE BOARD

Section 1. The Board shall have power:

- (a) To call special meetings of the Members.
- (b) To appoint and remove at pleasure all officers, agents or the General Manager/Chief Executive Officer of the Association, prescribe their duties, fix their compensation, and require of them such security or fidelity bond as it may deem expedient. Nothing contained in these Bylaws shall be construed to prohibit the employment of any Member, officer or Director of the Association in any capacity whatsoever. Provided, that a member of the Board may not enter into a contract with a current Board member, or with a corporation or partnership in which a Board member or a member of his or her

immediate family has twenty-five percent (25%) or more interest, unless notice of intent to enter into the contract is given to the Members within twenty (20) days after a decision is made to enter into the contract and the Members are afforded an opportunity by filing a petition, signed by twenty percent (20%) of the Membership, for an election to approve or disapprove the contract; such petition shall be filed within twenty (20) days after such notice and such election shall be held within thirty (30) days after filing the petition. For purposes of this paragraph, a Board member's immediate family means the Board member's spouse, parents, and children.

- (c) To establish, levy, assess and collect the assessments or charges referred to in Article VIII of the Declaration.
- (d) To adopt and publish rules and regulations governing the use of the Common Properties and facilities and the personal conduct of the Members and their guests and the Developer, its successors, assigns, licensees, sublicensees, guests of its commercial operation and prospective customers thereon.

The Board may, after notice and an opportunity to be heard, levy reasonable fines for violations of the Declarations, Bylaws, and Rules and Regulations of the Association, in accordance with procedures to be established by the Board.

- (e) To exercise for the Association all powers, duties and authority vested in or delegated to this Association, except those, if any, reserved to the Members in the Declaration or in the Articles of Incorporation.
- (f) In the event that any Member of the Board shall be absent from three (3) consecutive regular meetings, the Board may by action taken at the meetings during which said third absence occurs, declare the office of said absent Director to be vacant.

Section 2. It shall be the duty of the Board:

- (a) To cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof to the Members at the annual meeting or, at any special meeting, when requested by the Members.
- (b) To supervise all officers, agents and the General Manager/Chief Executive Officer of the Association, and to see that their duties are properly performed.
- (c) The Association upon request and payment of a service fee shall furnish any Owner liable for any assessment a certificate in writing signed by the General Manager/Chief Executive Officer or his or her designee setting forth what assessments, if any which have been made with respect to said Owner's property and which are unpaid. Such certificate shall be conclusive evidence with respect to the matters certified therein.
- (d) To make annual assessments against the Members and to collect the same and create and enforce liens with respect thereto, as provided in the Declaration. No assessment shall be made for any year prior to the year 1976. The amount of the assessment for each year and the time for payment thereof shall be fixed by resolution of the Board.
- (e) The Board may increase the amount of the annual assessment for any year after 1976 in an amount greater than 15% of the amount of the assessment for the preceding year upon approval by vote of Members at the annual meeting of Members of a majority of the Members present and voting at said meeting, in person, in the following manner: Prior to any such annual meeting the Board shall adopt a budget for such year to be presented for approval by Members at such meeting, which budget as adopted shall be sent to the Members with a notice of such meeting. If such budget is approved by the Members, the Board may levy an assessment for such year in an amount sufficient to meet the provisions of such budget.

- (f) The Board shall direct management to add any unpaid, past due fines as well as any other amounts owed to the Association by any property Owner to that property Owner's annual property Owner's assessment and this in total shall be subject to the rules of annual assessment collections as set forth in these Bylaws and the Declaration.
- (g) To formulate and provide by Rule a method of approving payment vouchers.
- (h) To select an independent auditor to conduct an annual audit of the Association.
- (i) And each individual director to fully comply with the Board approved Board of Directors Conflict of Interest Policy.

ARTICLE IX DIRECTORS' MEETINGS

Section 1. Special meetings of the Board shall be held when called by the President or 25% of the Directors upon not less than three (3) days' notice setting forth the business to be transacted at the meeting.

Section 2. The transaction of any business at any meeting of the Board, however called and noticed, or wherever held, shall be as valid as though made at a meeting duly held after regular call and notice if a quorum is present; or, if, either before or after the meeting, each of the Directors not present signs a written waiver of notice, or a consent to the holding of such meeting, or an approval of the minutes thereof. All such waivers, consents or approvals shall be filed with the corporate records and made part of the minutes of the meeting.

Section 3. A majority of the members of the Board shall constitute a quorum.

Section 4 Unless prior notice to directors or Members is required by law, any action required by law or these Bylaws to be or which may be taken at a meeting of the Members or Directors, may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be signed by all Members or Directors, as the case may be, entitled to vote with respect to the subject matter.

Section 5. The Board shall meet at least four (4) times annually.

Section 6. All meetings of the Board shall be open to any Owner, except that the Board may close any portion of a noticed meeting or meet separately from a noticed meeting:

- (a) To discuss litigation when an action against or on behalf of the Association has been filed and is pending in a court or administrative tribunal, or when the Association finds that such an action is probable or imminent;
- (b) To discuss third party contracts or information regarding appointment, employment, engagement or dismissal of an employee, independent contractor, agent, or other provider of goods and services;
- (c) To interview a potential employee, independent contractor, agent or other provider of goods and services;
- (d) To discuss violations of rules and regulations of the Association;
- (e) To discuss an Owner's unpaid share of common expenses; or
- (f) To consult with the Association's legal counsel.

However, any vote on the above matters shall be taken at a meeting or portion thereof open to any Owner.

Section 7.

- (a) Notice of meetings of the Board, containing the date, time and place of said meeting, shall be provided to each Owner by mail, personal delivery, by posting in an Association publication that is routinely mailed to all Owners or sent via any other delivery method that is approved in writing by the Owner and authorized by the Declaration or By-Laws, or shall be posted in entranceways or other conspicuous places in the Common Properties at least forty-eight (48) hours prior to the Board meeting. However, if there is no common entranceway for seven (7) or more Lots or Living Units, then the Board may designate one (1) or more locations in the proximity of the Lots and Living Units where the notices of meetings shall be posted.
- (b) Provided, however, that each Owner shall receive written notice by mail, personal delivery, by posting in an Association publication that is routinely mailed to all Owners or sent via any other delivery method that is approved in writing by the Owner and authorized by the Declaration or By-Laws, of any meeting of the Board concerning the adoption of the proposed annual budget, regular assessments, or a separate or special assessment not less than ten (10), and not more than sixty (60), days prior to such Board meeting.

Section 8. A portion of each Board meeting shall be reserved for comments by Members. Provided, however, that the duration and meeting order for such Member comment period is within the sole discretion of the Board.

ARTICLE X OFFICERS

Section 1. The officers shall be a president, a vice president, a secretary and a treasurer. All officers shall be members of the Board.

Section 2. The officers shall be chosen by a majority vote of the Board.

Section 3. All officers shall hold office during the pleasure of the Board.

Section 4. The President shall preside at all meetings of the Board and of the membership; shall see that orders and resolutions of the Board are carried out; shall sign all deeds, shall co-sign promissory notes, and shall ensure the General Manager/Chief Executive Officer endorses all leases, contracts, and other written instruments; and shall exercise and discharge such other duties as may be required by the Board. The President appoints all Committee, Commission and Board Advisory Group Chairs.

Section 5. The Vice President shall act in the absence of the President and shall exercise and discharge such other duties as may be required by the Board.

Section 6. The Secretary shall keep the minutes of all meetings of the board and of the membership, record the votes, keep the corporate seal of the Association and affix it on all papers requiring said seal; serve notice of meetings of the Board and of the Membership; keep appropriate current records showing the Membership of the Association, together with their addresses; and perform such other duties as may be required by the Board. The Secretary may request that the General Manager/Chief Executive Officer delegate all or part of the preparation of the minutes and other duties associated with the Secretary's responsibilities to a member of the Association's staff.

Section 7. The Treasurer shall keep the financial records and books of account, shall be responsible for receiving and depositing, or cause to be received and deposited, in appropriate bank accounts all monies of the Association; shall disburse such funds to pay for authorized functions approved by the Board; shall co-sign promissory notes of the Association; and shall ensure an annual budget is prepared and presented to the Board for approval; shall ensure the annual budget and audit shall be distributed to the Members; perform such other duties as may be required by the Board. The

Treasurer may request that the General Manager/Chief Executive Officer delegate all or part of the Treasurer's responsibilities to a member of the Association's staff.

ARTICLE XI COMMITTEES, COMMISSIONS, AND ADVISORY GROUPS

Section 1.

- (a) The Board, by resolution adopted by a majority of the Board, may designate one (1) or more committees. Each such committee shall consist of at least two (2) or more Directors and may also consist of Association Members who are not Directors; provided, however that the majority of each such committee shall be Directors. Committees may have as few as three (3) and as many as five (5) members, all as may be appointed by the Board as it deems appropriate. The members of each committee shall be nominated by the Committee Chair and approved by the Board and serve solely at the discretion and direction of the Board. Any committee member may be removed by a vote of the majority of the Directors on the Board whenever in their judgment the best interests of the Association shall be served by such removal. The Architectural Review Committee shall be a standing committee of the Association. The Nominating Committee shall also be a standing committee of the Association, whose members shall be appointed by the Board, but a majority of the members of the Nominating Committee need not be Directors. The membership of the Nominating Committee shall be as provided in Section 2 of this Article.
- (b) The Board, by resolution adopted by a majority of the Board, may designate one (1) or more commissions, which commissions may not act on behalf of the Association or bind the Association to any action, but may make recommendations to the Board. The President shall appoint a Director to chair each commission, but the other members of the commission need not be Directors but must be Association Members. Commissions may have as few as three (3) and as many as nine (9) members, all as may be appointed by the Board as it deems appropriate. The members of each commission shall be nominated by the Commission Chair and approved by the Board and serve solely at the discretion and direction of the Board. Any member thereof may be removed by a vote of the majority of the Directors on the Board whenever in their judgment the best interests of the Association shall be served by such removal. The standing commissions shall be: 1) the Budget and Finance Commission, 2) the Legal, Bylaws, and Arbitration Commission, and 3) the Long Range Planning Commission.
- (c) The Board may appoint Advisory Groups as it deems necessary.

Section 2. The Nominating Committee shall have the duties and functions described in Article VII, Section 5 hereof. The Nominating Committee shall consist of a chair who shall be a member of the Board, and who shall not be a candidate for election as a director and two or more members of the Association who shall not be candidates for election as directors.

Section 3. The Architectural Review Committee shall have the powers, duties and functions of the Committee established in the Declaration, Article IV, and such additional duties as may be delegated by resolution passed by a majority of the Board of Directors. All controversies between an Owner-Member and the Architectural Review Committee shall be subject to review under the approved GTA Dispute Resolution Policy as authorized under these bylaws at Article XVII, Section 1.

Section 4. The Budget and Finance Commission shall review and make recommendations on the annual budget of the Association and its subsidiaries, review and provide comment on the annual audit for the Association and its subsidiaries, and shall annually review the Association's investment and financial policies and provide recommendations to the Board. The Budget and Finance Commission shall be chaired by the Treasurer.

Section 5. The Legal, Bylaws, and Arbitration Commission shall review such legal matters involving the Association, its Members or employees relating to Association matters as may be

referred to the Legal, Bylaws, and Arbitration Commission by the Board and to propose changes in legal procedures that the Legal, Bylaws, and Arbitration Commission deems appropriate to further the affairs of the Association. The Legal, Bylaws, and Arbitration Commission shall be responsible for developing dispute resolution and arbitration procedures as needed for recommendation to the Board for approval and supervising the arbitration process.

Section 6. The Long Range Planning Commission shall be responsible for the preparation and maintenance of the Strategic Plan, which will be reviewed, amended as desired, and approved by the Board of Directors. The plan is designed to improve and maintain the common properties. The plan fosters development and use of the common properties by providing recommendations for services, infrastructure, and management of amenities, consistent with property owner interests and protection of the natural environment and character of this recreational, residential, and resort community. The plan shall include a multi-year operational and capital plan for meeting the identified goals of the plan. The Strategic Plan shall be reviewed annually and comprehensively updated on a five-year rotation or sooner as needed.

Section 7: The Civic Affairs Commission shall monitor internal and external forces designated by the GTA Board of Directors, analyze issues, and report pros and cons to the GTA Board. The Commission shall build relationships with local officials to include regularly attending or reviewing meeting reports of the County Board, County Committees, and Townships; work to integrate the GTA and its members into local communities through the development and support of mutually beneficial projects; and periodically submit communication to GTA members.

ARTICLE XII MEETINGS OF MEMBERS

Section 1. A regular annual meeting of Members for the purpose of electing Directors and taking action with respect to any other business noticed for the meeting shall be held on the Third Saturday of February or at such other reasonable time or date (not more than thirty (30) days before or after such date) as may be designated by written notice of the Board delivered to the Owners 10-30 days in advance of the date fixed for said meeting.

Section 2. Special Meetings of Members may be called at any time by the president, Board of Directors, or 20% of the Owners. The specific purpose or purposes for which the Special Meeting is being called shall be set forth in the request for such meeting.

Section 3. Notice of any meetings shall be given to the Members by the secretary. Notice may be given to the Member either personally, or by sending a copy of the notice through the mail, postage thereon fully prepaid, or other prescribed delivery method, including electronic means, to his address appearing on the books of the corporation. Each Member shall register his address with the secretary, and notices of meetings shall be mailed to him at such address. Notice of any meeting, regular or special, shall be mailed at least ten (10), but not more than thirty (30), days in advance of the meeting and shall set forth in general the nature of the business to be transacted, provided, however, that if the business of any meeting shall involve an election governed by Article VII herein or any action governed by the Articles of Incorporation, notice of such meeting shall be given or sent as therein provided.

Section 4. The presence at the meeting of Members entitled to cast, in person 10% of the votes of Members entitled to vote or 100 Members shall constitute a quorum for any action governed by these Bylaws, except as otherwise may be required by the Articles or Declaration.

ARTICLE XIII INDEMNIFICATION OF DIRECTORS, OFFICERS AND EMPLOYEES

Section 1. Any person who is involved without his consent in any legal action due to the fact that he is or was a Director, Officer, Committee or Commission Member, Volunteer or employee of the Association shall be indemnified by the Association against all expenses reasonably incurred by him in

connection with or resulting from such legal action. Such expenses shall also include amounts paid by him with the consent of the Association acting through its Board of Directors in reasonable settlement of such actions except for those matters as to which it shall be determined that such persons were derelict in the performance of his duties to the Association. This right of indemnification shall apply to matters arising both before and after the time of adoption of the Bylaws and any amendments thereto, and shall not exclude any other legal right of indemnification to which such person may be entitled.

ARTICLE XIV BOOKS AND PAPERS

Section 1. The inspection of books, records and papers by members of the Association shall be subject to policy established by the Board of Directors. Provided, however, that the Board shall maintain the following records of the Association and make them available for examination and copying at convenient hours of weekdays by any Owner, such Owner's mortgagees and their duly authorized agents or attorneys:

- (a) Copies of the recorded Declaration, other Association instruments, other duly recorded covenants and bylaws and any amendments, articles of incorporation, annual reports and any rules and regulations adopted by the Association;
- (b) Detailed and accurate records in chronological order of the receipts and expenditures affecting the Common Properties, specifying and itemizing the maintenance and repair expenses of the Common Properties and any other expenses incurred, and copies of all contracts, leases, or other agreements entered into by the Board shall be maintained;
- (c) The minutes of all meetings of the Board, which shall be maintained for a period of not less than seven (7) years;
- (d) With a written statement of a proper purpose, ballots and proxies related thereto, if any, for any election held for the Board and for any other matters voted on by the Members, which shall be maintained for a period of not less than one (1) year;
- (e) With a written statement of a proper purpose, such other records of the Board as are available for inspection by members of a not-for-profit corporation pursuant to Section 107.75 of the Illinois General Not-for-Profit Corporation Act of 1986.
- (f) With respect to Lots and Living Units owned by a land trust, a living trust, or other legal entity, the trustee, officer, or manager of the entity may designate, in writing, a person to cast votes on behalf of the Member or Owner and a designation shall remain in effect until a subsequent document is filed with the Association.

Where a request for records under this Article is made in writing to the Board or its agent, failure to provide the requested record or respond within thirty (30) days shall be deemed a denial by the Board. The Association may charge a reasonable fee for the costs of retrieving and copying any such records properly requested.

ARTICLE XV CORPORATE SEAL

Section 1. The Association shall have the seal in circular form having within its circumference the words "The Galena Territory Association, Inc." or any abbreviation thereof approved by the Board.

**ARTICLE XVI
AMENDMENTS**

Section 1. These Bylaws may be amended by a two-thirds (2/3rds) vote of the then constituted Board of Directors and ratified by the affirmative vote of two-thirds (2/3rds) of the members voting, either in person or by mail, at the next ensuing regular or special meeting of the Members.

**ARTICLE XVII
DISPUTE RESOLUTION AND ARBITRATION**

Section 1. Dispute Resolution and Arbitration. Any claim or controversy between The Galena Territory Association, Inc. and any Member which arises out of or relates to the ownership and use of property in The Galena Territory shall, at the request of any such party, be submitted to dispute resolution and arbitration procedures prescribed by the Board of Directors. The Galena Territory Association, Inc. and every Member thereof, by becoming such, agrees to arbitrate all such disputes according to this Bylaw and the rules and regulations prescribed by the Board of Directors pursuant to this Bylaw, and further agrees to abide by and perform any awards made thereunder.

**ARTICLE XVIII
CAPTIONS**

Section 1. The captions and section numbers appearing in these Bylaws are inserted only as a matter of convenience. They do not define, limit, construe or describe the scope or intent of the provisions of these Bylaws.

**ARTICLE XIX
USE OF TECHNOLOGY**

Section 1. Any notice required to be sent or received or signature, vote, consent or approval required to be obtained under The Galena Territory Association's community instruments or any provision of the Illinois Common Interest Community Association Act may be accomplished using the technology generally available at that time.

Section 2. The Galena Territory Association, the Owners, and other persons entitled to occupy a Living Unit or Dwelling may perform any obligation or exercise any right under the community instruments by use of any technological means that provides sufficient security, reliability, identification and verifiability.

Section 3. A verifiable electronic signature satisfies any requirement for a signature under any of the community instruments.

Section 4. Voting on, consent to, and approval of any matter under any of the community instruments may be accomplished by electronic transmission or other equivalent technological means, provided that a record is created as evidence thereof and maintained as long as the record would be required to be maintained in non-electronic form.

Section 5. Subject to any provisions of Illinois law, no action required or permitted by any community instrument need be acknowledged before a notary public if the identity and signature of the person can otherwise be authenticated to the satisfaction of the board of directors.

Section 6. If any person does not provide written authorization to conduct business using electronic transmission or other equivalent technological means, the Association shall, at its expense, conduct business with the person without the use of electronic transmission or other equivalent technological means.

END OF TEXT OF BY-LAWS

STATE OF ILLINOIS)
)
COUNTY OF JO DAVIESS) SS

The undersigned is the President of the Board of Directors of The Galena Territory Association, Inc., and by my signature below, do hereby execute the foregoing Amended and Restated By-Laws of the Galena Territory Association, Inc. on behalf of the Association and certify that said document has been approved by a two-thirds (2/3) vote of the then constituted Board and ratified by the affirmative vote of two-thirds (2/3) of the Members voting, either in person or by mail, at the next ensuing regular or special meeting of the Members, except for certain changes made to comply with the Illinois Common Interest Community Association Act, which have been approved by a two-thirds (2/3) vote of the then constituted Board pursuant to Section 1-60(a) of said Act.

EXECUTED this _____ day of _____, 20____.

Being the President of the Board of Directors of
The Galena Territory Association, Inc.

I, _____, a Notary Public, hereby certify that on the above date, the above President of the Board of Directors of The Galena Territory Association, Inc., which Board member is personally known to me, appeared before me and acknowledged that, as such Board member, he/she signed this instrument as his/her free and voluntary act of said Board for the uses and purposes therein set forth.

BY: _____