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# 73 EAST ELM

73 EAST ELM, CHICAGO, ILL. 60611

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## 73 East Elm "Annotated" Declaration of Condominium Ownership

The attached Declaration of Condominium represents the Declaration of Condominium as recorded with such changes as are necessary to conform the Declaration to the requirements of the Illinois Condominium Property Act in effect as of July 1, 1994. Provisions appearing in the original Declaration which no longer conform to state law are stricken through. Provisions in the "annotated" Declaration which are added to the original Declaration are highlighted. The highlighted provisions are deemed to be included in every declaration.

DECLARATION OF CONDOMINIUM OWNERSHIP  
AND OR  
EASEMENTS, RESTRICTIONS AND COVENANTS  
73 EAST ELM STREET CONDOMINIUM

THIS DECLARATION, made by Exchange National Bank of Chicago, a National Banking Association, as Trustee under Trust Agreement dated October 1st, 1972 and known as Trust No. 27072, acting under the direction of the parties authorized to direct the Trustee, and not individually, (hereinafter for convenience referred to as "Trustee");

W I T N E S S E T H

WHEREAS, the Trustee is the owner in fee simple of certain real estate in Chicago, Cook County, Illinois, legally described as follows:

Lots 23, 24 and 25 and the West 3.25 feet of Lot 26 (except therefrom the East 12 inches of the South 50.18 feet of the North 60.08 feet of said West 3.25 feet of said Lot 26) in Healy's Subdivision of Lot 1 and the North half of Lot 11 and part of Lot 10 in Block 2 of Canal Trustees Subdivision of South fractional half of Section 3 Township 39 North, Range 14 East of the Third Principal Meridian together with the North 36.5 feet of Lot 10 lying South of and adjoining Lots 23 and 24 aforesaid and together with the West 2 inches of the South 32.95 feet of the North 93.03 feet of said Lot 26 (except the West 3.25 feet) in the City of Chicago in Cook County, Illinois.

WHEREAS, the above described real estate is now improved with an apartment building containing residential apartment units, which building is commonly known as 73 East Elm Street, Chicago, Illinois; and

WHEREAS, it is the desire and intention of the Trustee to enable said real estate together with all buildings, structures, improvements and other permanent fixtures of whatsoever kind thereon and all rights and privileges belonging or anywise pertaining thereto, (hereinafter called the "property"), to be owned by Trustee and by each successor in interest of Trustee, under that certain type or method of ownership commonly known as "CONDOMINIUM", and to submit the property to the provisions of the "Condominium Property Act" of the State of Illinois as amended from time to time; and

WHEREAS, the Trustee has elected to establish, for its benefit and for the mutual benefit of all future owners or occupants of the property, or any part thereof, which shall be known as "The 73 East Elm Street Condominium", certain easements and rights in, over and upon said premises and certain mutually beneficial restrictions and obligations with respect to the proper use, conduct and maintenance thereof; and

WHEREAS, the Trustee has further elected to declare that the several owners, mortgagees, occupants, and other persons acquiring any interest in the property shall at all times enjoy the benefits of, and shall at all times hold their interests subject to the rights, easements, privileges, and restrictions hereinafter set forth, all of which are declared to be in furtherance of a plan to promote and protect the cooperative aspect of ownership and to facilitate the proper administration of such property and are established, for the purpose of enhancing and perfecting the value, desirability and attractiveness of the property.

NOW, THEREFORE, Trustee aforesaid, as the titleholder of the real estate hereinbefore described, and for the purposes above set forth, DECLARES AS FOLLOWS:

#### ARTICLE I

#### DEFINITIONS

ACT: Shall mean the Condominium Property Act of the State of Illinois;

DECLARATION: This instrument by which the property is submitted to the provisions of the Condominium Property Act of the State of Illinois, and such Declaration as from time to time amended.

PARCEL: The entire tract of real estate above described;

BUILDING: The building located on the Parcel containing the Units, as more specifically hereafter described in Article II;

PROPERTY: All the land, property and space comprising the Parcel, all improvements and structures constructed or contained therein or thereon, including the building and all easements, rights and appurtenances belonging thereto, and all fixtures and property intended for the mutual use, benefit or enjoyment of the unit owners.

UNIT: A part of the Property within the Building including one or more rooms, occupying one or more floors or a part or parts thereof, designed and intended for a one-family

dwelling or such other uses permitted by this Declaration, and having lawful access to a public way, and more specifically described hereafter in Article II.

COMMON ELEMENTS: All portions of the Property except the Units.

PERSON: A natural individual, corporation, partnership or other legal entity capable of holding title to real property.

OWNER: The person or persons whose estates or interests, individually or collectively, aggregate fee simple absolute ownership of a Unit. For the purposes of Article VIII hereof, unless otherwise specifically provided therein, the word "Owner" shall include any beneficiary of a Trust, shareholder of a corporation or partner of a partnership holding legal title to a Unit.

PLAT: Shall mean the plat of survey of the Parcel and of all units in the property submitted to the provisions of the Act, which Plat is attached hereto as Exhibit "A" and by reference incorporated herein, made a part hereof, and recorded concurrently with the recording of this Declaration.

OCCUPANT: Person or persons, other than Owner, in possession of a Unit.

BY-LAWS: Each and every of the provisions for the administration of the property, including, but not limited to, assessment, maintenance, use, occupancy, sale, leasing and alienation, all as hereinafter set forth, or as the same may be from time to time duly amended, the same to have full force and effect whether applied to or by Trustee aforesaid, the Board of Managers, or the Association as hereinafter defined.

MAJORITY OF OWNERS: The owners of more than 50% in the aggregate in interest of the undivided ownership of the Common Elements. Any specified percentage of Owners means such percentage in the aggregate in interest of such undivided ownership.

RESERVES: Those sums paid by Owners which are separately maintained by the Board for purposes specified by the Board or the Declaration or rules and regulations.

## ARTICLE II

### UNITS

1. LEGAL DESCRIPTION. The legal description of each unit shall consist of the identifying number or symbol of such

unit as shown on the Plat. Every deed, lease, mortgage or other instrument may legally describe a unit by its identifying number or symbol as shown on the Plat and every such description shall be deemed good and sufficient for all purposes, as provided in the Act. Each unit shall consist of the space enclosed and bounded by the interior surfaces of the floors and ceilings and perimeter walls of such unit as shown on the Plat. Except as provided by the Condominium Property Act, no Owner shall, by deed, plat or otherwise, subdivide or in any other manner cause his Unit to be separated into any tracts or parcels different from the whole Unit as shown on Exhibit "A".

2. CERTAIN STRUCTURES NOT CONSTITUTING PART OF A UNIT. No owner shall own any pipes, wires, conduits, public utility lines or structural components running through his Unit and serving more than his Unit except as a tenant in common with all other Owners.

### ARTICLE III

#### COMMON ELEMENTS

1. DESCRIPTION: Except as otherwise in this Declaration provided, the Common Elements shall consist of all portions of the Property except the Units. Without limiting the generality of the foregoing, the Common Elements shall include the land, outside walks and driveways, landscaping, stairways, entrances and exits, elevators, halls, courtyards, lobbies, corridors, laundry, storage areas, janitor's or custodian's apartment, basement, roof, structural parts of the Building, parking facilities, pipes, ducts, flues, chutes, conduits, wires and other utility installations to the outlets, and such component parts of walls, floors and ceilings as are not located within the Units.

2. OWNERSHIP OF COMMON ELEMENTS. Each Owner shall own an undivided interest in the Common Elements as a tenant in common with all the other Owners of the Property, and, except as otherwise limited in this Declaration, shall have the right to use the Common Elements for all purposes incident to the use and occupancy of his Unit as a place of residence, and such other incidental uses permitted by this Declaration, which right shall be appurtenant to and run with his Unit. The extent or amount of such ownership shall be expressed by a percentage amount and, once determined, shall remain constant, and may not be changed without unanimous approval of all Owners. The Trustee has so determined each Unit's corresponding percentage of ownership in the Common Elements as set forth in Exhibit "B" attached hereto.

3. COMMON EXPENSES. Each unit owner shall pay his proportionate share of the expenses of maintenance, repair, replacement, administration and operation of the Common Elements including Reserves, which expenses are hereinafter referred to

collectively as "Common Expenses." Such proportionate share shall be in the same ratio as his percentage of ownership in the Common Elements as set forth in Exhibit "B". Payment thereof shall be in such amount and at such times as may be provided herein or by the By-Laws. In the event of the failure of a unit owner to pay such proportionate share when due, the amount thereof shall constitute a lien on the interest of such unit owner, as provided herein or by the Act, provided however, that such lien shall be subordinate to the lien of a prior recorded first mortgage on the interest of such Unit Owner, owned or held by a bank, insurance company or savings and loan association, or other lender, except for the amount of the proportionate share of common expenses which become due and payable from and after the date on which the said mortgage owner or holder either takes possession of the unit, accepts a conveyance of any interest therein (other than as security), or files suit to foreclose its mortgage.

#### ARTICLE IV

##### GENERAL PROVISIONS AS TO UNITS AND COMMON ELEMENTS

1. SUBMISSION OF PROPERTY TO "CONDOMINIUM PROPERTY ACT". The Property is hereby submitted to the provisions of the "Condominium Property Act" of the State of Illinois. The provisions of said Act, and each of them, are hereby expressly incorporated herein by this reference thereto as though the same were fully herein set forth, provided however, that wherever the Act or any portion thereof shall conflict or be otherwise inconsistent with any of the terms in this Declaration set forth, the provisions of this Declaration unless expressly prohibited by said Act, shall prevail.

2. NO SEVERANCE OF OWNERSHIP. No Owner shall execute any deed, mortgage, lease, or other instrument affecting title to his Unit Ownership without including therein both his interest in the Unit and his corresponding percentage of ownership in the Common Elements, it being the intention hereof to prevent any severance of such combined ownership. Any such deed, mortgage, lease or other instrument purporting to affect the one without including also the other shall be deemed and taken to include the interest so omitted even though the latter is not expressly mentioned or described therein.

3. EASEMENTS. (a) Encroachments. In the event that, by reason of the construction, settling or shifting of the Building, any part of the Common Elements encroaches or shall hereafter encroach upon any part of any Unit, or any part of any Unit encroaches or shall hereafter encroach upon any part of the Common Elements or any other Unit, or, if by reason of the design or construction of any Unit, it shall be necessary or advantageous to an Owner to use or occupy any portion of the Common Elements for any reasonable use appurtenant to said Unit,

which will not unreasonably interfere with the use or enjoyment of the Common Elements by other Unit Owners, of, if by reason of the design or construction of utility and ventilation systems, any main pipes, ducts or conduits serving more than one Unit encroach or shall hereafter encroach upon any part of any Unit, then in such event, valid easements for the maintenance of such encroachment and for such use of the Common Elements are hereby established and shall exist for the benefit of such Unit and the Common Elements, as the case may be, so long as all or any part of the Building shall remain standing; provided, however, that in no event shall a valid easement for any encroachment or use of the Common Elements be created in favor of any Owner if such encroachment or use is detrimental to or interferes with the reasonable use and enjoyment of the Property by the other Owners or if it occurred due to the wilful conduct of any Owner.

(b) UTILITY EASEMENTS. The Illinois Bell Telephone Company, Commonwealth Edison Company and all other public utilities serving the property are hereby granted the right to lay, construct, renew, operate and maintain conduits, cables, pipes, wires, transformers, switching apparatus and other equipment, into the through the Common Elements for the purpose of providing utility services to the Property.

(c) STORAGE AND LAUNDRY AREAS. The storage and laundry areas in the Building outside of the respective Units, shall be part of the Common Elements, and exclusive use, possession and right to the income, profits and avails thereof if any, of such area shall be allocated among the respective Owners in such manner and subject to such rules and regulations as the Trustee, or the Board of Managers constituted as hereinafter provided, may prescribe. Each Owner shall be responsible for his personal property in the storage area. The Board of Managers and the Association shall not be considered the bailee of such personal property and shall not be responsible for any loss or damage thereto whether or not due to the negligence of the Board of Managers and/or the Association.

(d) EASEMENTS TO RUN WITH LAND. All easements and rights described herein are easements, appurtenant, running with the land, perpetually in full force and effect, and at all times shall inure to the benefit of and be binding on the undersigned, its successors and assigns, and any Owner, purchaser, mortgagee and other person having an interest in the Property, or any part or portion thereof. Reference in the respective deeds of conveyance, or in any mortgage or trust deed or other evidence of obligation, to the easements and rights described in this Article, or described in any other part of this Declaration, shall be sufficient to create and reserve such easements and rights to the respective grantee, mortgagees and trustees of such Unit Ownerships as fully and completely as though such easements and rights were recited fully and set forth in their entirety in such documents.

(e) DEDICATION. Upon approval by at least 67% of the Owners, portions of the Common Elements may be dedicated to a public body for purposes of streets or utilities. Where such a dedication is made, nothing in the Act or any other law shall be construed to require that the real property taxes of every Unit must be paid prior to recordation of the dedication. Upon approval by a Majority of the Owners, an easement may be granted for the laying, maintenance, and repair of cable television cable. Upon approval by a Majority of the Owners, an easement may be granted to a governmental body for construction, maintenance, and repair of a project for protection against water damage or erosion. Any action pursuant to this subparagraph (e) of paragraph 4 must be taken at a meeting of Owners duly called for that purpose.

## ARTICLE V

### ADMINISTRATION

1. ADMINISTRATION OF PROPERTY. The direction and administration of the Property shall be vested in a Board of Managers (hereinafter referred to as the "Board"), consisting of five persons who shall be elected in the manner hereinafter provided. Each member of the Board shall be one of the Owners ~~or a spouse of an Owner and shall reside on the Property;~~ provided, however, that in the event an Owner is a corporation, partnership, trust or other legal entity other than a natural person or persons, then any officer or director of such corporation, partner of such partnership, beneficiary of such trust, or manager of such legal entity, shall be eligible to serve as a member of the Board, ~~provided, that such person (excepting a Board member nominated by the Trustee) resides on the property.~~

2. ASSOCIATION. The Trustee, upon the sale of one or more Units, and prior to the election of the first Board of Managers, and the Board of Managers at any time thereafter, may cause to be incorporated a not-for-profit corporation under the General Not For Profit Corporation Act of the State of Illinois, to be called "The 73 East Elm Street Condominium Association" or a name similar thereto, which corporation (herein referred to as the "Association") shall be the governing body for all the Owners for the maintenance, repair, replacement, administration and operation of the Property. The Board of Directors of the Association shall be deemed to be the "Board of Managers" referred to herein and in the Condominium Property Act. Upon the formation of such Association, every Owner shall be a member therein, which membership shall automatically terminate upon the sale, transfer or other disposition by such member of his Unit Ownership, at which time the new Owner shall automatically become a member therein. There shall be only one class of members. The association may issue certificates evidencing membership therein.



3. VOTING RIGHTS. (a) IN GENERAL. There shall be one person with respect to each Unit Ownership who shall be entitled to vote at any meeting of the Unit Owners. Such person shall be known and, hereinafter referred to as a "voting member." Such voting member may be the Owner or one of the group composed of all the Owners of a Unit Ownership, or may be some person designated by such Owner or Owners to act as proxy on his or their behalf and who need not be an Owner. Such designation shall be made in writing to the Board and shall be revocable at any time if actual notice to the Board of the death or judicially declared incompetence of any designator, or by written notice to the Board by the Owner or Owners. ~~Any or all of such Owners may be present at any meeting of the voting members and (those constituting a group acting unanimously) may vote or take any other action as a voting member either in person or by proxy. If only one of the multiple Owners of a Unit is present at a meeting, such person is entitled to cast all the votes allocated to that Unit. If more than one of the multiple owners are present, the votes allocated to that Unit may be cast only in accordance with the agreement of a majority in interest of the multiple Owners and if any one of the multiple Owners cast the votes allocated to that Unit without protest being made promptly to the person presiding over the meeting by any of the other Owners of the Unit, there is deemed to be majority agreement.~~ The total number of votes of all voting members shall be 100, and each Owner or group of Owners shall be entitled to the number of votes equal to the total of the percentage of ownership in the Common Elements applicable to his or their Unit Ownership as set forth in Exhibit "B". Trustee shall be the voting member with respect to any Unit Ownership owned by the Trustee.

(b) PERCENTAGE VOTE. Any specified percentage of the members, whether majority or otherwise, for purposes of voting or for any other purpose, shall mean such percentage of the total number of votes hereinabove set forth. Such percentage shall be computed in the same manner as is a specified percentage of the Owners of the Condominium as provided in the Declaration, provided, however, that when 30% or fewer of the Units, by number, possess over 50% in the aggregate of the votes as provided herein, any percentage vote of the members specified herein or in the Declaration shall require the specified percentage by number of Units rather than by percentage of interest in the Common Elements allocated to Units that would otherwise be applicable.

(c) INSTALLMENT CONTRACTS. Anything herein to the contrary notwithstanding, in the event of a sale of a Unit, the purchaser of such Unit from a seller other than the Trustee pursuant to an installment contract for purchase shall, during such times as he or she resides in the Unit, be counted toward a quorum for purpose of election of members of the Board at any meeting of the Owners called for the purposes of electing members of the Board, shall have the right to vote for the election of members of the Board and to be elected to and serve on the Board

unless the seller expressly retains in writing any or all of such rights. In no event may the seller and purchaser both be counted toward a quorum, be permitted to vote for a particular office or be elected and serve on the Board. Satisfactory evidence of the installment contract shall be made available to the Association or its agents. "Installment Contract" shall have the same meaning as set forth in Section 1(e) of "An Act Relating to Installment Contracts to Sell Dwelling Structures", approved August 11, 1967, as amended.

4. MEETINGS. (a) IN GENERAL. Meetings of the voting members shall be held at the Property or at such other place in Cook County, Illinois, as may be designated in any notice of a meeting. The presence in person or by proxy at any meeting of the voting members having a majority 20% of the total votes shall constitute a quorum. ~~Unless otherwise expressly provided herein, any action may be taken at any meeting of the voting members at which a quorum is present upon the affirmative vote of the voting members having a majority of the total votes present at such meeting.~~

(b) ANNUAL MEETING. The initial meeting of the voting members shall be held upon ten (10) days' written notice given by the Trustee. Such written notice may be given at any time after at least fifty-five (55%) per cent of the Units are sold but must be given not later than thirty (30) days after forty (40) of the Units are sold. Thereafter, there shall be an annual meeting of the voting members of the first Tuesday of April following such initial meeting, and on the first Tuesday of April of each succeeding year thereafter at 7:30 p.m., or at such other reasonable time or date (not more than thirty (30) days after such date) as may be designated by written notice of the Board delivered to the voting members not less than ten (10) days and not more than thirty (30) days prior to the date fixed for said meeting.

(c) SPECIAL MEETINGS. Special meetings of the voting members may be called at any time for the purpose of considering matters which, by the terms of this Declaration, require the approval of all or some of the voting members, or for any other reasonable purpose. Said meetings shall be called by upon written notice, authorized by the President, by a majority of the Board, or by the voting members having one-fourth (1/4) 20% of the total votes and delivered not less than ten (10) days and not more than thirty (30) prior to the date fixed for said meeting. The ~~notice~~ notice shall specify the date, time and place of the meeting and the matters to be considered.

(d) PROXIES. Each member entitled to vote at a meeting of members or to express consent or dissent to corporate action in writing without a meeting may authorize another person or persons to act for him by proxy, but no such proxy shall be voted or acted upon after eleven months from its date, unless the proxy provides for a longer period.

(e) MANNER OF ACTING. Except as set forth below and except as otherwise required by the Declaration or the Act, any action to be taken at any meeting of the members at which a quorum is present shall be upon the affirmative vote of more than 50% of the members represented at such meeting. The following matters shall require the affirmative vote of not less than 67% of all the members at a meeting duly called for that purpose:

- i) Merger or consolidation of the Association;
- ii) Sale, lease or exchange or other disposition (excluding the mortgage or pledge) of all, or substantially all, of the property and assets of the Association; or
- iii) The purchase and sale of land or Units on behalf of the Owners.

5. NOTICES OF MEETINGS. Notices of meetings of voting members required to be given herein may be delivered either personally or by mail to the persons entitled to vote thereat, addressed to each such person at the address given by him to the Board for the purpose of service of such notice, or to the Unit of the Owner with respect to which such voting right appertains, if no address has been given to the Board.

6. BOARD OF MANAGERS. (a) IN GENERAL. At each annual meeting, the voting members shall, by a majority of the total votes present at such meeting, elect a Board of Managers for the forthcoming year, consisting of five (5) owners, except that until 51% of the Units are occupied by individual Unit Owners four (4) members of the Board shall be elected by the Trustee; until One Hundred (100%) per cent of the units are occupied by individual Unit Owners three (3) members of the board shall be elected by Trustee; thereafter each member of the Board ~~must reside on the property and~~ shall be elected by Unit Owners as aforesaid. Three (3) members shall constitute a quorum. Members of the Board shall serve, without compensation, for a term of one (1) year or until their successors are elected. ~~Vacancies in the Board may be filled by unanimous vote of the remaining members thereof~~ If there are multiple owners of a single Unit, only one of the multiple Owners shall be eligible to serve as a member of the Board at any one time. Except as otherwise provided in this Declaration, the property shall be managed by the Board and the Board shall act by majority vote of those present at its meetings when a quorum exists. Meetings Except as otherwise specifically set forth herein, meetings of the Board may be called, held and conducted in accordance with such regulations as the Board may adopt.

(b) ELECTION RIGHTS. A candidate for election to the Board or such candidate's representative shall have the right to be present at the counting of the ballots at such election. The Board may disseminate to Owners biographical and background information about candidates for election to the Board if: (i) no

preference is expressed in favor of any candidate; and  
(ii) reasonable efforts to identify all candidates are made and all candidates are given an opportunity to include biographical and background information in the information to be disseminated.

(c) REGULAR MEETINGS. A regular annual meeting of the Board of Directors shall be held without other notice than set forth herein, immediately after, and at the same place as, the annual meeting of members. The board of directors may provide by resolution the time and place, for the holding of at least three additional regular meetings of the Board upon notice as required herein.

(d) SPECIAL MEETINGS. Special meetings of the Board may be called by or at the request of the president or any two directors. The person or persons authorized to call special meetings of the Board may fix any place as the place for holding any special meeting of the Board called by them.

(e) NOTICE. Written notice of any special meeting of the Board shall be mailed or delivered to all members of the Association and all members of the Board not calling the meeting at least 48 hours prior to the date of such special meeting. Written notice of regular meetings of the Board shall be mailed or delivered to all members of the Association at least 48 hours prior to the date of such meeting. The business to be transacted at, or the purpose of any regular or special meeting of the Board, shall be specified in the notice. Notices of a regular meeting of the Board need not be served on members of the Board. However, copies of said notices of meetings of the Board shall be posted in entranceways or other conspicuous places in the condominium designated by the Board at least 48 hours prior to the meeting.

(f) ADOPTION OF RULES AND REGULATIONS. All rules and regulations, or amendments thereto, shall be adopted by the Board after a meeting of the members called for the specific purpose of discussing the proposed rules and regulations, notice of which contains the full text of the proposed rules and regulations, which rules and regulations conform to the requirements of Section 18(b) of the Act and the Declaration. No quorum is required at such meeting of the members. No rules or regulations may impair any rights guaranteed by the First Amendment to the Constitution of the United States or Section 4 of Article I of the Illinois Constitution nor may any rules or regulations conflict with the provisions of the Act or the Declaration.

(g) OPEN MEETINGS. All meetings of the Board, whether regular or special, shall be open to the members of the Association except for meetings, or portions thereof, called or set aside:

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 Board finds that such an action is probable or imminent;

b) To consider information regarding appointment, employment or dismissal of an employee; or

c) To discuss violations of rules and regulations of the Association or an Owner's unpaid share of Common Expenses.

Any vote on the above matters shall be taken at a meeting or portion thereof open to any member. Any member may record the proceedings at meetings required to be open by the Act or this Declaration by tape, film, or other means, subject to reasonable rules and regulations prescribed by the Board to govern the right to make such recordings.

(h) **CONTRACTS.** The Board may not enter into a contract with a current board member or with a corporation or partnership in which a board member has a twenty-five percent (25%) or more interest, unless notice of intent to enter the contract is given to Unit Owners within twenty (20) days after a decision is made to enter into the contract and the Unit Owners are afforded an opportunity by filing a petition, signed by twenty percent (20%) of the Unit Owners, 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.

(i) **OFFICERS.** The Board shall elect from among its members, a President, who shall preside over both its meetings and those of the voting members, a Secretary who shall keep the minutes of all meetings of the Board and of the voting 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 Secretary shall be the officer responsible for sending and receiving all notices by and on behalf of the Board and the Association.

(j) **REMOVAL OF BOARD MEMBERS.** Any Board member may be removed from office by affirmative vote of the voting members having at least two-thirds (2/3) of the total votes, at any special meeting called for the purpose. A successor to fill the unexpired term of a Board member removed may be elected by majority vote of the voting members at the same meeting or any subsequent meeting called for that purpose.

(k) **REMOVAL OF OFFICERS.** Any officer elected or appointed by the board of directors may be removed by the Board whenever in its judgment the best interests of the Association would be served thereby.

(1) METHOD OF FILLING VACANCIES. Any vacancy occurring in the Board or office shall be filled by a two-thirds vote of the remaining members of the Board. A member elected to fill a vacancy shall be elected until the next annual meeting of the members of the Association; provided that if a petition signed by members of the Association holding 20% of the votes in the Association requesting a meeting of the members to fill the vacancy for the balance of the unexpired term of his predecessor, the term of the member so elected by the Board shall terminate 30 days after the filing of the petition and a meeting of the members for the purpose of filling such vacancy for such unexpired term shall be called no later than 30 days following the filing of such petition.

7. GENERAL POWERS OF THE BOARD. (a) The Board for the benefit of all the Owners, shall have the following powers and shall acquire and shall pay for out of the maintenance fund hereinafter provided for, the following:

(i) Water, waste removal, electricity and telephone and other necessary utility service for the Common Elements and (if not separately metered or charged) for the Units.

(ii) A policy or policies of insurance insuring the Common Elements and the Units against loss or damage by the perils of fire, lightning and those contained in the extended coverage, vandalism and malicious mischief endorsements, for the full insurable replacement value of the Common Elements and the Units written in the name of, and the proceeds thereof shall be payable to the Association, if any, or the Members of the Board, as Trustees for each of the Owners in the percentages established in Exhibit "B". Prior to obtaining any such policy or policies of insurance, or any renewal thereof, the Board may obtain an appraisal from a qualified appraiser for the purpose of determining the full replacement value of the Common Elements and the Units for the amount of insurance to be effected pursuant hereto. The cost of any and all such appraisals shall be common expenses. Each Owner shall notify the Board in writing of any additions or alterations to his Unit resulting in increased value thereof and he shall be responsible for any deficiency in any insurance loss recovery resulting from his failure to so notify the Board. All such policies of insurance (1) shall contain standard mortgage clause endorsements in favor of the mortgagee or mortgagees of each Unit, if any, as their respective interests may appear, (2) shall provide that the insurance, as to the interest of the Board, shall not be invalidated by any act of neglect of any Owner, (3) shall provide that notwithstanding any provision thereof which gives the insurer an election to restore damage in lieu of making a cash settlement therefor, such option shall not be exercisable in the event the Owners elect to sell the Property or remove the Property from the provisions of the Condominium Property Act, and (4) shall contain an endorsement to the effect that such policy shall not be terminated for



non-payment of premiums without at least ten (10) days' prior written notice to the mortgagee of each Unit. Notwithstanding the issuance of standard mortgage clause endorsements, any losses under such policies of insurance shall be payable and all insurance proceeds recovered thereunder shall be applied and disbursed in accordance with the provisions of this Declaration and the Condominium Property Act. The Board may engage the services of a bank or trust company authorized to do trust business in Illinois and having a capital of not less than \$5,000,000.00 to act as Insurance Trustee and to receive and disburse the insurance proceeds resulting from any loss upon such terms as the Board shall determine consistent with the provisions of this Declaration. In the event the lowest of three (3) bids from reputable contractors for making all repairs required by any such loss shall exceed \$50,000.00, the Board upon written demand of the mortgagee of any Unit shall engage the services of an Insurance Trustee as aforesaid. The fees of such insurance Trustee shall be common expenses.

(iii) Fiduciary insurance coverage to protect against dishonest acts on the part of all officers, employees or other persons who either handle or are responsible for funds held or administered by the Association, if such insurance is mandated by law or if the Association shall elect to effect it. Such insurance coverage shall name the Association as an insured or obligee and shall be in an amount at least equal to the maximum amount of funds that will be in the custody of the Association including Reserves.

(iv) Comprehensive, public liability and property damage insurance in such limits as the Board shall deem desirable, insuring the members of the Board, the managing agent, if any, their agents and employees, and the Owners including Trustee, from any liability in connection with the Common Elements or the streets and sidewalks adjoining the Property. Such insurance coverage shall also cover cross liability claims of one insured against another.

(v) Workman's compensation insurance as may be necessary to comply with applicable laws and such other forms of insurance as the Board in its judgment shall elect to effect.

(vi) The services of any person or firm employed by the Board and to engage the services of a manager or managing agent who shall manage and operate the property and Common Elements thereof for all of the Unit Owners upon such terms and for such compensation and with such authority as the Board may approve.

(vii) Landscaping, gardening, snow removal, painting, cleaning, tuckpointing, maintenance, decorating, repair and replacement of the Common Elements (but not including the interior surfaces of the Units and of the hallway doors and windows appurtenant thereto, which the Owners themselves shall

paint, clean, decorate, maintain and repair) and such furnishings and equipment for the Common Elements as the Board shall determine are necessary and proper, and the Board shall have the exclusive right and duty to acquire the same for the Common Elements.

(viii) Any other materials, supplies, furniture, labor, services, maintenance, repairs, structural alterations or assessments which the Board is required to secure or pay for pursuant to the terms of this Declaration or by law, of which in its opinion shall be necessary or proper for the maintenance and operation of the Property as a first class condominium apartment building, or for the enforcement of these restrictions.

(ix) Any amount necessary to discharge any mechanic's lien or other encumbrance levied against the entire Property or any part thereof which may in the opinion of the Board constitute a lien against the Property or against the Common Elements, rather than merely against the interests therein of particular Owners. Where one or more Owners are responsible for the existence of such lien, they shall be jointly and severally liable for the cost of discharging the same, and any costs incurred by the Board by reason of said lien or liens shall be specially assessed against said Owners.

(x) Maintenance and repair of any Unit, if such maintenance or repair is necessary, in the discretion of the Board, to protect the Common Elements, or any other portion of the Building, and an Owner of any Unit has failed or refused to perform said maintenance or repair within a reasonable time after written notice of the necessity of said maintenance or repair delivered by the Board to said Owner, provided that the Board shall levy a special assessment against such Owner for the cost of said maintenance or repair.

(b) The Board may by unanimous vote engage the services of an agent to manage the property to the extent deemed advisable by the Board.

(c) The Board or its agents may enter any Unit when necessary in connection with any maintenance or construction for which the Board is responsible. Such entry shall be made with as little inconvenience to the Owners as practicable, and any damage caused thereby shall be repaired by the Board at the expense of the maintenance fund.

~~The Board's powers hereinabove enumerated shall be limited in that the Board shall have no authority to acquire and pay for out of the maintenance fund any structural alterations, capital additions to, or capital improvements of the Common Elements (other than for purposes of replacing or restoring portions of the Common Elements, subject to all the provisions of this Declaration) requiring an expenditure in excess of Three Thousand Dollars (\$3,000.00) without in each case the prior approval of the voting members holding two thirds (2/3) of the total votes.~~



(d) 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 and in such manner as from time to time shall be determined by written resolution of the Board. In the absence of such determination by the Board, such documents shall be signed by the Treasurer and countersigned by the President of the Board. ~~The Board, at the direction of the voting members having two thirds (2/3) of the total votes, may adopt such reasonable rules and regulations as it may deem advisable for the maintenance, conservation and beautification of the Property, and for the health, comfort, safety and general welfare of the Owners and Occupants of the Property. Written notice of such rules and regulations shall be given to all Owners and Occupants and the entire Property shall at all times be maintained subject to such rules and regulations.~~

(e) The Board, by vote of the voting members having two-thirds (2/3) of the total votes, may elect to have the cost of any or all of the goods and services described in subsection (a) above, assessed specially to each Owner in proportion to his use of or benefit from such goods and services.

(f) The Board, by vote of at least two-thirds (2/3) of the voting members shall have the authority to lease or to grant licenses or concessions with respect to any part of the Common Elements, subject to the terms of this Declaration.

(g) Nothing hereinabove contained shall be construed to give the Board authority to conduct an active business for profit on behalf of all the Owners or any of them.

(h) Each Owner shall be responsible for his own insurance on the contents of his own unit and his adding, alterations or improvements thereto and decorating, furnishings, personal property therein and his personal property stored elsewhere on the property and his personal liability all to the extent not covered by fire and liability insurance for all of the Unit Owners obtained as a part of the common expenses.

(i) The Board, upon affirmative vote of not less than a ~~majority~~ Majority of the Owners right to seek relief from and in connection with the assessment or levy of any taxes, special assessments or charges and to charge and collect all expenses incurred therewith as common expenses. The aforesaid ~~vote~~ shall permit the Board to contest the validity of any real estate taxes or special assessments against any one - unit or more with the therefore being deemed a common expense.

(j) The Board may assign its right to future income, including the right to receive assessments and to mortgage or pledge substantially all of the remaining assets of the Association.

(k) The Board may record the dedication of a portion of the Common Elements to a public body for use as, or in connection with, a street or utility where authorized by the Unit Owners under the provisions of Article IV, subparagraph 3(e) of the Declaration.

(l) The Board may record the granting of an easement for the laying, maintenance, and repair of cable television cable or for construction, maintenance, and repair of a project for protection against water damage or erosion, where authorized by the Unit Owners under the provisions of Article IV, subparagraph 3(e) of the Declaration.

(m) The Board may make reasonable accommodation of the needs of handicapped Owners, as required by the federal Civil Rights Act of 1968, the Human Rights Act and any applicable local ordinances, in the exercise of its powers with respect to the use of the Common Elements or approval of modifications in an individual Unit.

(n) The Board may own, convey, encumber, lease and otherwise deal with Units conveyed to or purchased by it.

(o) The Board may pay real property taxes, special assessments, and any other special taxes or charges of the State of Illinois or of any political subdivision thereof, or other lawful taxing or assessing body, which are authorized by law to be assessed and levied upon the real property of the Condominium.

(p) After notice and an opportunity to be heard, the Board may levy reasonable fines for violation of the Declaration, By-Laws, and rules and regulations of the association.

8. LIABILITY OF THE BOARD OF MANAGERS. Neither the members of the Board of Managers nor the officers of the Association shall be liable to the owners for any mistake of judgment or for any other acts or omissions of any nature whatsoever as such Board Members and officers except for any acts or omissions found by a court to constitute gross negligence or fraud. The owners shall indemnify and hold harmless each of the members of the Board of Managers and each of the officers of the Association against all contractual and other liabilities to others arising out of contracts made by or other acts of the Board of Managers and officers of the Association on behalf of the owners or arising out of their status as Board Members or officers unless any such contract or act shall have been made fraudulently or with gross negligence or contrary to the provisions of this Declaration. It is intended that the fore-going indemnification shall include indemnification against all costs and expenses (including, but not limited to, counsel fees, amounts of judgments paid, and amounts paid in settlement) reasonably incurred in connection with the defense of any claim,

action, suit or proceeding, whether civil, criminal, administrative, or other, in which any Member of the Board of Managers or officers of the Association may be involved by virtue of such person's being or having been such Member or officer; provided, however, that such indemnity shall not be operative with respect to (a) any matter as to which such person shall have been finally adjudged in such action, suit or proceeding to be liable for gross negligence or fraud in the performance of his duties as such Member or officer, or (b) any matter settled or compromised unless, in the opinion of independent counsel selected by or in a manner determined by the Board, there is not reasonable ground for such person's being adjudged liable for gross negligence or fraud in the performance of his duties as such Member or officer. It is also intended that the liability of any Owner arising out of any contract made by or other acts of the Board of Managers or officers of the Association, or out of the aforesaid indemnity in favor of the Members of the Board of Managers and officers of the Association shall be limited to such proportion of the total liability hereunder as his percentage of interest in the Common Elements bears to the total percentage interest of all the owners in the Common Elements. Every Agreement made by the Board of Managers or by the managing agent on behalf of the Owners shall provide that the Members of the Board of Managers, or the managing agent, as the case may be, are acting only as agents for the owners, and shall have no personal liability thereunder (except as owners) and that such Owner's liability thereunder shall be limited to such proportion of the total liability thereunder as his percentage of interest in the Common Elements bears to the total percentage interest of all Owners in the Common Elements.

## ARTICLE VI

### ASSESSMENTS-MAINTENANCE FUND

#### 1. UNIT MAINTENANCE, REPAIRS AND REPLACEMENTS:

(a) Each Unit Owner shall furnish and be responsible for, at his own expense, all of the maintenance, repairs and replacements within his own ~~unit~~ Unit; provided, however, such maintenance, repairs and replacements of the Common Elements as may be required for the functioning of the heating system and the plumbing within the unit, and for the bringing of water, gas and electricity to the unit, shall be furnished by the Association as part of the common expenses. Maintenance, repairs and replacements of the refrigerators, ranges and other kitchen appliances and lighting fixtures and other electrical appliances of any unit owner shall be at the expense of such unit owner. Maintenance, repairs and replacements of the Common Elements shall be furnished by the Association as part of the common expenses. The Association may provide, by its rules and regulations, for ordinary maintenance and minor repairs and replacements to be furnished to units by building personnel at common expense.

(b) If, due to the negligent act or omission of a unit owner, or of a member of his family or household pet or of a guest or other authorized occupant or visitor of such unit owner, damage shall be caused to the Common Elements or to a unit or units owned by others, or if maintenance, repairs or replacements shall be required which would otherwise be at the common expense, then such unit owner shall pay for such damage, and such maintenance, repairs and replacements, as may be determined by the Association. Maintenance, repairs and replacements to the Common Elements or the units shall be subject to the rules and regulations of the Association.

(c) To the extent that equipment, facilities and fixtures within any unit or units shall be connected to similar equipment, facilities or fixtures affecting or serving other units or the Common Elements, then the use thereof by the individual unit owners shall be subject to the rules and regulations of the Association. The authorized representatives of the Association or Board of Directors, or of the manager or managing agent for the Building, shall be entitled to reasonable access to the individual units as may be required in connection with maintenance repairs or replacements of or to the Common Elements or any equipment, facilities or fixtures affecting or serving other units or the Common Elements. Each unit owner shall be responsible for the maintenance, repair and replacement of all windows of his unit.

2. ESTIMATION OF EXPENSES. (a) Each year on or before December 1st, the Board shall estimate the total amount necessary to pay the cost of wages, materials, insurance, services and supplies which will be required during the ensuing calendar year for the rendering of all services, together with a reasonable amount considered by the Board to be necessary for a ~~reserve~~ Reserves for contingencies and replacements, and shall on or before ~~December 15th thereafter~~ thirty (30) days prior to the adoption of the budget deliver a copy thereof to each Owner. The budget shall indicate which portions are intended for Reserves, capital expenditures or repairs or payment of real estate taxes. Within fifteen (15) days after the adoption thereof the Board shall notify each Owner in writing as to the amount of such estimate, with reasonable itemization thereof. The Association shall give Unit Owners notice as provided herein of the meeting of the Board at which the Board proposes to adopt the annual budget, or at which any increase or establishment of any assessment, regular or special, is proposed to be adopted. The annual budget shall also take into account the estimated net available cash income for the year from the operation or use of the Common Elements. Said "estimated cash requirements" shall be assessed to the Owners according to each Owner's percentage of ownership in the Common Elements as set forth in Exhibit "B" attached hereto. On or before January 1st of the ensuing year, and the 1st day of each and every month of said year, each Owner shall be obligated to pay to the Board or as it may direct, one-twelfth (1/12) of the assessment made pursuant to this

paragraph. On or before the date of the annual meeting of each calendar year, the Board shall supply to all Owners an itemized accounting of the maintenance expenses for the preceding calendar year actually incurred and paid, together with a tabulation of the amounts collected pursuant to the estimates provided, and showing the net amount over or short of the actual expenditures plus ~~reserves~~ Reserves. Such accounting shall indicate what portions of expenditures was for Reserves, capital expenditures or repairs or payment of real estate taxes. Any amount accumulated in excess of the amount required for actual expenses and ~~reserves~~ Reserves shall be credited, according to each Owner's percentage of ownership in the Common Elements, to the next monthly installments due from Owners under the current year's estimate, until exhausted, and any net shortage shall be added, according to each Owner's percentage of ownership in the Common Elements, to the installment due in the succeeding six months after rendering of the accounting.

(b) The Board shall build up and maintain a reasonable ~~reserve~~ Reserves for contingencies and replacements, ~~hereinafter referred to as the "Maintenance Fund."~~ Extraordinary expenditures not originally included in the annual estimate which may become necessary during the year, shall be charged first against such ~~reserve~~ Reserves. If said "estimated cash requirement" proves inadequate for any reason, including nonpayment of any Owner's assessment, the Board may at any time levy a further assessment which shall be separately assessed to the Owners according to each Owner's percentage of ownership in the Common Elements as set forth in Exhibit "B" attached hereto. The Board shall serve notice by such further assessment on all Owners by a statement in writing giving the amount and reasons therefor and such further assessment shall become effective with the monthly maintenance payment which is due more than ten (10) days after the delivery or mailing of such notice of further assessment. All Owners shall be obligated to pay and adjusted monthly amount.

(c) If an adopted annual budget or any special assessment requires assessment against Owners in any year exceeding 115% of the assessments (both regular and special, if any) for the preceding year, the Board, upon written petition by Owners representing 20% of the votes of the Association delivered to the Board within 14 days of the Board action, shall call a meeting of the Owners within 30 days of the date of delivery of the petition to consider the budget or special assessment. Unless a majority of the votes of the Owners are cast at a meeting to reject the budget or special assessment, it is ratified. In determining whether special assessments which, together with regular assessments, exceed 115% of similar assessments in the preceding year, any separate assessment for expenditures relating to emergencies or mandated by law shall not be included in the computation and the Board may approve such assessment without the right of Owner veto set forth in this paragraph. As used herein, "emergencies" mean an immediate

danger to the structural integrity of the Common Elements or to the life, health, safety or property of the Owners.

(d) When the first Board elected hereunder takes office, it shall determine the "estimated cash requirement," as hereinabove defined, for the period commencing thirty (30) days after said election and ending on December 31st, of the calendar year in which said election occurs. Assessments shall be levied against the Owners during said period as provided in paragraph (a) of this Article.

(e) The failure or delay of the Board to prepare or serve the annual or adjusted estimate on the Owner shall not constitute a waiver or release in any manner of such Owner's obligation to pay the maintenance costs and necessary reserves, as herein provided, whenever the same shall be determined, and in the absence of any annual estimate or adjusted estimate, the Owner shall continue to pay, the monthly maintenance charge at the then existing monthly rate established for the previous period and until the monthly maintenance payment due more than ten (10) days after such new annual or adjusted estimate shall have been mailed or delivered.

(f) The Board shall keep full and correct books of account in chronological order of the receipt and expenditures affecting the Common Elements, specifying and itemizing the maintenance and repair expenses of the Common Elements and any other expenses incurred. Such records and the vouchers pertinent thereto shall be available for inspection by any Owner, or by his representative as designated and authorized in writing, at such reasonable time or times during normal business hours as may be requested by the Owner. Upon ten (10) days' notice to the Board and payment of a reasonable fee, any Owner shall be furnished a statement of his account setting forth the amount of any unpaid assessments or other charges due and owing from such Owner.

(g) All funds collected hereunder shall be held and expended for the purposes designated herein, and (except for such special assessment as may be levied hereunder against less than all the Owners and for such adjustments as may be required to reflect delinquent or prepaid assessments) shall be deemed to be held for the benefit, use and account of all the Owners in the percentages set forth in Exhibit "B".

(h) If an Owner is in default in the monthly payment of the aforesaid charges, or assessments for thirty (30) days, or if by reason of any other default or event whatever, hereinafter provided for, the members of the Board may bring suit for and on behalf of themselves and as representatives of all Owners, to enforce collection thereof or to foreclose the lien therefor as hereinafter provided, and there shall be added to the amount due, the costs of said suit and other fees and expenses together with legal interest and reasonable attorneys' fees to be fixed by the Court. To the extent permitted by any

decision or any statute or law now or hereafter effective, the amount of any delinquent and unpaid charges or assessments, and interest, costs and fees as above provided shall be and become a lien or charge against the Unit Ownership of the Owner involved when payable, and may be foreclosed by an action brought in the name of the Association, if any, or of the Board, as in the case of foreclosure of liens against real estate. Said lien shall take effect and be in force when and as provided in the "Condominium Property Act" of Illinois; provided, however, that any Mortgage or Trustee's Deed owned or held by any bank, insurance company, savings and loan association, or other lender, shall be subject as to priority after written notice to said lender of unpaid common expenses, only to the lien of all common expenses on the subject Unit Ownership which become due and payable subsequent to the date said lender either takes possession of the Unit, accepts a conveyance of any interest in the Unit Ownership, or has a receiver appointed in a suit to foreclose his lien. Any lender may from time to time request in writing a written statement from the Board setting forth the unpaid common expenses with respect to the Unit Ownership covered by such mortgage or Trustee's Deed, and unless the request shall be complied with within twenty (20) days, all unpaid common expenses which become due prior to the date of the making of such request shall be subordinate to the lien thereof.

(i) It is understood that real estate taxes are to be separately taxes to each Unit Owner for his unit and his corresponding percentage of ownership in the Common Elements, as provided in the Act. In the event that for any year such taxes are not separately taxed to each Unit Owner, but are taxed on the Property as a whole, then each unit owner shall pay his proportionate share thereof in accordance with his respective percentage of ownership interest in the Common Elements.

(j) Amendments to this Article VI shall only be effective upon unanimous written consent of the Owners, and their Mortgagees. No Owner may waive or otherwise escape liability for the assessments provided for herein by nonuse of the Common Elements or abandonment of his Unit.

(k) The Association shall have no authority to forebear the payment of assessments by any Owner.

## ARTICLE VII

### COVENANTS AND RESTRICTIONS AS TO USE AND OCCUPANCY

1. USE OF UNITS AND COMMON ELEMENTS. The units and Common Elements shall be occupied and used as follows:

(a) No part of the property shall be used for other than housing and related common purposes for which the Property was designed. Each Unit or any two adjoining Units

used together shall be used as a residence for a single family or not more than two non-related persons, or such other uses permitted by this Declaration and for no other purpose. That part of the Common Elements separating any two adjoining Units used together as aforesaid may be altered to afford ingress and egress to and from such adjoining units in such manner and upon such conditions as shall be determined by the Board in writing.

(b) There shall be no obstruction of the Common Elements, without the prior consent of the Board except as hereinafter expressly provided. Each Owner shall be obligated to maintain and keep in good order and repair his own Unit, together with the interior surfaces thereof, and its appurtenances as hereinbefore provided.

(c) Nothing shall be done or kept in any Unit or in the Common Elements which will increase the rate of insurance on the Building, or contents thereof, without the prior written consent of the Board. No Owner shall permit anything to be done or kept in his Unit or in the Common Elements which will result in the cancellation of insurance on the Building, or contents thereof, or which would be in violation of any law. No waste shall be committed in the Common Elements.

(d) Each Owner shall be responsible for his own insurance on his personal property in his own Unit, his personal property stored elsewhere on the Property and his personal liability to the extent not covered in the liability insurance for all the Owners obtained by the Board as hereinbefore provided.

(e) Owners shall not cause or permit anything to be placed on the outside walls of the Building and no sign, awning, canopy, shutter, radio or television antenna shall be affixed to or placed upon the exterior walls or roof or any part thereof, without the prior consent of the Board.

(f) No animals, rabbits, livestock, fowl or poultry of any kind shall be raised, bred, or kept in any Unit or in the Common Elements, except that dogs, cats, or other household pets may be kept in Units, subject to rules and regulations adopted by the Board, provided that they are not kept, bred, or maintained for any commercial purpose; and provided further that any such pet causing or creating a nuisance or unreasonable disturbance shall be permanently removed from the Property upon three (3) days' written notice from the Board.

(g) No noxious or offensive activity shall be carried on in any Unit or in the Common Elements, nor shall anything be done therein, either willfully or negligently, which may be or become an annoyance or nuisance to the other Owners or Occupants.



(h) Nothing shall be done in any Unit or in, on or to the Common Elements which will impair the structural integrity of the Building except as is otherwise provided herein.

(i) No clothes, sheets, blankets, laundry of any kind or other articles shall be hung out or exposed on any part of the Common Elements. The Common Elements shall be kept free and clear of rubbish, debris and other unsightly materials.

(j) There shall be no playing, lounging, parking of baby carriages or playpens, bicycles, wagons, toys, vehicles, benches or chairs on any part of the Common Elements except that baby carriages, bicycles and other personal property may be stored in any common storage area designated for that purpose.

(k) No industry, business, trade, occupation or profession of any kind, commercial, religious, educational or otherwise, designed for profit, altruism, exploration or otherwise shall be conducted, maintained or permitted in any Unit.

(l) No "For Sale" or "For Rent" signs, advertising or other displays shall be maintained or permitted on any part of the property except at such location and in such form as shall be determined by the Board. The right, however, is reserved by the Trustee, its agents, beneficiaries and persons authorized to direct the Trustee to place and maintain on the property until the sale of the last Unit all models, sales offices, advertising signs and banners and lighting in connection therewith at such locations and in such forms as shall be determined by the Trustee. There is also reserved unto the Trustee, its agents, beneficiaries and persons authorized to direct the Trustee and prospective Unit purchaser, the right of ingress and egress to the Common Elements for such Unit sales purposes.

(m) The Unit restrictions in paragraphs (a) and (k) of this Article VII shall not, however, be construed in such a manner as to prohibit an Owner from; (a) maintaining his personal professional library therein; (b) keeping his personal, business or professional records or accounts therein; or (c) handling his personal, business or professional telephone calls or correspondence therefrom. Such uses are expressly declared customarily incident to the principal residential use and not in violation of paragraphs (a) or (k) of this Article VII.

#### ARTICLE VIII

##### SALE, LEASING OR OTHER ALIENATION

1. SALE OR LEASE. Any Owner other than the Trustee who wishes to sell or lease his Unit Ownership (or any lessee of

any Unit wishing to assign or sublease such Unit) shall give to the Board not less than thirty (30) days prior written notice of the terms of any contemplated sale or lease, together with the name address and financial and character references of the proposed purchaser or lessee and such other information concerning the proposed purchaser or lessee as the Board may reasonably require. The members of the Board acting on behalf of the other Owners shall at all times have the right and option to purchase or lease such Unit Ownership upon the same terms, which option shall be exercisable for a period of thirty (30) days following the date of receipt of such notice. If said option is not exercised by the Board within said (30) thirty days, the Owner (or lessee) may, at the expiration of said thirty-day period and at any time within ninety (90) days after the expiration of said period, contract to sell or lease (or sublease or assign) such Unit Ownership to the proposed purchaser or lessee named in such notice upon the terms specified therein. If the Owner (or lessee) fails to close said proposed sale or lease transaction within said ninety (90) days, the Unit Ownership shall again become subject to the Board's right of first refusal as herein provided.

2. GIFT. Any Owner other than the Trustee who wishes to make a gift of his Unit Ownership or any interest therein shall give to the Board not less than ninety (90) days' written notice of his or her intent to make such gift prior to the contemplated date thereof, together with the name, address and financial and character references of the intended donee and such other information concerning the intended donee as the Board may reasonably require. The members of the Board acting on behalf of the other Owners, shall at all times have the first right and option to purchase such Unit Ownership or interest therein for cash at fair market value to be determined by arbitration as herein provided, which option shall be exercisable until the date of expiration as provided herein. Within fifteen (15) days after receipt of said written notice by the Board, the Board and the Owner desiring to make such gift may each appoint a qualified real estate appraiser to act as arbitrators. The two arbitrators so appointed shall, within ten (10) days after their appointment, appoint another qualified real estate appraiser to act as the third arbitrator. Within fifteen (15) days after the appointment of said third arbitrator, the three arbitrators shall determine, by majority vote, the fair market value of the Unit Ownership or interest therein which the Owner contemplates conveying by gift, and shall thereupon give written notice of such determination to the Owner and the Board. If the Board shall fail to select an appraiser as aforesaid the Board's option hereunder shall be deemed waived. If the Owner desiring to make such gift shall fail to select an appraiser, then the appraiser designated by the Board shall make the appraisal. The Board's option to purchase the Unit Ownership or interest therein shall expire forty-five (45) days after the date of receipt by it of written notice of such determination of fair market value. The Board shall be deemed to have exercised its option if it tenders the required

sum of money to the Owner desiring to make such gift within said forty-five (45) day period.

3. DEVISE. In the event any Owner dies leaving a will devising his Unit Ownership, or any interest therein, and said will is admitted to probate, the members of the Board acting on behalf of the other Owners, shall have a like option (to be exercised in the manner hereinafter set forth) to purchase said Unit Ownership, or interest therein, either from the devisee or devisees thereof named in said will, or if a power of sale is conferred by said will upon the personal representative named therein, from the personal representative acting pursuant to said power, for cash at fair market value which is to be determined by arbitration as herein provided. Within sixty (60) days after the appointment of a personal representative for the estate of the deceased Owner, the Board may appoint a qualified real estate appraiser to act as an arbitrator. Within ten (10) days after the appointment of said arbitrator, the two so appointed shall appoint another qualified real estate appraiser to act as the third arbitrator. Within fifteen (15) days thereafter, the three arbitrators shall determine, by majority vote, the fair market value of the Unit Ownership, or interest therein, devised by the deceased Owner, and shall thereupon give written notice of such determination to the Board and said devisee or devisees, or personal representative, as the case may be. If the Board shall fail to select an appraiser as aforesaid the Board's option hereunder shall be deemed waived. If said devisee or devisees, or personal representative, as the case may be, shall fail to select an appraiser, then the appraiser designated by the Board shall make the appraisal. The Board's right to purchase the Unit Ownership, or interest therein, at the price determined by the appraisal shall expire sixty (60) days after the date of receipt by it of such notice if the personal representative of the deceased Owner is empowered to sell, and shall expire eight (8) months after the appointment of a personal representative who is not so empowered to sell. The Board shall be deemed to have exercised its option if it tenders the required sum of money to said devisee or devisees or to said personal representative, as the case may be, within the said option periods.

4. INVOLUNTARY SALE. In the event any Unit Ownership or interest therein is sold at a judicial or execution sale (other than a mortgage foreclosure sale) the person acquiring title through such sale shall, before taking possession of the Unit so sold, give thirty (30) days' written notice to the Board of his intention so to do, whereupon the Board acting on behalf of the Owners shall have an irrevocable option to purchase such Unit Ownership or interest therein at the same price for which it was sold at said sale. If said option is not exercised by the Board within said thirty (30) days after receipt of such notice, it shall thereupon expire and said purchaser may thereafter take possession of said Unit. The Board shall be deemed to have exercised its option if it tenders the required sum of money to the purchaser within said thirty (30) day period.

(a) In the event any Owner shall default in the payment of any moneys required to be paid under the provisions of any mortgage or trust deed against his Unit Ownership, the Board shall have the right to cure such default by paying the amount so owing to the party entitled thereto and shall thereupon have a lien therefor against such Unit Ownership, which lien shall have the same force and effect and may be enforced in the same manner as provided in Article VI hereof.

5. CONSENT OF VOTING MEMBERS. The Board shall not exercise any option hereinabove set forth to purchase any Unit Ownership or interest therein without the prior written consent of the voting members having seventy-five (75%) per cent of the total votes. The members of the Board or their duly authorized representatives, acting on behalf of the other Owners, may bid to purchase at any sale of a Unit Ownership or interest therein of any Owner living or deceased, which said sale is held pursuant to an order or direction of a court, upon the prior written consent of the voting members having seventy-five (75%) per cent of the total votes, which said consent shall set forth a maximum price which the members of the Board or their duly authorized representatives are authorized to bid and pay for said Unit Ownership or interest therein.

6. RELEASE OR WAIVER OF OPTION. Upon the written consent of at least four-fifths (4/5) of the Board members, any of the options contained in this Article VIII may be released or waived and the Unit Ownership or interest therein which is subject to an option set forth in the Article may be sold, conveyed, leased, given or devised free and clear of the provisions of this Article.

7. PROOF OF TERMINATION OF OPTION. A certificate executed and acknowledged by the acting Secretary of the Board stating that the provisions of this Article VIII as hereinabove set forth have been met by an Owner, or duly waived by the Board, and that the rights of the Board hereunder have terminated, shall be conclusive upon the Board and the Owners in favor of all persons who rely thereon in good faith, and such certificate shall be furnished to any Owner who has in fact complied with the provisions of this Article or in respect to whom the provisions of this Article have been waived, upon request, at a reasonable fee, not to exceed Ten Dollars (\$10.00).

8. FINANCING OF PURCHASE UNDER OPTION. (a) Acquisition of Unit Ownerships or any interest therein under the provisions of this Article shall be made from the maintenance fund aforesaid. If said fund is insufficient, the Board shall levy an assessment against each Owner in the ratio that his percentage of ownership in the Common Elements as set forth in Exhibit "B" bears to the total of all such percentages applicable to Units subject to said assessment, which assessment shall become a lien and be enforceable in the same manner as provided in paragraph (g) of Article VI hereof.

(b) The members of the Board, in their discretion, may borrow money to finance the acquisition of any Unit Ownership or interest therein authorized by this Article; provided, however, that no financing may be secured by an encumbrance or hypothecation of any portion of the Property other than the Unit Ownership or interest therein to be acquired.

9. TITLE TO ACQUIRED INTERESTS. Unit Ownerships or interests therein acquired pursuant to the Terms of this Article shall be held of record in the name of the members of the Board of Managers and their successors in office, or such nominee as they shall designate, for the benefit of all the Owners. Said Unit Ownerships or interests therein shall be sold or ceased by the members of the Board in such manner as the Board shall determine without complying with the foregoing provisions relating to the Board's right of first refusal. All proceeds of such sale and/or leasing shall be deposited in the maintenance fund and credited to each Owner in the same proportion in which the Board could levy a special assessment under the terms of paragraph 8 (a) of this Article.

10. EXCEPTIONS TO BOARD'S RIGHT OF FIRST REFUSAL. The Board's right of first refusal as provided in Sections 1 2 and 3 of this Article VIII shall not apply to any sale, lease, gift; devise or other transfer as between Co-Owners of the same Unit, to the spouse, or to any lawful children of the Owner, or any or more of them, or to any trustee of a trust, sole beneficiary or beneficiaries of which are the Owner, the spouse or lawful child of the Owner, or any one or more of them.

11. COMPLIANCE WITH HOUSING LAWS. Nothing hereinbefore contained shall construed as having the intent to contravene, violate or otherwise breach any of the provisions of existing Federal, state or Local Housing or Occupancy laws, it being the intention of the Trustee as all times to provide for the operation of a desirable, first-class, joint living project in full compliance with pertinent laws, statutes or regulations.

12. SPECIAL PROVISIONS RE: LEASES. Any lease of a Unit, or, sublease or assignment of lease, shall be in writing, a copy of which must be delivered to the Association not later than the date of occupancy or 10 days after the lease is signed, whichever occurs first, and shall provide that the lease, sublease or assignment shall be subject to the terms of this Declaration and that any failure of the lessee, sublessee or assignee to comply with the terms of this Declaration shall be a default under the lease, sublease or assignment. The Owner making any such lease, or permitting such sublease or assignment, shall not be relieved thereby from any of his obligations under the Declaration. In addition to any other remedies, by filing an action jointly against the Owner and the lessee, sublessee or assignee, the Association may seek to enjoin a lessee, sublessee or assignee from occupying a Unit or seek to evict a lessee, sublessee or assignee under the provisions of Article IX of the

Code of Civil Procedure for failure of the lessor-Unit Owner to comply with the leasing requirements contained in the Declaration and rules and regulations.

## ARTICLE IX

### DAMAGE OR DESTRUCTION AND RESTORATION OF BUILDING

1. SUFFICIENT INSURANCE. In the event the improvements forming a part of the Property, or any portion thereof, including any Unit, shall suffer damage or destruction from any cause and the proceeds of any policy or policies insuring against such loss or damage, and payable by reason thereof, shall be sufficient to pay the cost of repair, restoration or reconstruction, then such repair, restoration or reconstruction shall be undertaken and the insurance proceeds shall be applied by the Board or the payee of such insurance proceeds in payment therefore; provided however, that in the event within thirty (30) days after said damage or destruction, the Owners elect either to sell the Property as hereinafter provided in Article X hereof or to withdraw the Property from the provisions of this Declaration, and from the provision of the "Condominium Property Act" as therein provided, then such repair, restoration or reconstruction shall not be undertaken. In the event such repair, restoration or reconstruction is not undertaken the net proceeds of insurance policies shall be divided by the Board or the payee of such insurance proceeds among all Owners according to each Owner's percentage of ownership in the Common Elements as forth in Exhibit "B" after first paying out of the share of each Owner the amount of any unpaid liens on his Unit, in the order of the priority of such liens.

### 2. INSUFFICIENT INSURANCE.

(a) ~~In the event the Property or the improvements thereof so damaged or destroyed are not insured against the peril causing the loss or damage, or of fire or other disaster, the insurance proceeds, if sufficient to reconstruct the Building, shall be applied to restore the Building to substantially the same condition in which it existed prior to the fire or other disaster, with each Unit and Common Elements to have the same vertical and horizontal boundaries as before the fire or other disaster.~~

(b) ~~If, in the event of fire or other disaster, the insurance proceeds are not sufficient to pay the cost of repair, restoration~~ insufficient to restore the Building as set forth in the preceding sub-paragraph then:

(i) The Board shall call a meeting of Owners to be held not later than the first to occur of (i) the expiration of thirty (30) days after the final adjustment of

the insurance claims or (ii) the expiration of ninety (90) days after the fire or other disaster which caused the damage.

(ii) At such meeting, the Board shall present an estimate of the cost of repair or reconstruction, ~~and the Owners and all other parties in interest do not voluntarily make provision for reconstruction of the improvements~~ together with an estimate of the part thereof which must be raised by way of special assessment.

(iii) The Building shall be restored and the proposed special assessment shall be levied only upon the vote of 75% of the Owners.

(iv) If the Owners do not vote to restore the Building at the meeting provided for in (i) above, then the Board may, at its discretion, call another meeting or meetings of Owners to reconsider the question. If the Owners do not vote to restore the Building within one hundred and eighty (180) days after ~~said damage or destruction, then the provisions of the "Condominium Property Act", in such event shall apply the fire or other~~ disaster, then the Board may (but shall not be required to) record a notice as permitted under the Act.

(v) If the Owners do not vote to restore the Building under the provisions of the immediately preceding sub-paragraph and the Board does not record a notice as permitted under the Act, then the Owners may, upon the affirmative vote of a Majority of Owners voting at a meeting duly called for that purpose and with the consent of all first mortgagees, authorize the President and the Secretary to execute and record an amendment to this Declaration for the purpose of withdrawing any portion of the Building so affected by such fire or other disaster from the Act. Upon the withdrawal of any Unit or portion thereof, the percentage of interest in the Common Elements appurtenant to such Unit shall be reallocated among the remaining Units on the basis of the relative percentage interest of the remaining Units. If only a portion of a Unit is withdrawn, the percentage of interest appurtenant to that Unit shall be reduced accordingly, upon the basis of diminution of the market value of the Unit, as determined by the Board. The allocation of any insurance, or other proceeds to any withdrawing or remaining Owners shall be on an equitable basis, which need not be a Unit's percentage of interest in the Common Elements.

Any insurance or other proceeds available in connection with the withdrawal of any portion of the Common Elements shall be allocated on the basis of each Owner's percentage of interest in the Common Elements. Upon the withdrawal of any Unit or portion thereof, assessments attributable to the



period after such withdrawal shall no longer be required for such withdrawn Unit or shall be equitably reduced to reflect such withdrawn portion.

3. DEFINITION. Repair, restoration or reconstruction of the improvements as used in this Article, means restoring the improvements to substantially the same condition in which they existed prior to the damage or destruction, with each Unit and the Common Elements having the same vertical and horizontal boundaries as then existed.

## ARTICLE X

### SALE OF THE PROPERTY

The owners by affirmative vote of at least 75% of the total vote, at a meeting duly called for such purpose, may elect to sell the Property as a whole, such action shall be binding upon all Owners, and it shall thereupon become the duty of every Owner to execute and deliver such instruments and to perform all acts as in manner and form may be necessary to effect such sale, provided, however, that any Owner who did not vote in favor of such action and who has filed written objection thereto with the Board within twenty (20) days after the date of the meeting at which such sale was approved shall be entitled to receive from the proceeds of such sale an amount equivalent to the value of his interest, as determined by a fair appraisal, less the amount of any unpaid assessments or charges due and owing from such Owner. In the absence of agreement on an appraiser, such Owner and the Board may each select an appraiser and two so selected shall select a thirds and the fair market value, as determined by a majority of the three so selected, shall control. If either party shall fail to select an appraiser, then the appraiser designated by the other party shall make the appraisal.

## ARTICLE XI

### CONDEMNATION

To the fullest extent permitted by law, the Association is hereby designated to represent the Owners, and each Unit Owner hereby appoints the Association as such Owner's attorney-in-fact in any proceeding, negotiation, settlement or agreement regarding any loss or proceeds from condemnation of all or any part of the Property for this purpose. In the event of a taking or condemnation by competent authority of any part of the Property, the Association shall, if necessary, restore the improvements on the remaining portion of the Property to conform as closely as possible to the general design, structure and materials used with respect to the improvements as they existed prior to the taking or condemnation. In the event that part or all of one or more Units is taken or condemned, then the portions so taken or



condemned shall be deemed to have been removed from the provisions of the Act and the percentage of ownership interest in the Common Elements allocated to such Unit or portion thereof (as determined by the Board on the basis of diminution in market value of the Unit) shall be reallocated among the remaining Units on the basis of the relative percentage of ownership interests in the Common Elements of the remaining Units. In such cases, this Declaration and the Plat shall be amended accordingly by an instrument executed by the President or Vice-President and the Secretary or Assistant Secretary of the Association, which the Board shall Record. The allocation of any condemnation award, or other proceeds to any withdrawing or remaining Owner shall be on an equitable basis, which need not be a Unit's percentage of interest in the Common Elements. Any condemnation award or other proceeds available in connection with the withdrawal of any portion of the Common Elements, not necessarily including the Limited Common Elements, shall be allocated on the basis of each Owner's percentage of interest in the Common Elements. Any such proceeds available from the withdrawal of Limited Common Elements shall be distributed in accordance with the interests of those entitled to their use, as determined by the Board. Upon the withdrawal of any Unit or portion thereof, the responsibility for the payment of assessments on such Unit or portion thereof so withdrawn shall cease or shall be equitably reduced. Nothing contained herein shall be construed to prevent an aggrieved Owner from instituting an action against either the Association or any Owner for failure to comply with the provisions of the Declaration or the decisions of the Association.

## ARTICLE XII

### REMEDIES FOR BREACH OF COVENANTS

#### RESTRICTIONS AND REGULATIONS

1. ABATEMENT AND ENJOINMENT. The violation of any restriction or condition or regulation adopted by the Board, or the breach of any covenant or provision herein contained, shall give the Board the right, in addition to the rights set forth in the next succeeding section: (a) to enter upon that part of the Property where such violation or breach exists and to summarily abate and remove, at the expense of the defaulting Owner, any structure, thing or condition that may exist thereon contrary to the intent and meaning of the provisions hereof, and the trustee, or its beneficiaries, or their successors or assigns, or the Board, or its agents, shall not thereby be deemed guilty in any manner of trespass; or (b) to enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any breach. All expenses of the Board in connection with such actions or proceedings, including court costs and attorneys' fees and other fees and expenses, and all damages, liquidated or otherwise, together with interest thereon at the rate of eight (8%) per cent per annum until paid, shall be

charged to and assessed against such defaulting Owner, and shall be added to and deemed part of his respective share of the common expenses, and the Board shall have a lien for all of the same upon the Unit Ownership of such defaulting Owner and upon all of his additions and improvements thereto and upon all of his personal property in his Unit or located elsewhere on the Property. Any and all of such rights and remedies may be exercised at any time and from time to time cumulatively or other, by the Board.

2. INVOLUNTARY SALE. If any Owner (either by his conduct or by the conduct of any other occupant of his Unit) shall violate any of the covenants or restrictions or provisions of this Declaration or the regulations adopted by the Board, and such violation shall continue for thirty (30) days after notice in writing from the Board, or shall occur repeatedly during any thirty day period after written notice or request to cure such violation from the Board, then the Board shall have the power to issue to the defaulting Owner a ten day notice in writing to terminate the rights of said defaulting Owner to continue as an Owner and to continue to occupy, use or control his Unit and thereupon an action in equity may be filed by the members of the Board against the defaulting Owner for a decree of mandatory injunction against the Owner or Occupant or, subject to the prior consent in writing of any mortgagee having a security interest in the Unit Ownership of the defaulting Owner, which consent shall not be unreasonably withheld, then in the alternative a decree declaring the termination of the defaulting Owner's right to occupy, use or control the Unit owner by him on account of the breach of covenant, and ordering that the right, title and interest of the Owner in the Property shall be sold (subject to the lien of any existing mortgage) at a judicial sale upon such notice and terms as the court shall establish, except that the defaulting Owner shall be enjoined and restrained from re-acquiring his interest in the Property at such judicial sale. The proceeds of any such judicial sale shall first be paid to discharge court costs, court reporter charges, reasonable attorneys' fees and all other expenses of the proceeding and sale, and all such items shall be taxed against the defaulting Owner in said decree. Any balance of proceeds, after satisfaction of such charges and any unpaid assessments hereunder of any liens, shall be paid to the Owner. Upon the confirmation of such sale, the purchaser thereat shall thereupon be entitled to a deed to the Unit Ownership and, subject to the Board's rights as provided in Section 4, Article VIII hereof, to immediate possession of the Unit sold and may apply to the Court for a writ of assistance for the purpose of acquiring such possession, and it shall be a condition of any such sale, and the decree shall provide, that the purchaser shall take the interest in the property sold, subject to this Declaration.

## ARTICLE XIII

### BOOKS AND RECORDS

1. MAINTAINING BOOKS AND RECORDS. The Association shall keep correct and complete books and records of account and shall also keep minutes of the proceedings of its members, board of directors, and committees having any of the authority of the board of directors, and shall keep at the registered or principal office a record giving the names and addresses of the members entitled to vote. All books and records of the Association may be inspected by any member, or his agent or attorney for any proper purpose at any reasonable time.

2. AVAILABILITY FOR EXAMINATION. The Association shall maintain the following records of the Association, and make such records available for examination and copying at convenient hours of weekdays by the Owners, holders, insurers and guarantors of first mortgages that are secured by Units and their duly authorized agents or attorneys:

(a) Copies of the recorded Declaration and any amendments thereto, Articles of Incorporation of the Association, if incorporated, annual reports, if incorporated, and any rules and regulations adopted by the Association or the Board.

(b) Detailed accurate records in chronological order of the receipts and expenditures affecting the Common Elements, specifying and itemizing the maintenance and repair expenses of the Common Elements and any other expenses incurred, and copies of all contracts, leases or other agreements entered into by the Association.

(c) The minutes of all meetings of the Association and the Board. The Association shall maintain these minutes for a period of not less than seven years.

(d) A record giving the names and addresses of the members entitled to vote.

(e) Ballots and proxies related thereto for all elections to the Board and for any other matters voted on by the Owners provided, however, that in the event the Association adopts rules for secret ballot election as provided in the Act, then, unless directed by court order, only the voting ballot excluding the Unit number shall be subject to inspection and copying. The Association shall maintain these ballots and proxies for a period of not less than one year.

(f) Such other records of the Association as are available for inspection by members of a not-for-profit

corporation pursuant to the General Not-For-Profit Corporation Act of 1986 of the State of Illinois, as amended.

A reasonable fee covering the direct out-of-pocket cost of providing such information and copying may be charged by the Association or the Board for the cost of providing such information and copying.

#### ARTICLE XIV

##### GENERAL PROVISIONS

1. RIGHTS OF TRUSTEE. Until such time as the Board of Managers provided for in this Declaration is formed, the Beneficiaries of Trustee shall exercise the powers, rights, duties and functions of the Board.

2. NOTICES TO MORTGAGEES OR LENDERS. Upon written request to the Board, the holder of any duly recorded mortgage or trust deed against any Unit Ownership shall be given a copy of any and all notices permitted or required by this Declaration to be given to the Owner whose Unit Ownership is subject to such mortgage or trust deed. Any holders and owners of any mortgage or mortgages of record at the time of this Declaration is recorded shall be required to consent in writing to this Declaration.

3. HOW NOTICE GIVEN. Notices provided for in this Declaration and in the Condominium Property Act shall be in writing, and shall be addressed to the Board or Association, or any Owner, as the case may be at 73 East Elm Street, Chicago, Illinois, (indicating thereon the number of the respective unit if addressed to an Owner), or at such other address as herein provided. The Association or Board may designate a different address or addresses for notices to them respectively by giving written notice of such change of address to all Owners. Any owner may also designate a different address for notices to him by giving written notice of his change of address to the Board or Association. Notices addressed as above shall be deemed delivered when mailed by United States registered or certified mail or when delivered in person with written acknowledgement of the receipt thereof, or, if, addressed to an Owner, when depositing in his mailbox in the Building or at the door of his Unit in the Building.

4. NOTICE TO ESTATE OR REPRESENTATIVE. Notices required to be given any devisee or personal representative of a deceased Owner may be delivered either personally or by mail to such party as his or its address appearing in the records of the court wherein the estate of such deceased Owner is being administered.

performed and discharged by the beneficiaries under said Trust No. 27072, or their successors, and not by EXCHANGE NATIONAL BANK OF CHICAGO personally; and further, that no duty shall rest upon EXCHANGE NATIONAL BANK OF CHICAGO, either personally or as such Trustee, to sequester trust assets, rentals, avails or proceeds of any kind, or otherwise to see to the fulfillment or discharge of any obligation, express or implied, arising under the terms of this Declaration, except where said Trustee is acting pursuant to direction as provided by the terms of said Trust No. 27072, and after the Trustee has first been supplied with funds required for the purpose. In the event of conflict between the terms of this paragraph and of the remainder of the Declaration or any question of apparent liability or obligation resting upon said Trustee, the exculpatory provision hereof shall be controlling.

IN WITNESS WHEREOF, the said EXCHANGE NATIONAL BANK OF CHICAGO, as Trustee as aforesaid, and not individually, has caused its corporate seal to be affixed hereunto and has caused its name to be signed to these present by its Vice President and attested by its Assistant Trust Officer, this 20th day of September, 1973.

EXCHANGE NATIONAL BANK OF CHICAGO,  
a National Banking Association, as  
Trustee, as aforesaid, and not  
individually

By: /S/ C.C. Kaplan  
Vice-President

ATTEST:

/S/ Ben Rosen  
Assistant Trust Officer

98637000

FIRST AMENDMENT TO  
THE DECLARATION OF  
CONDOMINIUM  
OWNERSHIP AND OF  
EASEMENTS,  
RESTRICTIONS AND  
COVENANTS FOR THE  
73 EAST ELM STREET  
CONDOMINIUM  
ASSOCIATION

This First Amendment, dated this 30 day of June, 1998, is made by the Board of Directors of the 73 Elm Street Condominium Association ("Association").

WITNESSETH:

The Board of Directors ("Board") administers the property for the Association, located at 73 East Elm Street, Chicago, Illinois pursuant to the Declaration for the property legally described on Exhibit A attached to and made a part of this First Amendment. Pursuant to Article XII, Section 7 of the Declaration, the Board of Directors and the Owners desire to amend:

Article XI of the Declaration to provide that in the event an Owner fails to pay his or her proportionate share of the common expenses three (3) times within a twelve month period, the Board may accelerate the Owner's common expenses for the year.

WHEREAS, Article XII, Section 7 of the Declaration states that provisions of the Declaration may be amended by (1) an instrument in writing; (2) signed and acknowledged by the Board and approved by the Owners having at least three-fourths (3/4) of the total vote; and (3) containing an affidavit by an officer of the Board certifying that a copy of the amendment has been mailed by certified mail to all mortgagees having bona fide liens of record against any Unit

Ownership, no less than ten (10) days prior to the date of such affidavit. The amendment shall become effective upon recording with the Recorder of Deeds of Cook County, Illinois.

WHEREAS, pursuant to Article XII, Section 7 of the Declaration, the First Amendment set forth below has been approved by the Board and the Unit Owners listed on Exhibit B, attached hereto; and

WHEREAS, the secretary of the Board has mailed a copy of this First Amendment to all mortgagees having bona fide liens of record against any Unit Ownership as provided in Exhibit C attached hereto.

- - - NOW THEREFORE, the Declaration is amended as follows:

Article XI of the Declaration is hereby amended by inserting Section 3 as follows:

3. ACCELERATION. In addition to the other remedies provided in this Declaration, if an Owner fails to pay his proportionate share of the common expenses or any other charges or payments required to be paid by the Owner hereunder, the Board or its counsel shall send the Owner a notice of default/demand for possession. If the Owner pays said demand within thirty (30) days but shall fail to pay his proportionate share of the common expenses or any other charges or payments required to be paid by the Owner two (2) additional times within a twelve month period, the Board may accelerate the maturity of the monthly assessments which would otherwise be due from the Owner during the balance of the fiscal year. If said Owner fails to pay the accelerated assessments and late charges due to the Association within thirty (30) days after notice/demand for possession from the Board or its counsel, the Association shall have such rights and remedies to enforce such collection as shall be provided or permitted by law from time to time, including the right to take possession of the Owner's interest in the Property and to maintain for the benefit of all other Owners an action for possession in the manner prescribed by "An Act in Regard to Forcible Entry and Detainer" approved February 16, 1974, as amended.

IN WITNESS WHEREOF, the Board has duly executed this First Amendment on the day  
and year first written above.

BOARD OF DIRECTORS OF THE 73  
EAST ELM STREET CONDOMINIUM  
ASSOCIATION,

William W. [Signature]

William B. [Signature]

Antonia [Signature]

[Signature]

[Signature]

On Behalf of Approving Unit Owners  
As indicated on Exhibit B

By:

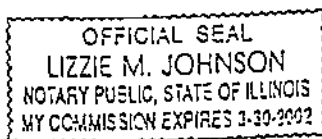
[Signature]  
President



STATE OF ILLINOIS )  
 ) SS.  
COUNTY OF COOK )

I, LIZZIE M. JOHNSON, a Notary Public in and for said County, in the State aforesaid, do hereby certify that William H. Jones, James P. Fennell Jr., Kathleen E. Fennell, Shirley J. Lippert, and J.E. Matralko, personally known to me to be the same persons whose names are subscribed to the foregoing First Amendment to the Declaration of Condominium Ownership and of Easements, Restrictions and Covenants for the 73 East Elm Street Condominium, as the Board of Directors of the 73 East Elm Street Condominium Association, appeared before me this day in person and acknowledged that they signed and delivered the said Amendment as their free and voluntary act and as the free and voluntary act of the 73 East Elm Street Condominium Association, for the uses and purposes set forth therein.

Given under my hand and notarial seal this 30<sup>th</sup> day of June, 1998.

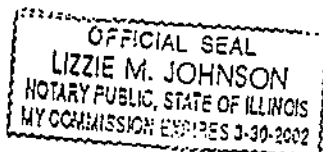


Lizzie M. Johnson  
NOTARY PUBLIC

- NOTARY FOR PRESIDENT

I, LIZZIE M. JOHNSON, a Notary Public in and for said County, in the State aforesaid, do hereby certify that J.E. Matralko, personally known to me to be the same person whose name is subscribed to the foregoing First Amendment to the Declaration of Condominium Ownership and of Easements, Restrictions and Covenants for the 73 East Elm Street Condominium, as the President of the 73 East Elm Street Condominium Association, appeared before me this day in person and acknowledged that he signed and delivered the said Amendment as his free and voluntary act and as the free and voluntary act of the 73 East Elm Street Condominium Association, for the uses and purposes set forth therein.

Given under my hand and notarial seal this 30<sup>th</sup> day of June, 1998.



Lizzie M. Johnson  
NOTARY PUBLIC

EXHIBIT "A"

LEGAL DESCRIPTION

Lots 23, 24 and 25 and the West 3.25 feet of lot 26 (except therefrom the East 12 inches of the South 50.13 feet of said of the North 60.08 feet of said West 3.25 feet of said Lot 26) in Healy's Subdivision of Lot 1 and the North half of Lot 11 and part of Lot 10 in Block 2 of Canal Trustees Subdivision of South fractional half of Section 3 Township 39 North, Range 14 East of Third Principal Meridian together with the North 36.5 feet of Lot 10 lying South of and adjoining Lots 23 and 24 aforesaid and together with the West 2 inches of the South 32.95 feet of the North 93.03 feet of said Lot 26 (except the West 3.25 feet) in the City of Chicago in Cook County, Illinois.

Address: 73 East Elm Street, Chicago, Illinois 60611

3D	.0162	17-03-201-068-1038	X
4D	.0163	17-03-201-068-1039	
5D	.0167	17-03-201-068-1040	X
6D	.0168	17-03-201-068-1041	X
7D	.0169	17-03-201-068-1042	X
8D	.017	17-03-201-068-1043	X
9D	.0171	17-03-201-068-1044	X
10D	.0171	17-03-201-068-1045	X
11D	.0172	17-03-201-068-1046	X
12D	.0173	17-03-201-068-1047	X
14D	.0174	17-03-201-068-1048	
1	.0022	17-03-201-068-1049	
2	.0022	17-03-201-068-1050	
3	.0022	17-03-201-068-1051	
4	.0022	17-03-201-068-1052	
5	.0022	17-03-201-068-1053	
6	.0022	17-03-201-068-1054	
7	.0022	17-03-201-068-1055	
8	.0022	17-03-201-068-1056	
9	.0022	17-03-201-068-1057	
10	.0022	17-03-201-068-1058	

EXHIBIT B  
PERCENTAGE OF COMMON ELEMENTS  
73 EAST ELM STREET CONDOMINIUM

Unit	Common Elements	PIN	Approved
1A	.0162	17-03-201-068-1001	<input checked="" type="checkbox"/>
2A	.0231	17-03-201-068-1002	<input checked="" type="checkbox"/>
3A	.0232	17-03-201-068-1003	<input checked="" type="checkbox"/>
4A	.0232	17-03-201-068-1004	<input checked="" type="checkbox"/>
5A	.0238	17-03-201-068-1005	<input checked="" type="checkbox"/>
6A	.0239	17-03-201-068-1006	<input type="checkbox"/>
7A	.0240	17-03-201-068-1007	<input type="checkbox"/>
8A	.0241	17-03-201-068-1008	<input checked="" type="checkbox"/>
9A	.0241	17-03-201-068-1009	<input checked="" type="checkbox"/>
10A	.0242	17-03-201-068-1010	<input checked="" type="checkbox"/>
11A	.0243	17-03-201-068-1011	<input checked="" type="checkbox"/>
12A	.0244	17-03-201-068-1012	<input checked="" type="checkbox"/>
14A	.025	17-03-201-068-1013	<input checked="" type="checkbox"/>
1B	.0161	17-03-201-068-1014	<input checked="" type="checkbox"/>
2B	.0229	17-03-201-068-1015	<input checked="" type="checkbox"/>
3B	.0229	17-03-201-068-1016	<input checked="" type="checkbox"/>
4B	.023	17-03-201-068-1017	<input checked="" type="checkbox"/>
5B	.0236	17-03-201-068-1018	<input checked="" type="checkbox"/>
6B	.0237	17-03-201-068-1019	<input checked="" type="checkbox"/>
7B	.0237	17-03-201-068-1020	<input checked="" type="checkbox"/>
8B	.0238	17-03-201-068-1021	<input checked="" type="checkbox"/>
9B	.0239	17-03-201-068-1022	<input checked="" type="checkbox"/>
10B	.0240	17-03-201-068-1023	<input checked="" type="checkbox"/>
11B	.0241	17-03-201-068-1024	<input checked="" type="checkbox"/>
12B	.0242	17-03-201-068-1025	<input checked="" type="checkbox"/>
14B	.0243	17-03-201-068-1026	<input type="checkbox"/>
3C	.0163	17-03-201-068-1027	<input checked="" type="checkbox"/>
4C	.0164	17-03-201-068-1028	<input checked="" type="checkbox"/>
5C	.0169	17-03-201-068-1029	<input checked="" type="checkbox"/>
6C	.017	17-03-201-068-1030	<input checked="" type="checkbox"/>
7C	.0171	17-03-201-068-1031	<input checked="" type="checkbox"/>
8C	.0172	17-03-201-068-1032	<input checked="" type="checkbox"/>
9C	.0173	17-03-201-068-1033	<input checked="" type="checkbox"/>
10C	.0174	17-03-201-068-1034	<input checked="" type="checkbox"/>
11C	.0175	17-03-201-068-1035	<input checked="" type="checkbox"/>
12C	.0176	17-03-201-068-1036	<input checked="" type="checkbox"/>
14C	.0176	17-03-201-068-1037	<input checked="" type="checkbox"/>

EXHIBIT C  
CERTIFICATION

The undersigned being first duly sworn, deposes and says:

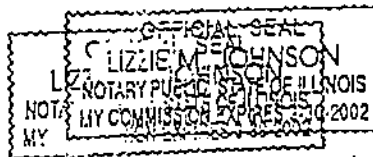
1. I, Sally J. Lasser, am the duly elected and acting secretary of the 73 East Elm Street Condominium Association.

2. On, July 10, 1998, I mailed a copy of the First Amendment to the Declaration of Condominium Ownership and of Easements, Restrictions and Covenants for the 73 East Elm Street Condominium, to which this Certificate is attached, to the holder of each mortgage having a bona fide lien against any Unit ownership in the 73 East Elm Street Condominium Association.

Sally J. Lasser

SUBSCRIBED and SWORN to  
before me this 10 day of  
July, 1998.

Lizzie M. Johnson  
NOTARY PUBLIC



BY-LAWS

OF

73 EAST ELM STREET CONDOMINIUM ASSOCIATION

ARTICLE I

Offices

The corporation shall maintain in the State of Illinois a registered office and a registered agent, at such office and may have other offices within or without the state.

ARTICLE II

Members

SECTION 1. CLASSES OF MEMBERS. The corporation shall have one class of members. The designation of such class and the qualifications of the members of such class shall be as follows:

SECTION 2. ELECTION OF MEMBERS. Members shall be elected by the board of directors. An affirmative vote of two-thirds of the directors shall be required for election.

SECTION 3. VOTING RIGHTS. Each member shall be entitled to one vote on each matter submitted to a vote of the members.

SECTION 4. TERMINATION OF MEMBERSHIP. The board of directors by affirmative vote of two-thirds of all of the members of the board may suspend or expel a member for cause after an appropriate hearing, and may, by a majority vote of those present at any regularly constituted meeting, terminate the membership of any member who becomes ineligible for membership, or suspend or expel any member who shall be in default in the payment of dues for the period fixed in Article XII of these by-laws.

SECTION 5. RESIGNATION. Any member may resign by filing a written resignation with the Secretary, but such resignation shall not relieve the member so resigning of the obligation to pay any dues, assessments or other charges theretofore accrued and unpaid.

SECTION 6. REINSTATEMENT. Upon written request signed by a former member and filed with the Secretary, the board of directors may by the affirmative vote of two-thirds of the members of the board reinstate such former member to membership upon such terms as the board of directors may deem appropriate.

SECTION 7. TRANSFER OF MEMBERSHIP. Membership in this corporation is not transferable or assignable.

SECTION 8. NO MEMBERSHIP CERTIFICATES. No membership certificates of the corporation shall be required.

### ARTICLE III

#### Meetings of Members

SECTION 1. ANNUAL MEETING. An annual meeting of the members shall be held on the \_\_\_\_\_ (day) of \_\_\_\_\_ (month) of each year for the purpose of electing directors and for the transaction of such other business as may come before the meeting. If such day be a Sunday or a legal holiday, the meeting shall be held at the same hour on the next succeeding business day.

SECTION 2. SPECIAL MEETING. Special meetings of the members may be called either by the president, the board of directors, or not less than one-tenth of the members having voting rights.

SECTION 3. PLACE OF MEETING. The board of directors may designate any place as the place of meeting for any annual meeting or for any special meeting called by the board of directors. If no designation is made or if a special meeting be otherwise called, the place of meeting shall be the registered office of the corporation in the State of Illinois.

SECTION 4. NOTICE OF MEETINGS. Written notice stating the place, date, and hour of any meeting of members shall be delivered to each member entitled to vote at such meeting not less than five nor more than forty days before the date of such meeting. In case of a special meeting or when required by statute or by these by-laws, the purpose for which the meeting is called shall be stated in the notice. If mailed, the notice of a meeting shall be deemed delivered when deposited in the United States mail addressed to the member at his address as it appears on the records of the corporation, with postage thereon prepaid.

SECTION 5. INFORMAL ACTION BY MEMBERS. Any action required to be taken at a meeting of the members of the corporation, or any other action which may be taken at a meeting of members, may be taken without a meeting if a consent in writing, setting forth the action so

taken, shall be signed by all of the members entitled to vote with respect to the subject matter thereof.

SECTION 6. QUORUM. The members holding one-tenth of the votes which may be cast at any meeting shall constitute a quorum at such meeting. If a quorum is not present at any meeting of members, a majority of the members present may adjourn the meeting at any time without further notice. 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.

SECTION 7. PROXIES. Each member entitled to vote at a meeting of members or to express consent or dissent to corporate action in writing without a meeting may authorize another person or persons to act for him by proxy, but no such proxy shall be voted or acted upon after eleven months from its date, unless the proxy provided for a longer period.

#### ARTICLE IV

##### BOARD OF DIRECTORS

SECTION 1. GENERAL POWERS. The affairs of the corporation shall be managed by its board of directors.

SECTION 2. NUMBER, TENURE AND QUALIFICATIONS. The number of directors shall be five. Each director shall hold office until the next annual meeting of members and until his successors shall have been elected and qualified. Directors need not be residents of Illinois or members of the corporation. The number of directors may be decreased to not fewer than 3 or increased to any number from time to time by amendment of this section, unless the articles of incorporation provide that a change in the number of directors shall be made only by amendment of the articles of incorporation. X

SECTION 3. REGULAR MEETINGS. A regular annual meeting of the board of directors shall be held without other notice than these by-laws, immediately after, and at the same place as, the annual meeting of members. The board of directors may provide by resolution the time and place, for the holding of additional regular meetings of the board without other notice than such resolution.

SECTION 4. SPECIAL MEETINGS. Special meetings of the board of directors may be called by or at the request of the president or any two directors. The person or persons authorized to call special meetings of the board may fix any place as the place for holding any special meeting of the board called by them.



SECTION 5. NOTICE. Notice of any special meeting of the board of directors shall be given at least two days previously thereto by written notice to each director at his address as shown by the records of the corporation. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail in a sealed envelope so addressed, with postage thereon prepaid. If notice be given by telegram, such notice shall be deemed to be delivered when the telegram is delivered to the telegraph company. Notice of any special meeting of the board of directors may be waived in writing signed by the person or persons entitled to the notice either before or after the time of the meeting. The attendance of a director at any meeting shall constitute a waiver of notice of such meeting, except where a director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the board need be specified in the notice or waiver of notice of such meeting, unless specifically required by law or by these by-laws.

SECTION 6. QUORUM. A majority of the board of directors shall constitute a quorum for the transaction of business at any meeting of the board, provided that if less than a majority of the directors are present at said meeting, a majority of the directors present may adjourn the meeting to another time without further notice.

SECTION 7. MANNER OF ACTING. The act of a majority of the directors present at a meeting at which a quorum is present shall be the act of the board of directors, unless the act of a greater number is required by statute, these by-laws, or the articles of incorporation.

SECTION 8. VACANCIES. Any vacancy occurring in the board of directors or any directorship to be filled by reason of an increase in the number of directors shall be filled by the board of directors unless the articles of incorporation, a statute, or these by-laws provide that a vacancy or a directorship so created shall be filled in some other manner, in which case such provision shall control. A director elected to fill a vacancy shall be elected for the unexpired term of his predecessor in office.

SECTION 9. COMPENSATION. Directors shall not receive any stated salaries for their services, but by resolution of the board of directors a fixed sum and expenses of attendance, if any, may be allowed for each regular or special meeting of the board, provided that nothing herein contained shall be construed to preclude any director from serving the corporation in any other capacity and receiving reasonable compensation therefor.

## ARTICLE V

### Officers

SECTION 1. OFFICERS. The officers of the corporation shall be a president, one or more vice presidents (the number thereof to be determined by the board of directors), a treasurer, a secretary, and such assistant treasurers, assistant secretaries or other officers as may be elected by the board of directors. Officers whose authority and duties are not prescribed in these by-laws shall have the authority and perform the duties prescribed, from time to time, by the board of directors. Any two or more offices may be held by the same person, except the offices of president and secretary.

SECTION 2. ELECTION AND TERM OF OFFICE. The officers of the corporation shall be elected annually by the board of directors at the regular annual meeting of the board of directors. If the election of officers shall not be held at such meeting, such election shall be held as soon thereafter as conveniently may be. Vacancies may be filled or new offices created and filled at any meeting of the board of directors. Each officer shall hold office until his successor shall have been duly elected and shall have qualified or until his death or until he shall resign or shall have been removed in the manner hereinafter provided. Election of an officer shall not of itself create contract rights.

SECTION 3. REMOVAL. Any officer elected or appointed by the board of directors may be removed by the board of directors whenever in its judgment the best interests of the corporation would be served thereby, but such removal shall be without prejudice to the contract rights, if any, of the person so removed.

SECTION 4. PRESIDENT. The president shall be the principal executive officer of the corporation. Subject to the direction and control of the board of directors, he shall be in charge of the business and affairs of the corporation; he shall see that the resolutions and directives of the board of directors are carried into effect except in those instances in which that responsibility is assigned to some other person by the board of directors; and, in general, he shall discharge all duties incident to the office of president and such other duties as may be prescribed by the board of directors. He shall preside at all meetings of the members and of the board of directors. Except in those instances in which the authority to execute is expressly delegated to another officer or agent of the corporation or a different mode of execution is expressly prescribed by the board of directors or these by-laws, he may execute for the corporation any contracts, deeds, mortgages, bonds, or other instruments which the board of directors has authorized to be executed, and he may accomplish such execution either under or without the seal of the corporation and either individually or with the secretary, any assistant secretary, or any other officer thereunto

authorized by the board of directors, according to the requirements of the form of the instrument. He may vote all securities which the corporation is entitled to vote except as and to the extent such authority shall be vested in a different officer or agent of the corporation by the board of directors.

SECTION 5. VICE PRESIDENT. The vice-president (or in the event there be more than one vice-president, each of the vice-presidents) shall assist the president in the discharge of his duties as the president may direct and shall perform such other duties as from time to time may be assigned to him by the president or by the board of directors. In the absence of the president or in the event of his inability or refusal to act, the vice-president (or in the event there be more than one vice-president, the vice-presidents, in the order designated by the board of directors, or by the president if the board of directors has not made such a designation, or in the absence of any designation, then in the order of their seniority of tenure) shall perform the duties of the president and when so acting, shall have all the powers of and be subject to all the restrictions upon the president. Except in those instances in which the authority to execute is expressly delegated to another officer or agent of the corporation or a different mode of execution is expressly prescribed by the board of directors or these by-laws, the vice-president (or any of them if there are more than one) may execute for the corporation any contracts, deeds, mortgages, bonds or other instruments which the board of directors has authorized to be executed, and he may accomplish such execution either under or without the seal of the corporation and either individually or with the secretary, any assistant secretary, or any other officer thereunto authorized by the board of directors, according to the requirements of the form of the instrument.

SECTION 6. TREASURER. The treasurer shall be the principal accounting and financial officer of the corporation. He shall: (a) have charge of and be responsible for the maintenance of adequate books of account for the corporation; (b) have charge and custody of all funds and securities of the corporation, and be responsible therefor, and for the receipt and disbursement thereof; and (c) perform all the duties incident to the office of treasurer and such other duties as from time to time may be assigned to him by the president or by the board of directors. If required by the board of directors, the treasurer shall give a bond for the faithful discharge of his duties in such sum and with such surety or sureties as the board of directors shall determine.

SECTION 7. SECRETARY. The secretary shall record the minutes of the meetings of the members and of the board of directors in one or more books provided for that purpose; see that all notices are duly given in accordance with the provisions of these by-laws or as required by law; be custodian of the corporate records and of the seal of the corporation; keep a register of the postoffice address of each member which shall be furnished to the secretary by such member; and perform all duties incident to the office of secretary and such other duties as from time to time may be assigned to him by the president or by the board of directors.

SECTION 8. ASSISTANT TREASURERS AND ASSISTANT SECRETARIES. The assistant treasurers and assistant secretaries shall perform such duties as shall be assigned to them by the treasurer or the secretary, respectively, or by the president or the board of directors. If required by the board of directors, the assistant treasurers shall give bonds for the faithful discharge of their duties in such sums and with such sureties as the board of directors shall determine.

## ARTICLE VI

### Committees

SECTION 1. COMMITTEES OF DIRECTORS. The board of directors, by resolution adopted by a majority of the directors in office, may designate one or more committees, each of which shall consist of two or more directors, which committees, to the extent provided in said resolution and not restricted by law, shall have and exercise the authority of the board of directors in the management of the corporation; but the designation of such committees and the delegation thereto of authority shall not operate to relieve the board of directors, or any individual director, of any responsibility imposed upon it or him by law.

SECTION 2. OTHER COMMITTEES. Other committees not having and exercising the authority of the board of directors in the corporation may be designated by a resolution adopted by a majority of the directors present at a meeting at which a quorum is present. Except as otherwise provided in such resolution, members of each such committee shall be members of the corporation, and the president of the corporation shall appoint the members thereof. Any member thereof may be removed by the person or persons authorized to appoint such member whenever in their judgment the best interests of the corporation shall be served by such removal.

SECTION 3. TERM OF OFFICE. Each member of a committee shall continue as such until the next annual meeting of the members of the corporation and until his successor is appointed, unless the committee shall be sooner terminated, or unless such member be removed from such committee, or unless such member shall cease to qualify as a member thereof.

SECTION 4. CHAIRMAN. One member of each committee shall be appointed chairman.

SECTION 5. VACANCIES. Vacancies in the membership of any committee may be filled by appointments made in the same manner as provided in the case of the original appointments.

SECTION 6. QUORUM. Unless otherwise provided in the resolution of the board of directors designating a committee, a majority of the whole committee shall constitute a quorum and the act of a majority of the members present at a meeting at which a quorum is present shall be the act of the committee.

SECTION 7. RULES. Each committee may adopt rules for its own government not inconsistent with these by-laws or with rules adopted by the board of directors.

## ARTICLE VII

### Contracts, Checks, Deposits and Funds

SECTION 1. CONTRACTS. The board of directors may authorize any officer or officers, agent or agents of the corporation, in addition to the officers so authorized by these by-laws, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the corporation and such authority may be general or confined to specific instances.

SECTION 2. CHECKS, DRAFTS, ETC. All checks, drafts or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the corporation, shall be signed by such officer or officers, agent or agents of the corporation and in such manner as shall from time to time be determined by resolution of the board of directors. In the absence of such determination by the board of directors, such instruments shall be signed by the treasurer or an assistant treasurer and countersigned by the president or a vice president of the corporation.

SECTION 3. DEPOSITS. All funds of the corporation shall be deposited from time to time to the credit of the corporation in such banks, trust companies, or other depositories as the board of directors may select.

SECTION 4. GIFTS. The board of directors may accept on behalf of the corporation any contribution, gift, bequest or, devise for the general purposes or for any special purpose of the corporation.

## ARTICLE VIII

### Certificates of Membership

SECTION 1. CERTIFICATES OF MEMBERSHIP. The board of directors may provide for the issuance of certificates evidencing membership in the corporation which shall be in such form as may be determined by

the board. Such certificates shall be signed by the president or a vice president and by the secretary or an assistant secretary and shall bear the corporation's seal which may be in facsimile. The name and address of each member shall be entered on the records of the corporation. If any certificate shall become lost, mutilated, or destroyed, a new certificate may be issued therefor upon such terms and conditions as the board of directors may determine.

SECTION 2. ISSUANCE OF CERTIFICATES. When a member has been elected to membership and has paid any initiation fee and dues that may then be required, a certificate of membership shall be issued in his name and delivered to him by the secretary, if the board of directors shall have provided for the issuance of certificates of membership under the provisions of Section 1 of this article.

## ARTICLE IX

### BOOKS AND RECORDS

The corporation shall keep correct and complete books and records of account and shall also keep minutes of the proceedings of its members, board of directors, and committees having any of the authority of the board of directors, and shall keep at the registered or principal office a record giving the names and addresses of the members entitled to vote. All books and records of the corporation may be inspected by any member, or his agent or attorney for any proper purpose at any reasonable time.

## ARTICLE X

### FISCAL YEAR

The fiscal year of the corporation shall be fixed by resolution of the board of directors.

## ARTICLE XI

### DUES

SECTION 1. ANNUAL DUES. The board of directors may determine from time to time the amount of initiation fee, if any, and annual dues payable to the corporation by members of each class.

SECTION 2. PAYMENT OF DUES. Dues shall be payable in advance on the first day of \_\_\_\_\_ in each year. Dues of a new member shall be prorated from the first day of the month in which such new member is elected to membership, for the remainder of the fiscal year of the corporation.

SECTION 3. DEFAULT AND TERMINATION OF MEMBERSHIP. When any member of any class shall be in default in the payment of dues for a period of \_\_\_\_\_ months from the beginning of the period for which such dues became payable, his membership may thereupon be terminated by the board of directors in the manner provided in Article II of these by-laws.

## ARTICLE XII

### SEAL

The corporate seal shall have inscribed thereon the name of the corporation and the words "Corporate Seal, Illinois".

## ARTICLE XIII

### WAIVER OF NOTICE

Whenever any notice is required to be given under the provisions of the General Not For Profit Corporation Act of Illinois or under the provisions of the articles of incorporation or the by-laws of the corporation, a waiver thereof in writing signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice.

## ARTICLE XIV

### AMENDMENTS

The power to alter, amend, or repeal the by-laws or adopt new by-laws shall be vested in the board of directors unless otherwise provided in the articles of incorporation or the by-laws. Such action may be taken at a regular or special meeting for which written notice of the purpose shall be given. The by-laws may contain any provisions for the regulation and management of the affairs of the corporation not inconsistent with law or the articles of incorporation.

## BY-LAWS

The initial by-laws shall be adopted by the directors. The by-laws may contain any provision for the regulation and management of the affairs of the corporation not inconsistent with law or the articles of incorporation. (Sec. 9)

Article II, Section 1: The corporation may have one or more classes of members (such as regular, associate, nonresident, honorary, etc.), the qualifications and rights of each class to be set forth in the by-laws. (Sec. 8) The qualifications of a class of members may be set forth as follows:

"Resident Members. Members of the legal profession in good standing who reside or have an office within Cook County, Illinois, shall be eligible for resident membership."

Article II, Section 2: In the case of social clubs and similar organizations a provision that no member shall be elected over the negative vote of a fixed number of directors, may be preferred. In some types of corporations, applications for membership may be deemed desirable, and for such corporations the following paragraphs may be added to Section 2:

"Except in the initial election of members, all applicants for membership shall file with the Secretary a written application in such form as the board of directors shall from time to time determine.

"All applications for membership shall be presented promptly for consideration and investigation to the board of directors or to the admissions committee, if an admissions committee has been appointed by the board of directors, and if an admissions committee has been appointed it shall report promptly to the board of directors. A list of applications for membership shall from time to time be posted at the office of the corporation or mailed to each member of the corporation.

"Not earlier than \_\_\_\_\_ days after a list of applications has been posted or mailed to members, the board of directors shall pass upon each application included in said list and either accept or reject it. After an applicant has been rejected, he may not make another application for membership within \_\_\_\_\_ year thereafter."

Article II, Section 3: Members or class of members may be denied voting rights or given more than one vote per member. Unless otherwise provided in the by-laws or articles of incorporation, each member shall have one vote. (Sec. 15) The right to cumulative voting for directors (giving each voting member the right to give one candidate a number of votes equal to his



vote multiplied by the number of directors to be elected, or to distribute such votes on the same principle among as many candidates as he shall think fit) may be given by the by-laws. (Sec. 15) The following alternative provisions may be used where it is desired to give voting rights to some classes of members and not to others:

"Each member of the following classes: resident, sustaining and life, shall have one vote on each matter submitted to a vote of the members. Members of the following classes: non-resident and honorary, shall have no voting rights."

When all members are to be denied voting rights, the following may be substituted:

"No member shall have any voting rights. All voting rights are vested solely in the directors."

Article II, Section 7: Memberships may or may not be transferable as provided by the by-laws. The following is suggested as an alternative in the event that it is desired to have memberships transferable:

"Any membership in this corporation may be transferred and assigned by a member whose dues are paid in full, to any person who has the requisite qualifications and upon due application is approved by the board of directors and elected to membership."

Article III, Section 2: In the absence of a provision fixing the number or percentage of members entitled to call a meeting, members having one-twentieth of the votes entitled to be cast at such meeting may call it. (Sec. 13)

Article III, Section 3: In the absence of a contrary provision, all meetings shall be held at the registered office of the corporation. (Sec. 13) When so provided in the by-laws, meetings may be held either within or without the State of Illinois. (Sec. 13)

Article III, Section 4: Notice of meetings of members must be sent not less than five nor more than forty days prior to the meeting, but within these limits may be as fixed in the by-laws. (Sec. 14)

Article III, Section 5: The statute expressly confers the right to act in the manner set forth in this section. (Sec. 94)

Article III, Section 6: Unless a different number or percentage is provided by the by-laws, the members holding one-tenth of the votes will constitute a quorum. (Sec. 16)

Article III, Section 7: Proxy voting by members is authorized by law. The Act provides that no proxy shall be valid after eleven months unless otherwise provided in the proxy. (Sec. 15) Some corporations, for example, fraternities, may not wish to have their meetings attended by non-members. In view of the statutory permission to limit voting rights, a by-law providing that a proxy may be given only to another member should be valid when the circumstances make this a reasonable restriction.

Article IV, Section 1: The Board of Directors may be designated by other titles (such as Board of Governors, Board of Managers, etc.) as may be provided in the by-laws. The group vested with the management of the affairs of the corporation, by whatever name designated in the by-laws, constitutes the Board of Directors of the corporation as that term is defined in the statute (Sec. 2g). The directors named in the Articles of Incorporation hold office until the first annual meeting of the members (unless otherwise specified in the articles or by-laws), and there need be no meeting of the members to elect them (Sec. 18).

Article IV, Section 2: The number of directors may be increased or decreased from time to time by amendment to the by-laws unless otherwise provided in the articles of incorporation. It shall never be less than three. In the absence of a by-law, the number shall be the same as that stated in the articles of incorporation. Directors may be divided into classes and the terms of office of the several classes need not be uniform. (Sec. 18) The by-laws may provide that any one or more officers shall be exofficio members of the board of directors. (Sec. 23) Provision may be made in the by-laws for conducting elections of directors by mail. (Sec. 15) The by-laws may prescribe other qualifications for directors. (Sec. 17)

Article IV, Section 5: Directors' meetings shall be held on such notice as the by-laws prescribe. (Sec. 22)

Article IV, Section 6: Unless otherwise provided in the by-laws, a majority of the directors shall constitute a quorum. In no event shall a quorum consist of less than one-third of the whole board. (Sec. 20)

Article V, Section 1: Officers may be designated by other titles (such as Grand Master, Recorder, etc.) as may be provided in the by-laws but shall always include (but need not be limited to) persons who occupy offices corresponding to those of president, vice president, secretary and treasurer. (Sec. 23)

Article V, Section 2: Officers may be elected for such term, not exceeding three years, as the by-laws provide. In the absence of such provision, officers shall be elected or appointed annually. (Sec. 23) Where desired, provision may be made in the by-laws for the election of some or all of the officers by the members, and where officers are to be elected by members the by-laws may provide for conducting the election by mail. (Sec. 15)

Article V, Section 3: Officers elected or appointed by some one other than the board of directors can be removed only by the persons authorized to elect or appoint them. (Sec. 24)

Article VIII: Certificates evidencing membership may be issued but this is not necessary. (Sec. 8) No shares of stock may be issued and no dividends may be paid. (Sec. 26) If membership certificates are not desired, this Article of the by-laws may be omitted and the subsequent articles renumbered, but since its phraseology is permissive it may be retained even though membership certificates are not used.

Article VIII: If Article II, Section 7 makes memberships transferable, a section substantially as follows may be added to Article VIII:

"SECTION 3. Transfers of Certificates of Membership. Transfers of certificates of membership shall be only on the records of the corporation by a registered member or by his attorney thereunto authorized by power of attorney duly executed and filed with the Secretary of the corporation, and on surrender for cancellation of the certificate evidencing the membership to be transferred."

Article XI, Section 1: The amount of dues, if any are to be provided for, may be determined by the members if the by-laws so provide, or may be set forth in the by-laws, or determined in some other manner as may be desired by corporations of various types. This article of the by-laws may be omitted if dues are not to be required from members.