

VICKSBURG DEVELOPMENT, INC.

514 EAST VANDALIA
EDWARDSVILLE, ILLINOIS 62025

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Licensed in Illinois & Missouri

August 23, 2007

TO: The Homes of Liberty Place Officers and Directors
Re: Homeowner's Association

I want to personally thank each of you for volunteering to serve as officers and directors of The Homes of Liberty Homeowners Association. Listed below are your names, addresses, phone numbers and emails for easy reference.

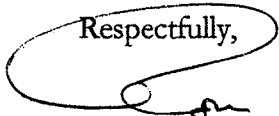
John Gili, President, 101 McClelland, 618-505-0067: *mg.gili@charter.net*
Tim Waterhouse, VP, 535 Patton, 618-420-4924: *glider_pilot2001@yahoo.com*
Doug Pierard, Treasurer, 516 Patton, 815-986-8599: *doug@thenet.com*
Steve Gilliland, Secretary, 123 George Bush Blvd, 618-655-0748: *skottie@empowering.com*

I have attached By-Laws for the homeowners association for your consideration. I have also enclosed a copy of the Articles of Incorporation, which will be sent to the Secretary of State next week.

I also recommend you take a look at this website: realtentimes.com. It has a lot of useful information on homeowners associations. I have found it very informative.

I look forward to working with each of you to establish a successful homeowner's association. Should you have any questions please call me at the number above or on my cell phone-618-910-9896.

Respectfully,



Ronald D. Lowery
Corporate Counsel

Copy To: Rob Schmidt

**BY-LAWS
OF THE**

**THE HOMES OF LIBERTY PLACE
HOMEOWNERS ASSOCIATION, INC.**
an Illinois not-for-profit corporation.

PURPOSE

This organization shall conserve, preserve, protect, maintain, improve and promote the use and enjoyment of The Homes of Liberty Place Homeowners Association, Inc., by the owners of the lots in the subdivision. This organization is organized exclusively for charitable and educational purposes within the meaning of section 501(c)(3) of the Internal Revenue Code or the corresponding provision of any future United States internal revenue law. Charitable purposes shall include the making of distributions to organizations qualifying as exempt under section 501(c)(3) of the Internal Revenue Code or the corresponding provisions of any future United States internal revenue law.

ARTICLE I

Nominations and Elections of Directors and Officers

Section 1. At the first meeting of the membership each year, nominations for officers and members of the Board of Directors will be received from the members present. Candidates for any office must be members. The consent of each nominee shall be obtained before a vote is taken.

Section 2. The Board of Directors shall consist of five (5) members. Board members shall hold office until their successors are elected.

Section 3. Election of officers nominated shall be held at the first meeting of the membership each year. Officers will also be members of the Board of Directors. A majority of those present and voting shall elect. There shall be no proxy voting for either board membership or officers.

Section 4. All officers shall hold office until their successors are elected. Officers may be removed at the discretion of a majority of the members present at a meeting called, and if notice has been given, for that purpose.

Section 5. In the event of a vacancy in any office during that officer's term, the Board of Directors shall sit as a Nominating Committee and shall fill the vacancy in accordance with voting procedures contained in these By-Laws except, however, that such vacancies may be filled as they occur.

Section 6. The resignation of an officer or director shall be submitted to the President in writing, and the President shall present this resignation to the Board of Directors for action.

Section 7. Vacancies on the Board of Directors shall be filled in the same manner as described in Sections 2, 3 and 5 of this Article.

ARTICLE II

Meetings

Section 1.

- (a) All of the owners of the lots in The Homes of Liberty Place Subdivision, shall have one vote for each lot, to be cast in the manner the owners of such lot shall determine.
- (b) The Board of Directors and Officers shall hold regular meetings on a quarterly basis and special meetings shall be called at the discretion of the President.
- (c) Notice of regular meetings of the Board of Directors need not specify the business to be transacted at such meetings; however, any and all information which may assist Board members in preparation for the meeting should be included with notice of the meeting.
- (d) Regular meetings may be re-scheduled or canceled at the discretion of the President or the Board and, if re-scheduled, are not deemed special meetings.

Section 2.

- (a) Special meetings of the Board of Directors may be called at any time upon request of the President or at least three (3) members of the Board of Directors.
- (b) Such request must specify, but is not limited to, the purpose of the call and should be given at least five (5) days prior to the meeting date except, however, the five (5) day notice period may be waived in the event of emergency situations. Emergency situations are those critical to the day-to-day operation of the Corporation or as determined by the President.

Section 3. Any Board member will waive notice of any meeting by attendance at the meeting.

Section 4. A quorum at any Board meeting shall consist of any three (3) of the duly elected Board members then in office.

Section 5. Any act of a majority of the directors present at a meeting at which a quorum is present shall be an act of the Board of Directors. An act of the Board of Directors shall be an act of the Corporation.

Section 6. There shall be a membership meeting once a year, and such other membership meetings, as determined by the Board of Directors.

ARTICLE III

Officers

Section 1. The officers of the corporation shall be a president, a secretary, a treasurer, and, if desired, any number of vice presidents, assistant treasurers, assistant secretaries or other officers as may be elected by the members. Any two or more offices may be held by the same person.

Section 2. The President shall be the chief executive officer and shall direct the conduct of the business of this Corporation and shall also be Chairman of the Board of Directors. The President shall be the presiding officer at all meetings of the membership and the Board, and shall appoint all committees unless otherwise provided in these By-Laws or in the motion authorizing the committee, and shall be an ex-officio member of all committees.

Section 3. The Vice-President shall assist the President in the discharge of her duties as the President, may direct and shall perform such other duties as from time to time may be assigned to her by the President or by the board of directors. In the absence of the President the Vice-President shall perform the duties of the President.

Section 4. The Treasurer shall maintain records of all receipts, expenditures, and deposits and balances in all accounts of the Corporation, and shall supervise the financial procedures of the Corporation. The Treasurer also shall be a member of the Board of Directors.

Section 5. The Secretary shall keep written minutes of all membership, Board, and committee meetings, and shall maintain a record of attendance of all such meetings. The Secretary shall be responsible to see that notices of all meetings are sent as required by these By-Laws of the Corporation. The Secretary shall also be a member of the Board of Directors.

ARTICLE IV

Duties of the Board of Directors

Section 1. The Board of Directors shall have control and administrative responsibility for the operation, funds and property of the Corporation. Such responsibility may be delegated to officers or committees, provided such delegation is consistent with the By-Laws of the Corporation.

ARTICLE V

Indemnification of Officers and Directors

Section 1. The Corporation shall and does hereby indemnify any officer or member of the Board of Directors as director who was or is a party, or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of the Corporation) by reason of the fact that he or she is or was a director or officer of the Corporation, or who is or was serving at the request of the Corporation on a committee, against expenses (including attorney's fees), judgment, fines and amounts paid in settlement actually and reasonably incurred by him or her in connection with such action, suit or proceeding, if he or she acted in good faith and in a manner he or she reasonably believed to be in, or not opposed to, the best interest of the

Corporation, and, with respect to any criminal action or proceeding had no reasonable cause to believe his or her conduct was unlawful. The order, settlement, conviction or upon a plea of *nolo contendere* or its equivalent, shall not, of itself, create a presumption that the person did not act in good faith and in a manner which he or she reasonably believed to be in, or not opposed, to the best interest of the Corporation, and, with respect to any criminal action or proceeding, had no reasonable cause to believe that his or her conduct was unlawful.

Section 2. The Corporation shall and does hereby indemnify any officer or director who was or is a party, or is threatened to be made a party to any threatened, pending or completed action or suit by or in the right of the Corporation to procure a judgment in its favor by reason of the fact that he or she is or was a director or officer of the Corporation, or is or was serving at the request of the Corporation as a committee member, against expense (including attorney's fees) actually and reasonably incurred by him in connection with the defense or settlement of such action or suit, if he acted in good faith and in a manner he reasonably believed to be in, or not opposed to, the best interest of the Corporation, and except that no indemnification shall be made in respect of any claim, issue or matter as to which such person shall have been adjudged to be liable for negligence or misconduct in the performance of his or her duty to the Corporation, unless, and only to the extent that the Court in which such action or suit was brought shall determine upon application that, despite the adjudication of liability, but in view of all the circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses as the Court shall deem proper.

Section 3. To the extent that a director or officer of the Corporation has been successful, on the merits or otherwise, in the defense of any action, suit or proceeding referred to in Section 1 and 2 of this Article, or in defense of any claim, issue or matter therein, he or she shall be indemnified against expenses (including attorney's fees) actually and reasonably incurred by him or her in connection therewith.

Section 4. Any indemnification under Sections 1 and 2 of this Article (unless ordered by a Court) shall be made by the Corporation only as authorized in the specific case upon a determination that indemnification of the director or officer is proper in the circumstances because he or she has met the applicable standard of conduct set forth in Sections 1 and 2 of this Article. Such determination shall be made (1) by the Board of Directors who were not parties to such action, suit or proceeding, or (2) if such a quorum is not

obtainable, or, even if obtainable, a quorum of disinterested directors so directs, by independent legal counsel in a written opinion, or (3) by the members.

Section 5. Expenses incurred in defending a civil or criminal action, suit or proceeding may be paid by the Corporation in advance of the final disposition of such action, suit or proceeding, as authorized by the Board of Directors in the specific case, upon receipt of an undertaking by or on behalf of the director, officer, employee or agent to repay such amount, unless it shall ultimately be determined that he or she is entitled to be indemnified by the Corporation as authorized in this Article.

Section 6. The indemnification provided by this Article shall not be deemed exclusive of any other rights to which those seeking indemnification may be entitled under any By-Law, agreement, vote of members or disinterested directors, or otherwise, both as to action in his or her official capacity and as to action in another capacity while holding such office, and shall continue as to a person who has ceased to be a director or officer, and shall inure to the benefit of the heirs, executors and administrators of such a person.

Section 7. The Corporation may purchase and maintain insurance on behalf of any person who is or was a director or officer of the Corporation or who is serving at the request of the Corporation as a committee member, against any liability asserted against him or her and incurred by him or her in any such capacity, or arising out of his or her status as such, whether or not the Corporation would have the power to indemnify him or her against such liability under the provisions of this Article.

ARTICLE VI

Amendments

These By-Laws may be amended by a two-thirds vote at any meeting of the membership, provided notice of the proposed amendment has been delivered to all members in writing at least ten (10) days prior to the meeting.

ARTICLE VII

Dissolution of the Corporation

Upon dissolution of the organization, the Board shall, after paying or making provisions for payment of all liabilities of the organization, dispose of all assets of the organization in such a manner, or to such an organization or organizations organized and operating exclusively for charitable, educational, religious, or scientific purposes as shall at the time qualify as an exempt organization under section 501(c)(3) of the Internal Revenue Code of 1986 or the corresponding provisions of any future United States internal revenue law, as the Board shall determine. Any such assets not so disposed of shall be disposed of by a Court of competent jurisdiction of the county in which the principal office of the organization is then located, exclusively for such purposes or to such organization or organizations as said Court shall determine, which are organized and operated exclusively for such purposes.

ARTICLE VIII

Rules of Order

All meetings and proceedings of the membership and the Board of Directors shall be conducted according to Robert's Rules of Order, Revised 1970, except insofar as they conflict with the provisions of these By-Laws.

Approved this _____ day of _____, 20_____.

Secretary

FORM **NFP 102.10** (rev. Dec. 2003)
ARTICLES OF INCORPORATION
 General Not For Profit Corporation Act

Jesse White, Secretary of State
 Department of Business Services
 501 S. Second St., Rm. 350
 Springfield, IL 62756
 217-782-9522
 www.cyberdriveillinois.com

Remit payment in the form of a
 cashier's check, certified check,
 money order or Illinois attorney's
 or C.P.A.'s check payable
 to Secretary of State.

_____ File # _____ Filing Fee: \$50 Approved: _____

----- Submit in duplicate ----- Type or Print clearly in black ink ----- Do not write above this line -----

Article 1.

Corporate Name: THE HOMES OF LIBERTY PLACE HOMEOWNERS ASSOCIATION, INC.

Article 2.

Name and Address of Registered Agent and Registered Office in Illinois:

Registered Agent:	<u>John</u>	<u>C.</u>	<u>Gili</u>
	First Name	Middle Name	Last Name
Registered Office:	<u>101</u>	<u>McClelland</u>	
	Number	Street	Suite # (P.O. Box alone is unacceptable)
	<u>Troy</u>	<u>IL</u>	<u>62294</u>
	City	ZIP Code	County

Article 3.

The first Board of Directors shall be five (5) in number, their Names and Addresses being as follows
Not less than three

Director Name	Street Address	City	State	Zip Code
John Gili	101 McClelland	Troy	IL	62294
Tim Waterhouse	535 Patton Drive	Troy	IL	62294
Doug Pierard	516 Patton Drive	Troy	IL	62294
Steve Gilliland	123 George Bush Blvd.	Troy	IL	62294

Article 4.

Purpose(s) for which the Corporation is organized:

See attached

(continued on back)

Article 4.(continued)

Is this Corporation a Condominium Association as established under the Condominium Property Act? (check one)

Yes No

Is this Corporation a Cooperative Housing Corporation as defined in Section 216 of the Internal Revenue Code of 1954? (check one)

Yes No

Is this Corporation a Homeowner's Association, which administers a common-interest community as defined in subsection (c) of Section 9-102 of the code of Civil Procedure? (check one)

Yes No

Article 5.

Other provisions (For more space, attach additional sheets of this size.): *See attached.*

Article 6.

Names & Addresses of Incorporators

The undersigned incorporator(s) hereby declare(s), under penalties of perjury, that the statements made in the foregoing Articles of Incorporation are true.

Dated August 23, 2007
Month & Day Year

Signatures and Names

Post Office Address

1. _____
Signature
John C. Gili
Name (print)

2. _____
Signature

Name (print)

3. _____
Signature

Name (print)

4. _____
Signature

Name (print)

5. _____
Signature

Name (print)

1. 101 McClelland
Street
Troy, IL 62294
City, State, ZIP

2. _____
Street

City, State, ZIP

3. _____
Street

City, State, ZIP

4. _____
Street

City, State, ZIP

5. _____
Street

City, State, ZIP

Signatures must be in BLACK INK on the original document.

Carbon copies, photocopies or rubber stamped signatures may only be used on the duplicate copy.

- If a corporation acts as incorporator, the name of the corporation and the state of incorporation shall be shown and the execution shall be by a duly authorized corporate officer. Please print name and title beneath the officer's signature.
- The registered agent cannot be the corporation itself.
- The registered agent may be an individual, resident in Illinois, or a domestic or foreign corporation, authorized to act as a registered agent.
- The registered office may be, but need not be, the same as its principal office.
- A corporation that is to function as a club, as defined in Section 1-3.24 of the "Liquor Control Act" of 1934, must insert in its purpose clause a statement that it **will comply with the State and local laws and ordinances relating to alcoholic liquors.**

Article 4. The purposes for which the corporation is organized are:

- A. To enforce the Covenants and Restrictions for The Homes of Liberty Subdivision ("Restrictions") as the same may be amended from time to time as therein provided, (said Restrictions being incorporated herein as if set forth at length), consisting of home sites in Madison County, Illinois; to be the Homeowner's Association referred to in said Restrictions; to assess homeowners in accordance with said Restrictions; and, to be responsible for the administration and operation of property owned by the Homeowner's Association.
- B. To participate in mergers and consolidations with other nonprofit corporations organized for the same purposes or annex additional residential property and Common Area.

Article 5. Other provisions:

No part of the net earnings of the Corporation shall inure to the benefit of or be distributable to its Members, Directors, or Officers, but the Corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth in Article 4 hereof.