

**BY-LAWS OF
FIELDSTONE SUBDIVISION HOMEOWNERS ASSOCIATION**

ARTICLE I

Exempt Purposes; Prohibited Activities

Section 1. Fieldstone Subdivision Homeowners Association, an Illinois not for profit corporation (“Association”), is organized exclusively as a homeowner’s association, which administers a common-interest community as defined in subsection (c) of Section 9-102 of the code of Civil Procedure. The Association shall never be operated for the primary purpose of carrying on a trade or business for profit.

Section 2. No part of the earnings of the Association shall inure to the benefit of any member or individual.

ARTICLE II

Membership

Section 1. Every person or entity who is either a record owner of a lot, or a beneficiary of a land trust holding title to a lot in any phase of Fieldstone Subdivision, Savoy, Illinois, whether such phase is presently platted or to be platted in the future (“Subdivision”), shall be a member of the Association, and be subject to the adopted rules and regulations of the Association and shall be subject to assessment. Ownership of a lot shall be the sole qualification for membership. If more than one person or entity holds title to a particular lot, all such persons or entities shall be members.

Section 2. A member shall have no vested right, interest or privilege of, in, or to the assets functions, affairs, or franchises of the Association, or any right, interest or privilege which may be transferable or inheritable, or which shall continue after such membership ceases, or while said member is not in good standing. The membership is appurtenant to and shall not be separated from ownership of a lot. Thus, membership shall automatically terminate upon the sale, transfer, or other disposition by a member of said member’s ownership of a lot in the Subdivision, at which time the new owner shall automatically become a member of the Association. Each member of the Association shall be bound by and shall observe the terms and provisions of the covenants and restrictions of the Subdivision applicable to each member’s lot(s), the by-laws of the Association and the rules and regulations promulgated from time to time by the Association or its Board of Directors. No member shall have the right or power to disclaim, terminate or withdraw from its membership in the Association or from any of its obligations as such member by abandonment of such member’s lot or for any other reason.

Section 3. Each lot in the Subdivision shall be entitled to one vote, which may be cast, either in person or by proxy, by the owner of such lot. If more than one member is the record owner or

beneficiary of a land trust holding title to a lot in the Subdivision, then the vote for that lot shall be exercised as those members amongst themselves determines. In no event shall more than one vote be cast with respect to any one lot. A lot owner may vote by written proxy, such proxy being invalid after eleven (11) months from the date of its execution, unless otherwise provided in the proxy. Every proxy must bear the date of execution thereof.

Section 4. The Association shall have the right to suspend the voting rights of any member for any period during which an assessment levied by the Association against the member's lot remains unpaid, upon the member's violation of any of the covenants and restrictions of the Subdivision or upon the member's violation of any by-laws of the Association. Any voting rights so suspended shall remain suspended until the unpaid assessments are paid in full or until the violation of the covenants and restrictions and/or the by-laws are cured.

Section 5. There shall be an annual meeting of the members of the Association at such a place and time as may be designated by the Board of Directors. The purpose of the annual meeting shall be the election of the Board of Directors for the following year and the transaction of such business as may come before the meeting. Written notice of the annual meeting stating its date, place, and hour shall be distributed to the owner-members by the Board of Directors, or its designated representative, not less than ten (10) days nor more than thirty (30) days prior to the annual meeting.

ARTICLE III Meetings of Members

Section 1. There shall be an annual meeting of the members of the Association at such a place and time as may be designated by the Board of Directors. The purpose of the annual meeting shall be the election of the Board of Directors for the following year and the transaction of such business as may come before the meeting. Written notice of the annual meeting stating its date, place, and time shall be distributed to the members by the Board of Directors, or its designated representative, not less than ten (10) days nor more than thirty (30) days prior to the annual meeting.

Section 2. Special meetings of the members may be called either by the President, the Board of Directors, or by the voting members having, in the aggregate, not less than twenty-five percent (25%) of the total votes of the Association, for the purpose or purposes stated in the notice of the special meeting. Notice of each special meeting, stating the date, place, time and in general terms of the purpose or purposes thereof, shall be distributed to the members at their last known address at least ten (10) days prior to the special meeting.

Section 3. The holders of ten percent (10%) of the votes which may be cast at a meeting of members of the Association, represented in person or by proxy, shall constitute a quorum for consideration of such matter at any meeting of members; provided that if less than ten percent (10%) of the outstanding votes are represented at said meeting, a majority of the votes so represented may adjourn the meeting at any time without further notice. If a quorum is present,

the affirmative vote of a majority of the votes represented at the meeting shall be the act of the members, unless the vote of a greater number or voting by classes is required by the Illinois General Not-For-Profit Corporation Act, the covenants or 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 members from any meeting shall not cause failure of a duly constituted quorum at that meeting.

ARTICLE IV
Board of Directors

Section 1. The business and affairs of the Association shall be managed by the Board of Directors (“Board of Directors”). The Board of Directors shall have the power and duties necessary for the administration of the affairs of the Association. The number of directors shall be not less than three (3). The initial Board of Directors need not be members of the Association, and at the inception of the Association until such time as control is ceded by Fieldstone Subdivision, L.L.C., developer of the Subdivision, to the lot owners of the Subdivision, the Board shall consist of three (3); thereafter, all of the Board shall consist of members of the Association or, if such member is an entity, a designated representative of said member. The term of each director shall be for one (1) year. Each term shall expire upon the next annual meeting of members in the year of expiration or until such director’s successor shall have been elected or qualified.

Section 2. The Board of Directors shall have the powers necessary for the administration of the affairs of the Association and may do all such acts and activities as are not directed to be exercised and done by the members. The Board of Directors is empowered to:

- (A) Arrange for the care and upkeep of the commons areas;
- (B) Levy and collect the annual assessments and any special assessments hereinafter provided for from the members;
- (C) Take action on all matters that come before the Board of Directors;
- (D) Take direction from the membership for any other action resulting in the betterment of the Subdivision;
- (E) Accept and disburse funds in accordance with the by-laws of the Association and in accordance with the annual budget and amendments thereto;
- (F) Prepare a summary of the fiscal expenditures and a budget for the next fiscal year for submission to the membership;
- (G) Enforce any and all covenants, restrictions, agreements and rules and regulations adopted by the Association, and adopt or amend rules and regulations;
- (H) Regulate, plan, arrange for and approve all landscaping, improvements, erosion control, aesthetic and architectural issues, usage of the common areas, and all questions concerning maintenance, repair, improvements, changes or additions to the common areas;
- (I) Secure such insurance as may be, in the opinion of the Board of Directors, necessary or advisable;

- (J) Designate and dismiss personnel necessary for the accomplishment of the purposes of the Association; and
- (K) Such other matters and/or actions as deemed necessary by the Board of Directors on behalf of the Association.

Nothing herein shall be construed to impose any duty on the Board of Directors, collectively or individually, to provide supervision, maintenance, repair, improvements, life safety protection, or lifeguard service, or any other particular action with respect to the commons areas. The Board of Directors shall have no duty to any member, their family members, guests or invitees for supervision or surveillance of the commons areas or any activity conducted, or condition located thereon.

Section 3. The Board of Directors shall meet at least once annually at such time and place as the directors shall choose. The Board of Directors may provide by resolution the time and place for the holding of additional regular meetings of the Board of Directors without other notice than such resolution.

Section 4. Special meetings of the Board of Directors may be called by or at the request of the President or by any two (2) directors.

Section 5. A majority of the Board of Directors shall constitute a quorum for the transaction of business at any meeting of the Board of Directors, 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 to another time with further notice. 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, unless the act of a greater number is required by statute, the Articles of Incorporation, or the by-laws of the Association. No director may act by proxy on any matter.

Section 6. 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, unless the Articles of Incorporation, a statute or the by-laws of the Association provide that a vacancy or directorship so created shall be filled in some other manner. A director elected or appointed to fill a vacancy shall be elected for the unexpired term of his or her predecessor in office. If any director fails to attend a majority of the meetings of the Board of Directors in any fiscal year, the Board of Directors may in its sole discretion declare his or her seat vacant.

Section 7. A director may resign at any time upon written notice to the Board of Directors. A director may be removed with or without cause, as specified by statute.

Section 8. Unless specifically prohibited by the by-laws of the Association, any action required to be taken at a meeting of the Board of Directors, or of any committee thereof, may be taken without a meeting, if consent in writing, setting forth the action so taken, shall be signed by majority of the Board of Directors.

Section 9. The Board of Directors shall elect from among its members at a minimum, a President who shall preside over both its meetings and the meetings of the members, a Secretary who shall keep the minutes of all meetings of the Board of Directors and of the members and who shall, in general, perform all the duties incident to the office of Secretary, and a Treasurer to keep the financial records and books of account. The offices of Secretary and Treasurer may be combined. The Board of Directors, officers and committee members shall receive no compensation for their services. However, he or she may be reimbursed for actual expenses incurred in the performance of his or her duties as such officer or committee member. All officers shall be elected annually by the Board of Directors at the regular annual meeting of the Board of Directors and they shall take office immediately after the election. 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 be duly elected.

Section 10. All agreements, contracts, deeds, leases, vouchers for payment of expenditures and other instruments shall be signed by such officer or officers, agent or agents of the Board of Directors and in such manner as from time to time shall be determined by written resolution of the majority of the Board of Directors. In the absence of such determination by the Board of Directors, such documents shall be signed by the President and countersigned by the Secretary.

Section 11. The Board of Directors, by resolution adopted by a majority of the directors in office, may designate one or more committees, each of which will consist of such persons as the Board of Directors designates. Each member of a committee shall continue as such until the next annual meeting of the members of the Association and until his successor is appointed, unless the committee shall be sooner terminated, or unless such member is removed from such committee, or unless such member shall cease to qualify as a member thereof. The Architectural Control Committee of the Subdivision shall not be subject to control of the Association and shall operate independently of the by-laws of the Association, in accordance with the covenants and restrictions for the Subdivision.

Section 12. The Board of Directors shall not be liable or responsible for the destruction or the loss of or damage to the property of any member or the guests of any member, visitors, invitees or other persons.

ARTICLE V Assessments

Section 1. The Board of Directors shall have the rights and power to subject the property situated in the Subdivision to an annual maintenance assessment and to special assessments. Each year, the Board of Directors shall estimate the total amount necessary to pay the cost of wages, material, insurance, services and supplies which will be required during the ensuing fiscal year for the rendering of all services, together with a reasonable amount considered by the Board of Directors to be necessary for a reserve for contingencies and replacements, and shall notify each member in writing as to the amount of such estimate, with reasonable itemization. The failure or delay of the

Board of Directors to prepare or serve the estimate on the member shall not constitute a waiver or release of the member's obligation to pay the assessment and special assessments as set forth herein. Each lot in the Subdivision shall be assessed an annual maintenance charge in an amount determined by the Board of Directors, and such maintenance assessment shall be used by the Association to create and continue a maintenance fund to be sued by the Association as hereinafter stated. The assessment charge shall be payable to the Association and will be delinquent when not paid within thirty (30) days after it becomes due. The annual maintenance assessment may be adjusted from year to year by the Board of Directors as determined by the Board of Directors.

Section 2. Special assessments may be levied by the Board of Directors, upon notice to the members, to pay for capital improvements authority by the members or to supplement any reserve established by the annual maintenance assessment. Extraordinary expenditures not originally included in the annual estimate which may become necessary during the year shall be charged first against such reserve. If the estimated cash requirements prove inadequate for any reason, including nonpayment of any member's assessment, the Board of Directors may at any time levy such further assessment. Any such notice of special assessments to members shall provide the amount of such special assessments and the reasons and purposes therefore.

Section 3. The annual maintenance assessment may be used:

- (A) For lighting, improving and maintaining the commons areas, the commons area easements, and dedicated right of way areas maintained for the general use of the owners and occupants of real estate in the Subdivision;
- (B) For operating and maintaining any storm-water drains and detention basins now or hereafter constructed in the Subdivision that are not or will not be under the direct supervision of the Village of Savoy, Illinois, the State of Illinois, or any drainage district; and
- (C) For doing any other things necessary or desirable, as determined by the Board of Directors, to keep the property commons neat and in good order and which in the opinion of the Board of Directors may be of general benefit to the owners or occupants of the real estate in the Subdivision.

Section 4. The Association shall have a continuing lien on each lot in the Subdivision to secure the payment of maintenance or special assessments due and to become due, and the record owners of such lots shall be personally liable for all maintenance or special assessments. Upon reasonable demand, the Association shall furnish to any owner, mortgagee or person interested a statement showing the amount of any unpaid assessment charges against any lot or lots.

Section 5. If any regular maintenance or special assessment is not paid on the date when due, then such assessment shall become delinquent and shall, together with such interest thereon and costs of collection including reasonable attorneys' fees and court costs, thereupon become a continuing lien on the property and an equitable charge running with the land touching and concerning it, which shall bind upon the property in the hands of the then owner, his grantees, heirs, devisees,

administrators, executors, legal representatives, assigns and successors, and the limitation thereof shall coincide with the statutory limitation of the State of Illinois for an enforcement of written agreements. If title to a lot is held by a land trust, the trustee shall not have any personal liability for the assessment, but all beneficiaries of said land trust shall be jointly and severally so liable. In the event title to a lot is held by more than one owner, all owners shall be jointly and severally liable. No owner may waive or otherwise escape liability for the assessment provided for herein by nonuse of the commons areas within the Subdivision. The lien of the assessments provided herein shall be subordinate to the lien of any valid, bona fide mortgage or trust deed. The sale or transfer of any lot shall not affect the assessment lien. No sale or transfer shall relieve such lot from liability for any assessments thereafter becoming due or from the lien thereon. If the assessment is not paid within thirty (30) days after the delinquency date, the assessment shall bear interest from the date of delinquency at the lesser of eighteen percent (18%) per annum or the maximum rate of interest per annum permitted by the laws of the State of Illinois, and the Association may bring an action at law against the owner personally obligated to pay same or to foreclose the lien against the property and there shall be added to the amount of such assessment all the costs to foreclose the lien against the property, and interest, cost, and reasonable attorney's fees of any such action. The venue for all legal actions shall be in Champaign County, Illinois. No owner may waive or otherwise escape liability for the assessments provided for herein for any reason.

ARTICLE VI Amendments

The provisions of these by-laws may be changed, modified or rescinded by an instrument in writing setting forth such change, modification or rescission, certified by the Secretary of the Board of Directors. Such change, modification, or rescission shall be approved at a membership meeting called for this purpose. The presence in person or by proxy at said meeting of the voting members of the Association having a majority of the total votes shall constitute a quorum. However, said change, modification or rescission must be approved by not less than a majority of the total number of votes of the Association. Prior to the election of the Board of Directors at the first annual meeting of the members of the Association, the initial three member Board of Directors named in the Articles of Incorporation of the Association and any additions thereto shall have the authority to authorize, implement, and amend these by-laws in whole, or in part, without complying the provision of the this Article.

ARTICLE VII Indemnification of Officers, Directors, Employees and Agents

Each person who at any time is or shall have been a director, officer, employee or agent of the Association, or is or shall have been serving at the request of the Association as a member of the Board of Directors, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, shall be indemnified by the Association in accordance with and to the full extent permitted by the General Not-For-Profit Corporation Act of Illinois as in effect at the time of adoption of these by-laws or as amended from time to time. The foregoing right of indemnification

shall not be deemed exclusive of any other rights to which a person seeking indemnification may be entitled under any by-laws, agreement, vote of disinterested directors or otherwise and shall not be affected by any insurance which the Board of Directors may obtain to insure against such risk. If authorized by the Board of Directors, the Association may purchase and maintain insurance on behalf of any person to the full extent permitted by the General Not-For-Profit Corporation Act of Illinois as in effect at the time of the adoption of these by-laws or as amended from time to time.

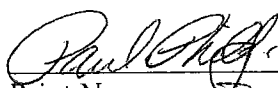
ARTICLE VIII
Fiscal Year

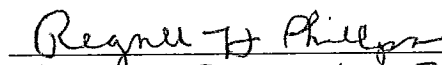
The fiscal year of the Association shall begin on the first (1st) day of January and shall terminate on the thirty-first (31st) day of December of each year.

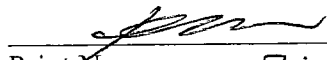
ARTICLE IX
Amendments to General Not-For-Profit Corporation Act

In the event the Illinois General Not-For-Profit Corporation Act is amended after the adoption of these by-laws in a manner which makes these by-laws conflict with the Illinois General Not-For-Profit Corporation Act, these by-laws shall be deemed to be amended to comport with such conflicting provisions of the amended General Not-For-Profit Corporation Act.

THE UNDERSIGNED (being the initial Board of Directors of the Association) hereby certifies that these by-laws were adopted by the Board of Directors of the Association as of the 24th day of October, 2012.


Print Name: Paul Phillips


Print Name: Reginald H. Phillips


Print Name: Ricardus W. [unclear]