

# The Naperville Area Homeowners Confederation, Inc. By-Laws

The Naperville Area Homeowners Confederation was incorporated in the State of Illinois on March 1, 1979, under the Illinois "General Not For Profit Act" then in force. The purposes of the Confederation, as stated in its Articles of Incorporation, are: "To conduct and carry on its work, not for profit, but exclusively for civic, educational, or social purposes, to improve conditions of life, education, work, recreation, health, and safety in the greater Naperville, Illinois area. To conduct, promote, foster, and assist (whether financially or otherwise) and conduct, such civic, educational, or social movements and activities as from time to time may be determined, selected, or decided upon by its Board of Directors." (Sic.)

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**Section 1: Name:** The name of this organization shall be "The Naperville Area Homeowners Confederation, Inc." under the General Not-For-Profit Corporation Act of the State of Illinois and hereafter referred to as the "Confederation."

**Section 2: Objective and Purpose:** The objective and purpose of the Confederation shall be to coordinate the activities of Confederation members and

- A. To develop and maintain relationships with city, county, and other local government agencies and foster awareness of their responsibilities and activities;
- B. To build, through a cooperative effort, a community dedicated to the enhancement of Confederation members' property;
- C. To support Confederation members with their organizational and program needs by fostering an interchange of ideas and information between individual homeowner associations;
- D. To establish public policy, through Confederation member participation and agreement, on issues that affect the Confederation members at all levels, and to take concerted actions that secure policies consistent with the Confederation;
- E. To operate as an independent entity that will allow the Confederation to take positions on substantive issues as described in the By-Laws, but not permit the Confederation to endorse the candidacy of any person(s) seeking office in any political or governmental body;
- F. To provide for a general fund by levying an annual assessment or periodic special assessments; to receive payments; to administer and apply such funds and income for the objectives and purposes of the Confederation; to enable the Confederation to exercise its powers, duties and responsibilities as delineated in the By-Laws; and
- G. To take any other action necessary to effectuate the purposes of the By-Laws.

**Section 3: Membership and Associate Membership:** Membership in the Confederation is open to voluntary and mandatory associations of homeowners, or other residential associations who fulfill the requirements set forth herein.

- A. **Full Membership** A homeowners association shall become a full Confederation Member upon meeting all of the following requirements as determined by the sole discretion of the Confederation Board of Directors:
  - 1. The homeowners association has applied to become a Confederation member by submitting a written request signed by its president, acting president, or other individual authorized by that association to make the application;
  - 2. The homeowners association has elected officers;
  - 3. The homeowners association must be in the proximity of the City of Naperville, having either:
    - a. property adjacent to the Naperville city limits; or

- b. property within the boundaries of School Districts 203 or 204; or
  - c. property within the boundaries of the Naperville Park District; or
  - d. property within the planning boundaries of the City of Naperville.
4. The Confederation Board of Directors has accepted the homeowners association as a Confederation Member, and
  5. The homeowners association has no outstanding annual dues or special assessments owed the Confederation.

**B. Associate Membership** The Confederation Board of Directors may, by majority vote, accept as Associate Members of the Confederation certain organizations that do not strictly meet the requirements set forth in sub-section A., above, and individual homeowners as well, in accordance with the provisions of this sub-section B. Homeowner associations not eligible for full Membership due to their location outside the boundaries set forth in sub-section A., above, and individual homeowners may be eligible for Associate Membership under this sub-section B. In addition, organizations other than those comprised of homeowners (to include, but not be limited to, organizations such as an association of those renting residential units within an identified group of rental units) are eligible for Associate Membership if they meet the foregoing requirements. Associate Member organizations shall be entitled to all notices and such other rights as are enjoyed by Member Associations, including eligibility for election to the Board of Directors. Only Member Associations and Associate members currently elected to the Board of Directors as voting members shall be entitled to vote in any election or other vote authorized by these By-Laws. There shall be no more than two (2) voting members of the Board serving at any one time who are Associate members of the Confederation. The Board of Directors may, by majority vote, establish annual dues for all Associate Members, whether as organization or an individual.

**Section 4: Officers:** Any person who, at the time of the election, is a member of a homeowners association which is a Confederation Member, a representative of an Associate member organization, or an individual Associate Member, may seek and hold office on the Confederation Board of Directors; except that there shall be no more than one Confederation Officer or a total of two Confederation Board of Directors members from any one Confederation Member Association. A Confederation Officer or At Large Director shall not be eligible to be elected to the same office or position for more than two consecutive terms in which that person has served two full terms in that office. Persons who assume the duties of any member of the Board of Directors during the term of office of another person are eligible for two additional terms to the same office if duly elected under these By-Laws. Further, any person who has not held a particular office on the Board of Directors for at least one full term may thereafter be eligible for re-election to that same office. However, this limitation shall not apply to those serving as non-voting Associate Directors, for which the duration of service may be without limitation. The Confederation Board of Directors shall consist of the following eight members:

**A. President** - shall be the chief executive officer of the Confederation; shall preside at all meetings; shall be the chairperson of the Confederation Board of Directors; and shall be the custodian of the corporate records and seal. All records of Confederation business shall be and remain the property of the Confederation, including but not limited to electronically-stored records. The President shall also ensure (and may delegate to other Board Members the direct responsibility to see) that all newsletters, notices to Member associations, and

other Confederation communications, are promptly sent and distributed in a timely and appropriate manner, and shall ensure that the Secretary is provided, in a timely and appropriate manner, copies or other adequate information on all such communications.

**B. Vice-President** - shall assume duties of the President in the event the office President becomes vacant for any reason, and shall perform such other duties as assigned by the President or the Confederation Board of Directors.

**C. Secretary** - shall keep the current minutes of all Confederation Board of Directors meetings; shall present a written report of the Confederation's previous year's activities at the Annual Meeting; and shall be responsible for all correspondence relating to the business of the Confederation. The Confederation Board of Directors shall approve all material correspondence of the Confederation and the Confederation Board of Directors. The Secretary shall also keep current a list of Member associations and persons to contact, and shall maintain duplicate copies of the corporate records. The Secretary shall be responsible for all communications with Member associations or others as the President or the Board of Directors direct.

**D. Treasurer** - shall collect and receive all monies and assessments and deposit them to the credit of the Confederation in a bank approved by the Confederation Board of Directors; shall render a statement of accounts to the Confederation Board of Directors and to the Confederation membership at regular meetings; shall issue receipts for assessments upon request; shall challenge the right to vote of any Confederation member not in good standing at the time of any vote by reason of being in arrears in its payments of assessments; shall present a financial report in writing at the Annual Meeting; and shall keep a list of all Confederation members currently in good standing. The Treasurer shall be responsible for preparing the annual budget, to be approved by the Confederation members at the November meeting of each year. The Treasurer shall disburse funds that are included in the budget line items upon presentation of adequate documentation for such items.

**E. At-Large Board Members** - shall be chairpersons of Ad Hoc Committees of the Confederation as formed at the discretion of the Confederation Board of Directors. Four Persons shall be elected At-Large members of the Board of Directors. They shall be eligible to assume the terms and duties of Confederation officers, if such officers resign, refuse, become ineligible, or are otherwise are not able to fulfill their terms. At-Large Board Members shall be empowered to vote in all decisions of the Confederation's Board of Directors. In the event any elected Director is not able for any reason to complete a term of office, the Board of Directors may, by a vote of the majority of Board Members then serving, appoint an Associate Director to serve as a Director until the next annual election, and any individual so appointed shall be empowered to serve and perform their duties upon appointment. If the Board of Directors cannot appoint a replacement by a majority of the currently-serving members of the Board of Directors, then a special election shall be held, at the next regularly scheduled Confederation meeting that comes after the Confederation meeting at which the election is announced.

**F. Past President** - shall be a non-voting member of the Confederation Board of Directors for two years (or four years, as appropriate) immediately following the expiration of that person's term as President; and shall cast a vote only to break a tie vote of other Confederation Board members who are present when during a business meeting when there is otherwise a quorum. The Past President shall not be counted in determining whether a quorum of the Board of Directors exists at any meeting. If the office of Past

President becomes vacant for any reason, then the next most recent Past President who is eligible, as determined by the Board of Directors, and who is willing to serve, shall assume that office for the remainder of the term then current.

**G. Associate Directors** - In order to fulfill the Objectives and Purposes of the Confederation, as herein provided, the Confederation Board of Directors may appoint Associate Directors in any number the Board deems appropriate. Associate Directors shall not be eligible to vote on any matter of Confederation business, nor shall they be eligible to represent the Confederation in any capacity other than as authorized by the Confederation's Board of Directors, and then, only to the extent specifically authorized. However, Associate Directors shall be eligible for appointment to fill a vacancy among the At-Large Board Membership, by a majority vote of the Confederation's Board of Directors, and they shall have full empowerment to serve and perform their duties upon such appointment.

**H. Disqualification of Elected Board Members** - Members of the Confederation's Board of Directors shall serve their terms of office as set forth above, except under the following circumstances:

1. The Board Member is unable or unwilling to fulfill the duties of that Member as specified in these By-Laws, or fails to attend three successive meetings of the Board without reason(s) deemed by a majority of the Board to be acceptable; or
2. The Board Member relocates to a principal residence that is outside the geographical boundaries of the area defined in Section 3, unless otherwise determined by a majority vote of the Confederation's Board of Directors; or
3. Notwithstanding the provisions of the foregoing sub-paragraph H. 2, it shall not be a ground for disqualification if a Board Member, following election to the Board, relocates to a primary residence within the area defined in Section 3, that the Board Member does not own, but rather, rents; or
4. The Board Member has engaged in conduct that is determined to be contrary to the objectives, purposes, mission statement, By-Laws or interests of the Confederation, which determination shall be made as follows:
  - a. A challenge to disqualify a Member of the Board of Directors may be initiated by a vote of the majority of the Confederation Board of Directors who are present at a properly convened meeting, or, by a vote of the majority of the designated representatives of Member Associations then in good standing who are present at a regularly scheduled or special meeting of the Confederation.
  - b. The Secretary shall, within seven (7) days of a vote under sub-section a., above, send to the challenged Member(s) of the Board of Directors a written notification of that vote, which notice shall specify the basis of the challenge as that basis was stated in the motion to disqualify brought under sub-section a., above.
  - c. Within 14 days of the vote pursuant to sub-section a, above, a Committee of Investigation shall be formed, consisting of three persons, comprised of one person designated by the challenged Member(s) of the Board (or only one such person shall be designated in the event that more than one Member of the Board is challenged for the same conduct), one person designated by the President (or

the next most senior officer who is not being challenged), and a third person designated by the other two persons. The Confederation Board of Directors shall appoint the third person to serve on this Committee if the first two designated persons cannot agree on their own choice of that third person. The composition of the Committee shall be completed not later than 21 days following a vote under sub-section a. The third person designated for this Committee shall be the chairperson of the Committee, and shall report to the Confederation's Board of Directors on the Committee's progress and determinations. All persons designated to serve on this Committee must be a member of a Member Association, but need meet no other qualification.

- d. The Committee formed under** sub-section c., above, shall afford the challenged Member of the Board a hearing, with the opportunity to present witnesses and other evidence, as well as the opportunity to question those persons who have sought the Member's (s') disqualification or witnesses presented by such persons. The Committee shall conduct and complete this hearing within 45 days of the Committee's formation. The Committee may establish its own limitations on the number of witnesses to be presented, any time limitations on presentations or testimony, and any other such procedural matters that the Committee deems to be prudent for the orderly and efficient operation of its business. However, the Committee must afford the challenged Member(s) a reasonable opportunity to be heard. In the event of a procedural dispute, the matter shall be decided by a majority of the Confederation Board of Directors who are present at a meeting convened for that purpose (which may coincide with a regular meeting of the Board).
- e.** Following the aforementioned hearing and within 60 days of its formation the Committee shall, by majority vote, provide the Secretary with its recommendation(s) regarding the disqualification of the challenged Board Member(s), and the Secretary shall publish the Committee's recommendation to the designated representatives of all Member Associations within the next seven (7) days in the manner prescribed for notice of meetings, Section 6. E, below.
- f.** The vote to disqualify any Member(s) of the Board of Directors shall occur at the next meeting of the Confederation that is at least 30 days following the Secretary's publication of the Committee's decision, with which time the Board of Directors shall convene a special Board meeting at which to hold its own vote. The challenged Board Member(s) (who may not vote in this process) shall be disqualified only (1) upon a 2/3rds vote of the Members of the Board of Directors who are present at the special meeting, and (2) upon ratification of the Board's decision to disqualify, by the vote of a majority of the designated representatives of the Member Associations who are present at the Confederation's next meeting that follows the Secretary's publication of the Committee's decision.
- 5.** The Board Member has been convicted of a felony under criminal statute(s), federal, state or local; or
- 6.** The Board Member is in an ongoing or repeated conflict of interest with the Objectives and Purposes of the Confederation, or with respect to any matter before the Confederation, any individual conflict of interest (in which case the conflicted Member of the Board shall be disqualified from voting on the issue, but not

otherwise), as either is determined by a majority vote of the Board of Directors to exist; however,

7. The Confederation recognizes that the Members of the Board of Directors, including Associate Directors and those who serve on its committees, may volunteer for, and be appointed to, the various boards of directors, commissions, committees and task forces that are convened by various local governmental bodies. Unless a majority of the Member Associations present at a meeting of the Confederation vote otherwise, upon a seconded motion, it shall not be deemed by the Confederation to be a conflict of interest for any Member of its Board of Directors, the Board's Associate Directors, or any other duly appointed representative of the Confederation, to serve on these public bodies. Further, it shall not be deemed a conflict of interest by the Confederation for any of its Officers, Directors, Associate Directors or other appointed representatives to run for public office, or to assist any person who does, or to participate otherwise in the political process. However, while any such person running for public office may publicize his/her office or past offices(s) with the Confederation, it is expressly prohibited for any candidate for public office to state or suggest that his/her candidacy is supported or otherwise endorsed by the Confederation. Further, it is expressly prohibited that any such person uses the Confederation's Confidential Master Membership Contact List for any political purpose.

## **Section 5: Elections:**

**A.** All Confederation Officers and other Board of Directors members shall be elected to two-year terms. In odd-numbered years, the President and Vice-President and two At-Large Members of the Board of Directors shall be elected to serve in the following two years. In even-numbered years, the Secretary and Treasurer and two At-Large Members of the Board of Directors shall be elected to serve in the following two years.

**B.** Elections shall be held under the following rules:

1. Elections shall be held at the Annual Meeting of the Confederation.
2. Notice of elections shall be published in accordance with Section 6, to Member associations no less than ninety (90) days before the election is held. All notices shall designate which offices are open for election, who is eligible, and shall also indicate what the By-Laws require in the way of duties and responsibilities.
3. Elections shall be decided on the basis of a majority vote of those Member Associations then in good standing present at the time of the election, with one (1) vote per Member association. The President shall preside over the election in any year during which that office is not open for election, and the Secretary shall preside over the election in alternate years. If either the President or Secretary, at the time of election, are then a candidate for any office, then the election for that office shall be presided over by the most senior Officer or At-Large Member of the Board of Directors then present. Voting shall be by anonymous ballot, as tabulated by the Presiding Officer or Director and as subject to verification by any Board Member. Should there be a tie, or a challenge that the majority of the then-serving Board allows, a second election shall be held immediately in the same meeting to determine a winner. If, after three (3) ballots are cast, and no candidate wins a

majority of the votes, then the election at that office will be held, with all due notice to Member associations, for the next regular Confederation meeting.

4. Such special elections as are authorized by these By-Laws shall be conducted in accordance with the rules set forth in this Section 5.

C. The Member Associations present at the second regular meeting (approximately 60 days) prior to the Annual Meeting shall choose a Nominating Committee of three members in good standing. The Board of Directors may propose members of that Committee, but that Committee shall be approved by a majority of the Member Associations then present at the second regular meeting that precedes the election. If no Nominating Committee is then approved, then all nominations for election shall come from the floor at the Annual Meeting. The Nominating Committee will present a slate of proposed Confederation officers and At-Large Board members to be voted on by the Confederation members at the Annual Meeting. The slate shall be announced to all the Member Associations at the regularly scheduled general membership meeting immediately prior to the Annual Meeting. Nominations will also be accepted from the floor, and nothing in the By-Laws is intended to discourage the nomination of candidates for office who are not nominated by the Nominating Committee. However, all persons nominated must agree to the nomination before any vote is cast, or the nomination shall be ineffective. All nominations must be seconded.

## **Section 6: Meetings:**

A. Regular meetings of the general Confederation Membership shall normally be held monthly, except in the months of June, July and August.

B. Special meetings may be called by the Confederation Board of Directors or the President, or upon presentation of a written petition to the Confederation Board of Directors that is signed by not less than ten percent (10%) of Confederation Member Associations in good standing.

C. The Annual Meeting of the Confederation shall be held in the month of May.

D. Confederation members shall be notified at least a week in advance prior to regular and special meetings. The notice shall be posted to the Confederation's website ([www.napervillehomeowners.com](http://www.napervillehomeowners.com)), or provided in writing or via electronic mail and shall state the place, day and hour of the meeting, and in the case of a special meeting, shall also state the purpose(s) for which the meeting is called. The notice shall be delivered to the designated representatives of the Member Associations not less than seven (7) nor more than sixty (60) days in advance of the meeting. If one purpose of any meeting is to vote to disqualify a member of the Board of Directors, then the minimum advance notice time shall be twenty (20) days. These notice requirements shall apply to meetings of the Board of Directors as well as to meetings of the general Confederation Membership.

## **Section 7: Activities and Expenditures:**

A. **Contracts** Members of the Confederation Board may not enter into any contract or execute and deliver any instrument in the name of the Confederation without specific written authority from the Confederation Board of Directors.



**B. Checks, Drafts, Etc.** All checks, drafts or other orders for the payment of money, notes, or other evidence of indebtedness issued in the name of the Confederation shall be signed by the Treasurer and checks in excess of Two Hundred and Fifty Dollars (\$250.00) shall require the additional signature of another member of the Board of Directors, to be designated by the Confederation Board, unless that expenditure, etc. has been specifically approved in advance as a budget item by the majority vote of the Member Associations present when the annual budget is approved.

**C. Deposits** All funds of the Confederation shall be deposited to the credit of the Confederation in such banks, trust companies, or other depositories selected and approved by the Confederation Board of Directors.

**D. Gifts** The Confederation Board of Directors may accept on behalf of the Confederation any contribution, gift, bequest, or device for general purposes or for any special purpose of the Confederation.

**E. Budget** The budget shall be presented annually to the Confederation members for their approval at the November general meeting. The fiscal year of the Confederation shall run from January 1st through December 31st of each calendar year.

**F. Assessments** Assessments for the coming fiscal year will be determined by the Confederation Board of Directors and approved by the members at the November general meeting, and will be based on the budget developed by the Confederation Board of Directors. Assessments will be payable to the Confederation up to sixty (60) days following the invoicing.

**G. Newsletter** A newsletter will generally be issued prior to each regular meeting. Other information as necessary will also be issued to Confederation members. Any Confederation member may contribute information to the newsletter.

**H. Substantive Issues** In keeping with its Objectives and Purposes, as set forth in Section 2, the Confederation may, from time to time, take a public stand on matters it deems to be substantive issues, as defined herein, that effect the Members of the Confederation, or the Naperville Community as a whole, but only in accordance with the provisions of this subsection.

- 1. Substantive Issue Defined** For the purposes of these By-Laws, a substantive issue is defined as a public issue of general importance to the Membership as a whole, or a majority thereof. Examples of such issues may include, but are not limited to: proposed text amendments to the City's Municipal Code (except for those that pertain to zoning or land use matters that relate to specific properties of subdivision size or smaller); master land use, master traffic or financial plans of the City, the Naperville Park District or School Districts 203 and 204; proposed city-wide taxes; the provision of city-wide services by any local governmental body; or proposed regulations that effect a significant number of homeowners.

Conversely, examples of issues that would not ordinarily be deemed to be significant issues within the meaning of these By-Laws include (but are not limited to), matters that pertain solely to individual Member Associations; localized public services or the financial charges therefore and proposals for specific commercial, industrial or other business establishments. The Confederation shall not endorse or recommend

candidates for political office, but it may adopt a position on any referendum, the outcome of which would effect a significant number of Member Associations within the boundaries of any local governmental entity.

- 2. The Form of the Confederation's Public Stand** The Confederation's public stand shall normally be expressed in the form of a formal Position Statement, or in the form of a letter, signed by the President or the Secretary, submitted to the pertinent public body or bodies. The proposed Position Statement or public stand letter shall be drafted by the Board of Directors or other proponent(s) for presentation to the Confederation Members for a vote in accordance with subparagraphs 3 through 7, below.
- 3. Proposing a Matter as a Substantive Issue** Any Member of the Confederation's Board of Directors, or any duly authorized representative of any Member Association, during any regular or special meeting, may propose a public issue for consideration by the Confederation as a substantive issue within the meaning of these By-Laws. The matter may be raised for initial consideration as an agenda item or during the Open Forum part of any such meeting.
- 4. Acceptance of a Proposed Substantive Issue** A matter shall be deemed appropriate for consideration by the Confederation as a substantive issue, for the purposes of these By-Laws, by either an affirmative vote by a majority of the Members of the Board of Directors then serving, or by an affirmative vote by a majority of the Member Associations then in good standing at a regular or special meeting.
- 5. Confederation Approval of a Public Stand** Any formal Position Statement or letter ("position statement"), shall be approved only by the Confederation in conformance with the procedures set forth herein, and not otherwise.
- 6. Presentation of a Proposed Public Stand for Vote to the Confederation** A proposed Confederation position statement shall be presented to the Confederation as a whole in the following ways:
  - a.** When originating within, or approved by, the Board of Directors, it shall be presented for a vote by the Member Associations at a regular or special meeting of the Confederation; or
  - b.** When originating within the Membership, by a vote of the Member Associations in good standing, the proposed position statement shall be placed on the agenda for the next meeting of the Confederation, whether regular or special, after the proposed position statement is tendered to the President by the proponent(s).
  - c.** A matter presented for a proposed public stand shall be presented to the Member Associations for a vote only after notice. Notice to the Member Associations of a vote on whether to approve a position statement shall be provided no less than 30 days before a meeting at which a vote will be held.
- 7. Voting on a Substantive Issue** Any proposed position statement shall be presented to the Confederation for a vote, and shall be adopted if approved by a majority of the duly designated representatives of the Member Associations then in

good standing who are in attendance at a regular or special meeting, personally or by written proxies signed by the representative.

**8. The Prerogative of the Board of Directors** In the event that a matter arises and is scheduled for decision by any governmental body (or agency thereof) before there is sufficient time to follow the procedures set forth in paragraph 6, above, then by a vote of a super-majority (meaning six (6) of the eight (8) presently serving Board Members, or three-fourths (3/4) of any future Board), may form and express a public stand on behalf of the Confederation.

**9. Publication** Any position statement approved by the Confederation shall be published to all Member Associations and to such media and/or other organizations as the Board of Directors deems to be appropriate by majority vote.

**10. Authorized Statements** The Confederation recognizes that the Members of its Board of Directors, especially including its officers, may be requested by the public media and others to express opinions on public issues. These By-Laws expressly prohibit any Member of the Board of Directors, or any other person who purports to speak on behalf of the Confederation, from making any communication of any kind to anyone that represents, suggests or implies that that person speaks with the authority of this Confederation, unless duly authorized in accordance with these By-Laws. The Board of Directors shall publish a disclaiming statement promptly as it deems appropriate, and is authorized to publish the statement by whatever reasonable means it deems appropriate. Unless authorized by the provisions of these By-Laws, it is expressly prohibited for any person to make any statement to any public body or media in the name of the Confederation.

**I. Resolutions** The Confederation may, from time to time, adopt resolutions that express the sense of the Confederation on issues other than substantive issues that concern the business or operations of the Confederation, but such resolutions shall be adopted only in accordance with the provisions of these By-Laws. Resolutions thus adopted shall not supplant, modify or amend any By-Law, and shall have no application to any subject(s) other than the subject(s) that are stated in the resolutions' Statement of Purpose.

1. Any resolution adopted by the Confederation shall set forth a Statement of Purpose that declares the Confederation's purpose(s) for adopting the resolution.

2. Resolutions shall not be adopted as a substitute for, or in lieu of, either a public stand on a substantive issue, or an amendment to these By-Laws. However, a resolution may be adopted to express an interpretation of any By-Law so long as the Confederation expressly determines that:

a. the subject of the resolution is not addressed in these By-Laws, or

b. that these By-Laws address the subject of the resolution in a manner that, in regard to the specific circumstance under consideration, is unclear or ambiguous, and

c. that the adoption of the resolution is in the best interests of the Confederation.

- d. Resolutions shall be proposed and adopted in accordance with the procedures required for a public stand, as set forth in sub-section H, above, except that a resolution accepted by a vote of the majority of the Board of Directors then serving may be presented for a vote of the Members only when notice to the Members is provided no less than seven (7) calendar days in advance of the meeting when the resolution is called for a vote by the Confederation,

**J. The Confederation's Confidential List of Member Association Contacts** In the conduct of its business, the Confederation may require the representatives of its Member Associations to provide the means by which the representatives may be contacted, and the Confederation may assemble a list of this information (the Confederation's "Confidential Master Membership Contact List"). However, any such list, shall be for the exclusive use of the Confederation, and shall constitute its intellectual property. The Confederation may provide governmental public safety officials with a copy, but only on the basis that any such list of Confederation Member contacts shall be handled by the receiving governmental entity on a confidential basis, and suitably protected from any disclosure to any person or entity other than the receiving entity. The Confederation Members, the Members' representatives, and the Confederation Board of Directors, are expressly prohibited by these By-Laws from distributing or publishing any such list except in accordance with these By-Laws.

#### **K. Methods of Conducting Business**

1. The Confederation members present at a regular or special meeting shall constitute a quorum.
2. Meetings of the Confederation Board of Directors meetings shall have present five Board members eligible to vote to constitute a quorum.
  - a. When necessary or prudent, as determined by the President based upon the circumstances surrounding any matter of business, the Confederation Board of Directors may conduct business (including voting) without meeting in person, by email or any other electronic means, except to determine and vote upon the disqualification of an Elected Board Member as provided in Section 4.H.
  - b. Prior to conducting any matter of business under this section that requires a vote outside of a meeting, the President shall announce the matter to be voted upon by notice (including by email) to all Members of the Confederation Board of Directors, including Associate Members, not less than five (5) days prior to the date on which a vote on the matter is to be taken.
  - c. During the aforesaid five (5) day period, all Members of the Confederation Board, including Associate Members, shall have a reasonable opportunity to participate by communicating with all other Members through email.
  - d. The Confederation Board of Directors, in the interest of conducting its business in an orderly and manageable fashion, may from time to time adopt such rules as it deems appropriate to govern the methods and procedures for the use of email or other electronic means to conducting that business.
  - e. All actions taken by the Confederation Board of Directors by means of email or other electronic means shall be recorded by the Secretary as "Supplemental

Minutes” for the date on which the vote is taken. The minutes shall, at the minimum, record the wording of the motion or action that was proposed as it was voted upon (as amended, if pertinent), and the names of the Officers and Directors voting in favor of the measure, against the measure, or abstaining.

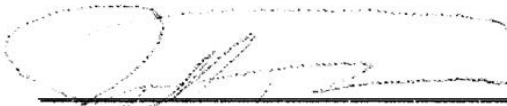
3. Each Confederation member shall be entitled to have one voting delegate at all regular and special meetings.
4. Unless otherwise specified, Roberts Rules of Order shall prevail.
5. Voting shall be by anonymous ballot or by a show of hands. Officers and At-Large Board members shall be entitled to vote as a member of the Confederation Board, or as a Confederation member delegate.

**L. Insurance** The Confederation Board of Directors shall be empowered (but shall not be required) to procure and maintain, for the best available premium rates, liability insurance, including public liability insurance and directors and officers (“D&O”) insurance, from a reputable insurance company duly licensed to do business in Illinois, for the purpose of insuring the Confederation as a whole, and all Members of the Confederation Board of Directors individually, against any potential liabilities arising from the conduct of the Confederation’s business as provided in these By-Laws.

**M. By-Laws**

1. These By-Laws may be altered, amended, added to, or repealed at any general meeting of the Confederation by a majority of then-present Member Associations in good standing, with each Member Association, and each member of the Board of Directors, having a single vote.
2. Notice of any proposed amendment must be made in writing to each Confederation member at least fourteen (14) days prior to the meeting.
3. Voting shall either be by ballot, or by a show of hands, as the Confederation Board of Directors determines in its sole discretion.
4. The By-Laws were initially adopted in 1979, were substantially rewritten in 2005 and sequentially amended on May 19, 2012 and May 18, 2013.

The undersigned certify that this is a true copy of the By-Laws of the Naperville Area Homeowners Confederation, Inc., as amended on May 18, 2013.



Robert Fischer  
President



John Mesarchik  
Secretary