(UPDATED DRAFT)
AMENDED BYLAWS OF
REGENT HILL CONDOMINIUM OWNERS ASSOCIATION, INC.

ARTICLE I
NAME AND ADDRESS

1.01 **Name.** The name of the corporation is Regent Hill Condominium Owners Association, Inc. ("Association").

1.02 **Incorporation.** The Association is incorporated as a nonstock, nonprofit corporation under the provisions of the Wisconsin Nonstock Corporation Law, Wis. Stat. CH. 181.

1.03 **Address.** The principal office of the Association shall be located at 1800 La Salle St, Lake Geneva, Wisconsin 53147. This address shall also be the mailing address of the Association.

1.04 **Binding Effect.** These Bylaws ("Bylaws") shall be binding upon the Unit Owners, their heirs, successors, and assigns and shall govern the use, occupancy, operation, and administration of the Condominium.

1.05 **Capitalized Terms.** Capitalized terms not defined in these Bylaws shall have the definitions given to such terms in the Declaration of Condominium for Regent Hill Condominium, executed by Phoenix Development of Lake Geneva, LLC, a Wisconsin limited liability company ("Declarant"), and recorded in the Office of the Register of Deeds for Walworth County, Wisconsin ("Declaration"), historically referred to henceforth as the original Declaration.

ARTICLE II
MEMBERSHIP

2.01 **Membership.** The membership of the Association shall at all times consist exclusively of all of the Unit Owners of the Condominium. Persons who hold an interest in a Unit merely as security for the performance of an obligation (including Mortgagees) are not members of the Association.

2.02 **Commencement and Termination.** Membership shall immediately commence upon acquisition of an ownership interest in a Unit of the Condominium and shall immediately terminate upon conveyance of such ownership interest. If a Unit Owner's ownership interest passes to its personal representative or to a trustee upon the Unit Owner's death, such personal representative or trustee shall be a member of the association.

2.03 **Withdrawal or Expulsion.** No Unit Owner may voluntarily withdraw or be expelled from membership in the Association.

2.04 **Membership Certificates.** Membership certificates shall not be issued.

2.05 **Membership List.** The Association shall maintain a current membership list of all Owners of each Unit, the current mailing address for each Unit Owner to which notice of meetings of the Association shall be sent, all Mortgagees of the Unit if any, and, in the case of multiple owners of a Unit, the Unit Owner, if any, designated to cast any or all of the votes pertaining to such Unit. Each Unit Owner shall promptly provide written notice to the Association of any transfer of its Unit as provided in Section 2.06, below, and of any change in such Unit Owner's name or current mailing address. No Unit Owner may vote at meetings of the Association until the name and current mailing address of such Unit Owner has been provided to and received by the secretary of the Association. Any Unit Owner that mortgages its Unit or any interest therein shall notify the secretary of the name and mailing address of its Mortgagee and shall also notify the secretary when such mortgage has been released, and the secretary shall make appropriate changes to the membership list effective as of the date of the mortgage, release, or fulfillment, as the case may be.

2.06 **Transfer of Membership.** Each Membership shall be appurtenant to the Unit upon which it is based and shall be transferred automatically upon conveyance with the transfer of a Unit. As soon as possible following the transfer of a Unit, the new Unit Owners shall give written notice to the secretary of the Association of such transfer identifying the Unit and setting forth the names and mailing addresses of the new Unit Owners, the date of the transfer, the names and addresses of each Mortgagee, if any, and in the case of a Unit owned by multiple Unit Owners, the name of the person designated to vote, if any. The Association shall make appropriate changes to the membership list described in Section 2.05, above, effective as of the date of transfer.

2.07 **Effect of Condominium Lien.** No Unit Owner may vote on any matter submitted to a vote of the Unit Owners if the Association has recorded a statement of condominium lien on the Unit owned by such Unit Owner and the amount necessary to release the lien has not been paid at the time of voting.

2.08 **Quorum.** Unit Owners holding fifty-one (51) percent of the total votes of the Association as set forth in the original Declaration, present in person or represented by proxy, shall constitute a quorum at all meetings of the Unit Owners for the transaction of business.

2.09 **Vote Required to Transact Business.** When a quorum is present in person or represented by proxy at any meeting, a majority of the votes shall decide any question brought before the meeting unless the question requires a different vote by express provision in the Articles of Incorporation of the Association ("Articles"), Wisconsin Condominium Ownership Act, Wisconsin Nonstock Corporation Law, or these Bylaws, in which case such express provision shall apply.

2.10 **Proxies.** All proxies shall be in writing, signed by the Unit Owner giving such proxy, and filed with the secretary of the Association before or at the time of the meeting. No proxy shall be valid after one hundred eighty (180) days from its date of issuance unless granted to a Mortgagee or tenant of a Unit.

2.11 **Voting Designations of Multiple Unit Owners.** If there are multiple Unit Owners of any single Unit, then each vote appurtenant to such Unit may be cast proportionately among the multiple Unit Owners in accordance with their respective percentages of ownership of the Unit, unless (a) the multiple Unit Owners have designated a single Unit Owner to exercise any

or all of the votes appertaining to their Unit and have filed written notice of such designation signed by all such multiple Unit Owners with the secretary of the Association, in which case such votes cast by a Unit Owner so designated shall be deemed to be unanimous act of the multiple Unit Owners, or (b) only one of multiple Unit Owners of a Unit is present or by proxy at a meeting of the Association, in which event the Unit Owner present (whether or not such Unit Owner or any other Unit Owner has been designated to cast votes pursuant to item (a) of this section 2.11) is entitled to cast all votes allocated to the Unit and the same shall be deemed to be the unanimous act of the multiple Unit Owners.

2.12 **Multiple Owners.** No designation of a single Unit Owner to cast any vote appertaining to any Unit owned by multiple Unit Owners shall be effective until written notice of such designation signed by all Unit Owners of such Unit has been received by the secretary of the Association prior to the casting of the vote. If any Unit Owner is so designated, then except as provided in the Declaration or in these Bylaws, only that Unit Owner shall be entitled to cast such vote in person or by proxy. A voting designation may be limited in time or may be changed by notice in writing to the secretary of the Association signed by all Unit Owners.

2.13 **Effect of Condominium Lien.** No Unit Owner may vote on any matter submitted to a vote of the Unit Owners if the Association has recorded a statement of condominium lien on the Unit owned by such Unit Owner and the amount necessary to release the lien has not been paid at the time of the voting.

ARTICLE III
MEETINGS OF MEMBERS

3.01 **Place.** All meetings of the Unit Owners shall be held at a place in Walworth County, Wisconsin, that shall be stated in the notice of the meeting.

3.02 **Annual Meetings.** Annual meetings of the Unit Owners shall be held on the 15th of January each year following approval of these Bylaws.

3.03 **Special Meetings.** Special meetings of the Unit Owners may be called at any time by the President of the Association and shall be called upon the written request of Unit Owners holding at least twenty-five (25) percent of the votes. Business transacted at special meetings shall be limited to the objects stated in the notice of such meeting.

3.04 **Notice of Meetings**. No annual or special meeting of the Unit Owners may be held except upon at least ten (10) days (but not more than sixty (60) days) written notice delivered or mailed to each Unit Owner at the address shown on the Association's current membership list. Such notice shall specify the place, day, and hour of the meetings and, in the case of a special meeting, the purpose of the meeting. Prior notice of a meeting is not required to any Unit Owner that signs a waiver of notice of such meeting.

3.05 **Adjourned Meetings.** If a quorum shall not be present in person or represented by proxy at any meeting, the Unit Owners present shall have the power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum shall be present or represented by proxy. At such adjourned meeting at which a quorum shall be

present or represented by proxy, any business may be transacted which might have been transacted at the meeting originally called.

3.06 **Duties of Officers at Meetings.** The President of the Association shall preside at all meetings of the Unit Owners, and in his or her absence, the vice president shall preside. The secretary shall take the minutes of the meetings and keep such minutes in the Association's minute book. Votes at all meetings shall be counted by the secretary and documented in minutes of the meeting by each Unit Owner.

3.07 **Order of Business.** The order of business at all meetings of the Unit Owners shall be as follows:

(a) Calling the meeting to order.

(b) Calling the roll of Unit Owners and certifying the proxies.

(c) Proof of notice of meeting or waiver of notice.

(d) Reading and disposal of any unapproved minutes.

(e) Reports of officers.

(f) Reports of committees (if appropriate).

(g) Election of officers (if appropriate).

(h) Unfinished business.

(i) New business.

(j) Adjournment.

3.08 **Action Without a Meeting by Written Consent.** Any action required or permitted by any provision of the Wisconsin Condominium Ownership Act, the Wisconsin Nonstock Corporation Law, the Articles, or these Bylaws to be taken by the vote of the Unit Owners may be taken without a meeting if a written consent, setting forth the action so taken, is signed and dated by all Unit Owners that would have been entitled to vote upon the action at such meeting and that hold a number of votes equal to seventy-five (75) percent of the total number of votes in the Association.

3.09 **Action Without a Meeting by Written Ballot.** Any action required or permitted by any provision of the Wisconsin Condominium Ownership Act, the Wisconsin Nonstock Corporation Law, the Articles, or these Bylaws to be taken by the vote of the Unit Owners may be taken without a meeting if the Association delivers a written ballot to every Unit Owner entitled to vote on the matter. The written ballot shall set forth each proposed action, shall provide an opportunity to vote for or against each proposed action, and shall be accompanied by a notice stating that at least a quorum of seventy-five (75) percent of votes are necessary to approve each matter other than election of Officers and the time by which the ballot must be received by

the secretary of the Association in order to be counted. Approval of any action by written ballot shall be valid only when the number of votes cast by ballot equals or exceeds the quorum required at a meeting authorizing the action, and the number of approvals equals or exceeds the number of votes that would be required to approve the matter at a meeting at which the total number of votes cast was the same as the number of votes cast by ballot. Once received by the secretary of the Association, a written ballot may not be revoked.

ARTICLE IV
ASSOCIATION OFFICERS

4.01 **Officers.** The principal officers of the Association shall be the President, required, a Secretary and a Treasurer, required, or assigned such specific duties to be provided by an approved outside property management company with the President serving as the Association management liaison to such company. All officers shall be Unit Owners, elected by the Unit Owners, and shall serve as Corporation and Association Officers in lieu of a separate Board of Directors.

4.02 **Election of Officers.** The first election of officers shall take place at the first meeting of the initial Association Officers. Thereafter, the officers shall be elected annually by the Association Officers at its regular meeting.

4.03 **Term.** Each officer of the Association shall hold office for a term up to three (3) years or until a successor is elected.

4.04 **Special Appointments.** The Association Officers may elect such other officers as the affairs of the Association may require, each of whom shall hold office for a period specified by the Association Officers which shall not exceed three (3) years, have such authority, and perform such duties as the Association Officers from time to time determine.

4.05 **Resignation and Removal.** Any officer may be removed from office by the Association Officers whenever in its judgment the best interest of the Association will be served thereby. Any officer may at any time resign by giving written notice to the President or the Secretary. Such resignation shall take effect on the date of receipt of such notice by the president or the secretary or at any later time specified in the notice. Unless otherwise specified in the notice, the acceptance of the resignation described in the notice shall not be necessary for its effectiveness.

4.06 **Vacancies.** A vacancy in any office may be filled by appointment by the Association Officers. The officer appointed to fill such vacancy shall serve for the remainder of the term of the officer replaced.

4.07 **General Duties.** Unless otherwise indicated by the Association Officers or delegated to a manager or managing agent pursuant to Section 4.09, below, the duties of the officers are as follows:

(a) **President.** The president shall preside at all meetings of the members of the Association and of the Association Officers; oversee the implementation of the Association Officers' order and resolutions; sign all leases, mortgages, deeds, contracts, checks, promissory notes, and other written instruments on behalf of the

Association; generally manage the business of the Association; supervise and direct all other officers of the Association; and perform such other duties incident to the office of president as may be required under the Wisconsin Condominium Ownership Act, the Wisconsin Nonstock Corporation Law, the Declaration, the Articles, or these Bylaws, or by the Association Officers.

(b) **Secretary.** As necessary, the Secretary, or an approved outside property management company, shall record the votes and keep the minutes of all meetings and proceedings of the Association and of the Unit Owners; serve notices of the meetings of the Association and of the Unit Owners; keep all books and records of the Association other than books of account, including the member list described in section 2.05, above; and perform such other duties incident to the office of secretary as may be required under the Wisconsin Condominium Ownership Act, the Wisconsin Nonstock Corporation Law, the Declaration, the Articles, or these Bylaws, or by the Association Officers.

(d) **Treasurer.** As necessary, the Treasurer, or a manager of an approved outside property management company, shall receive and deposit in appropriate bank accounts all monies of the Association and disburse such funds as directed by the president or by the Association Officers; keep complete and accurate books of account; prepare the annual report of the business transacted by the Association each year; and prepare a proposed annual operating budget each year for consideration of the Association Officers or Unit Owners.

4.08 **Specific Powers and Duties.** All powers and duties of the Association under the original Declaration, the Articles, these Bylaws, the Wisconsin Condominium Ownership Act, and the Wisconsin Nonstock Corporation Law shall be exercised by the Association Officers except those powers and duties specifically given to be provided by an outside property management company or required of any committees of the Association or the Unit Owners. The powers and duties of the Association Officers include, without limitation, the power or duty to:

(a) Adopt budgets for revenues, expenditures, and reserves;

(b) Levy and collect General Assessments and Special Assessments and disburse funds in payment of the Association's expenses;

(c) Manage, maintain, repair, replace, improve, operate, and regulate the Common Elements, Limited Common Elements, and any property owned by the Association;

(d) Grant easements, licenses, and rights-of-way through or over the Common Elements;

(e) Hire and supervise any property manager or agent, security manager or agent, other manager or agent, employee, attorney, accountant, or any other independent contractor whose services the Association Officers determine are necessary or appropriate;

(f) Sue on behalf of all Unit Owners;

(g) Make contracts and incur liabilities;

(h) Purchase, take, receive, or otherwise acquire and hold any interest in real or personal property, including any Unit of the Condominium;

(i) Sell, convey, mortgage, encumber, exchange, transfer, or otherwise dispose of any interest in real or personal property including any Unit of the Condominium;

(j) Receive any income derived from payments, fees, or charges for the use, or operation of the Common Elements and any property owned or leased by the Association;

(k) Adopt, amend, and repeal reasonable rules and regulations governing the operation, maintenance, and use of any portion of the Condominium and the personal conduct of any person upon or with regard to Condominium property, including the imposition of charges for the use of Common Elements and penalties for infractions of the rules and regulations of the Association. Such rules and regulations may be adopted, amended, and repealed by the Unit Owners having sixty-seven (67) percent or more of the votes of the Association;

(l) Obtain Insurance for all Condominium property and property owned by the Association against loss by fire and other casualty and the Association and Unit Owners against public liability as provided in the Declaration and purchase such other insurance as the Association Officers may deem advisable;

(m) Keep all of the books and records and prepare accurate reports of all transactions of the Association;

(n) Appoint committees special project teams to carry out any tasks which the Association Officers deem necessary or appropriate;

(o) Designate depositories and establish accounts for the funds of the Association and determined which officers or agents shall be authorized to withdraw and transfer funds deposited in such accounts;

(p) Maintain such reserve funds for the operation, maintenance, repair, and replacement of Common Elements, Limited Common Elements, and any property owned by the Association, for contingencies and for making up any deficit in the Common Expenses for any prior year as the Association Officers may deem proper or as may be required by law; and

(q) Delegate any or part of the powers and duties of the Association Officers or Association officers to committees of the Association or to a manager or managing agent.

4.09 **Manager.** The Association Officers may hire a manager or outside property management agent at a compensation rate approved by the Association to perform such duties and services as the Association Officers shall authorize, including, without limitation, specifically assigned management duties enumerated in Section 4.07 and 4.08, above.

4.10 **Compensation.** No officer shall receive any compensation for his or her services as an officer of the Association, other than reimbursement for reasonable out-of-pocket expenses incurred in the performance of officers' duties.

4.11 **Fidelity Bonds.** The Association Officers may require that any officers, agents, or employees of the Association handling or responsible for Association funds shall furnish adequate fidelity bonds. The premiums of such bonds shall be paid by the Association.

ARTICLE V
BOOKS AND RECORDS

5.01 **Inspection.** The books, records, minutes, papers, and membership list of the Association shall at all times, during reasonable business hours, be subject to inspection by any Unit Owner. The original Declaration, the Articles, and the Bylaws shall be available for inspection by any Unit Owner, Mortgagee, or prospective purchaser of a Unit at the principal office of the Association, where copies may be purchased at a reasonable cost.

5.02 **Audits.** The accounts and records of the Association shall be audited at least once every other year by an audit committee selected by the Association Officers. The committee shall retain such professional auditors and other independent examiners as it deems appropriate. The cost of such audit shall be a Common Expense.

ARTICLE VI
BUDGET, ASSESSMENT, AND ANNUAL REPORT

6.01 **Fiscal Year.** The fiscal year of the Association shall begin on the first day of January and end on the last day of December.

6.02 **Budget.** The Association shall adopt an annual operating budget for the Association at the annual meeting of the Association Officers. Unit Owners holding at least fifty-one (51) percent of the votes present in person or represented by proxy at their annual meeting shall adopt the annual operating budget for the Association at such annual meeting. The budget shall be effective for the period beginning January 1 through December 31 of the succeeding year. For any year in which the Association is maintaining a statutory reserve account for the Condominium under Wis. Stat. § 703.163, the Board shall include within the budget the amount of reserve funds to be collected for the ensuing year after considering:

(a) The reserve funds then in the reserve account;

(b) The estimated cost of repairing or replacing Common Elements, other than routine maintenance;

(c) The estimate remaining useful life of the Common Elements; and
(d) The approximate proportion of the estimated cost of repairing or replacing Common Elements that will be covered by the reserve account and the approximate proportion that will be funded by other means.

6.03 **Levying and Payment of General Assessments.** Based on the duly adopted annual operating budget, the Association Officers shall levy General Assessments against the Unit Owners in proportion to the percentage interest in the Common Elements against the Unit Owners in proportion to the percentage interest in the Common Elements appurtenant to each Unit as determined within the original Declaration. On or before the last day of December of each year, the secretary shall mail or deliver a copy of the annual operating budget and a statement of assessment for the next twelve (12) months to each Unit Owner. General Assessments shall be payable to the Association in twelve (12) equal installments which shall be due monthly in advance on the first day of each month. Such installments shall be mailed or delivered to the principal office of the Association and shall be deemed paid on the date of mailing or on the date of delivery, as the case may be.

6.04 **Special Assessments.** Special Assessments may from time to time be levied against Unit Owners by the Association Officers for any of the purposes enumerated in the original Declaration and shall be due and payable in the manner and upon the date or dates designated by the Association Officers.

6.05 **Association Remedies upon Nonpayment of Assessments.** Any General Assessment or Special Assessment not paid within ten (10) days of the date on which it is due shall bear interest from the day following such due date at the rate of eighteen (18) percent per year or the highest rate permitted by law, whichever is less. The Association may seek to collect any assessments not paid when due by filing statements of condominium lien against the Units on which they are assessed, by enforcing and foreclosing such liens, or by bringing an action for money damages against the Unit Owners personally obligated to pay the delinquent assessments. A suit to recover a money judgment for unpaid assessments shall be maintainable without foreclosing or waiving any lien securing the same. No Unit Owner may waive or otherwise escape liability for the assessments provided herein by non-use of the Common Elements or abandonment of its Unit.

6.06 **Annual Report.** Each January, the Association Officers shall, by formal action, approve a full and clear annual report of all business transacted by the Association during the previous fiscal year, including a report of the Common Expenses, surpluses, and assessments collected from each Unit Owner during the year. Copies of the annual report for the previous year shall be mailed or delivered to each Unit Owner at the address in the Association's membership list prior to the third Thursday in February.

6.07 **Statutory Reserve Account.** All funds collected to fund a statutory reserve account as described in Section 6.02, above, shall be held in a separate, segregated account maintained in the name of the Association. Funds may be withdrawn from said account only for the purpose of repairing or replacing Common Elements, other than routine maintenance or for such other purposes as may be allowed under Wis. Stat. § 703.163. Funds held in the statutory reserve account may be invested only in those investments allowed by law.

ARTICLE VII
USE

7.01 **Use.** Each Unit shall be used only for purposes permitted under the original Declaration, the Articles, these Bylaws, and any rules and regulations of the Association.

ARTICLE VIII
ENFORCEMENT OF CONDOMINIUM DOCUMENTS

8.01 **Enforcement**. It shall be the responsibility of each Unit Owner to see that the occupants and tenants of the Unit owned by such Unit Owner, and the employees, agents, representatives, invitees, and guests of such Unit Owner abide by the provisions of the Bylaws, Condominium Ownership Act, all Rules and Regulations of the Association, and any decisions made by the Association, the Association Officers, or any committee of the Association that is authorized by any of the foregoing. Unit Owners shall only report infractions considered to be significant to the Association Officers in writing, and the Association Officers shall reply to the reporting Unit Owner within thirty (30) days concerning the action taken. Significant violations are those violations that are clearly and materially adverse to the Association and/or the property value of the Unit Owners. In the event of a significant violation of any provision of the Declaration, the Bylaws, the Condominium Ownership Act, any rule or regulation of the Association, or any authorized decision of the Association, the Association Officers or any committee of the Association, the Association Officers shall notify the alleged offender.

8.02 **Corrective Action.** If the violation is not corrected within a reasonable time, the association may take such action as it deems appropriate, including legal action against the offending Unit Owner or the Unit Owners of the Unit in which such offender is a tenant, occupant, employee, agent, representative, invitee, or guest, to correct the violation. In any such action brought against any Unit Owner in which the Association is the prevailing party, the Unit Owner defendant in such action shall pay the Association's costs and actual attorney fees. If the Association fails to take appropriate enforcement action within thirty (30) days of the Association's receipt of the report of the infraction, any Unit Owner may take appropriate legal action to enforce the provisions of the Declaration, the Bylaws, the Condominium Ownership Act, the rules and regulations of the Association, and any authorized decision of the Association, the Association Officers, or any committee of the Association.

ARTICLE IX
LIABILITY AND INDEMNITY

9.01 **General Scope and Definitions.**

(a) The rights of directors and officers of the Association provided in this article shall extend to the fullest extent permitted by the Wisconsin Nonstock Corporation Law and other applicable laws as in effect from time to time.

(b) For purposes of this article, "officer" means a natural person (i) who is or was an officer of the Association, (ii) who, while an officer of the Association, is or was serving at the Association's request as a director, officer, partner, trustee, member of any governing or decision-making committee, employee, or agent of another corporation or foreign corporation,

partnership, limited liability company, joint venture, trust, or another enterprise, (iii) who, while an officer of the Association, is or was serving an employee benefit plan because his or her duties to the Association also imposed duties on, or otherwise involved services by, the person to the plan or to participants in or beneficiaries of the plan, or (iv) who is or was a member of the Architectural Review Committee. Unless the context requires otherwise, "officer" shall also mean the estate and personal representative of an officer.

(c) For purposes of this article, "proceeding" means any threatened, pending, or completed civil, criminal, administrative, or investigative action, suit, arbitration, or another proceeding, whether formal or informal, which involves foreign, federal, state or local law (including federal or state securities law) and which is brought by or in the right of the Association or by any other person.

(d) For purposes of this article, "expenses" means fees, costs, charges, disbursements, attorney fees, and any other expenses incurred in connection with a proceeding, including a proceeding in which an officer asserts his or her rights under this article, and, if the context requires, liabilities, including the obligation to pay a judgment, settlement, penalty, assessment, forfeiture, or fine, including any excise tax assessed with respect to an employee benefit plan.

9.02 **Mandatory Indemnification.**

(a) To the extent that an officer has been successful on the merits or otherwise in the defense of any proceeding (including, without limitation, the settlement, dismissal, abandonment, or withdrawal of any action where he or she does not pay or assume any material liability), or in connection with any claim, issue, or matter therein, he or she shall be indemnified by the Association against expenses actually and reasonably incurred by him or her in connection therewith to the extent that he or she was a party to the proceeding because he or she is or was an officer of the Association.

(b) In cases not included under subsection 9.02(a), above, the Association shall indemnify any officer against expenses actually and reasonably incurred by the officer in a proceeding in which the officer was a party because he or she is or was an officer unless liability was incurred because the officer breached or failed to perform a duty he or she owed to the Association and the breach or failure to perform constituted any of the following: (i) a willful failure to deal fairly with the Association or its members in connection with a matter in which the officer had a material conflict of interest; (ii) a violation of criminal law unless the officer had reasonable cause to believe his or her conduct was lawful or no reasonable cause to believe his or her conduct was unlawful; (iii) a transaction from which the officer derived an improper personal profit or benefit; or (iv) willful misconduct. The termination of a proceeding by judgment, order, settlement, or conviction, or upon a plea of no contest or an equivalent plea, does not, by itself, create a presumption that indemnification of the officer is not required under this subsection.

(c) Indemnification under this section is not required to the extent that the officer has previously received indemnification or allowance of expenses from any person, including the Association, in connection with the same proceeding.

(d) To the extent indemnification is required under this Article IX, the Association has purchased or is required under Section 9.10, below, to purchase insurance on behalf of the indemnified person and the insurance policy includes a provision obligating the insurer to defend such person, the Association shall be obligated to extend such defense. To the extent possible under such insurance policy, the defense shall be extended with counsel reasonably acceptable to the indemnified person. The Association shall keep the indemnified person advised of the status of the claim and the defense thereof and shall consider in good faith the recommendation made by the indemnified person with respect thereto.

9.03 **Determination of Right to Indemnification.** Unless otherwise provided by written agreement between the officer and the Association, the officer seeking indemnification under section 9.02, above, shall make a written request for indemnification which shall designate one of the following means for determining his or her right to indemnification: (a) by a majority vote of a quorum of the Association Officers or a committee of directors consisting of directors not at the time parties to the same or related proceedings; (b) by independent legal counsel selected by a quorum of the Association Officers or its committee in the manner prescribed in subsection 9.03(a), above, or, if unable to obtain such a quorum or committee, by a majority vote of the full Association Officers, including directors who are parties to the same or related proceedings; (c) by arbitration; or (d) by an affirmative vote of a majority of the Unit Owners entitled to vote; provided, however, that Unit Owners who are at the time parties to the same or related proceedings, whether as plaintiffs or defendants or in any other capacity, may not vote in making the determination. Any determination under this section shall be made pursuant to procedures consistent with the Wisconsin Nonstock Corporation Law unless otherwise agreed by the Association the person seeking indemnification. Such determination shall be completed, and eligible expenses, if any, shall be paid to the person requesting indemnification hereunder within sixty (6) days of the Association's receipt of the written request required hereunder.

9.04 **Allowance of Expenses as Incurred.** Within thirty (30) days after a written request by an officer who is a party to a proceeding because he or she is or was an officer, the Association shall pay or reimburse his or her reasonable expenses incurred if the officer provides the Association with all of the following: (a) a written affirmation of his or her good faith belief that he or she has not breached or failed to perform his or her duties to the Association; and (b) a written undertaking, executed personally or on his or her behalf, to repay the allowance and, if required by the Association, to pay reasonable interest on the allowance to the extent that it is ultimately determined under section 9.03, above, that indemnification under Section 9.02, above, is not required and indemnification is otherwise not ordered by a court. The undertaking under this section shall be an unlimited general obligation of the officer and may be accepted without reference to his or her ability to repay the allowance. The undertaking may be secured or unsecured.

9.05 **Partial Indemnification.**

(a) If it determined pursuant to section 9.03, above, that an officer is entitled to indemnification as to some claims, issues, or matters in connection with any proceeding, but not as to other claims, issues, or matters, the person or persons making such determination shall reasonably determine and indemnify the officer for those expenses which are the result of claims, issues, or matters that are in a proper subject for indemnification hereunder in light of all of the circumstances.

(b) If it is determined pursuant to section 9.03, above, that certain expenses (other than liabilities) incurred by an officer are for any reason unreasonable in the amount in light of all the circumstances, the person or persons making such determination shall authorize the indemnification of the officer for only such amounts as he or she or they shall deem reasonable.

9.06 **Indemnification of Employees and Agents.** The Association Officers, may, in its sole discretion, provide indemnification and/or defense and/or allowance of expenses in advance of a final determination of any proceeding to an employee or agent of the Association who is not an officer in connection with any proceeding in which the employee or agent was a defendant because of his or her actions as an employee or agent of the Association; provided, however, that prior to such indemnification, defense, or allowance of expenses, the Association Officers shall first determine that the employee or agent acted in good faith and in a manner he or she reasonably believed to be in, and not opposed to, the best interests of the Association.

9.07 **Limited Liability of Directors and Officers.**

(a) Except as provided in subsections 9.07(b) and (c), below, an officer is not liable to the Association, its members or creditors, or any person for damages, settlements, fees, fines, penalties, or other monetary liabilities arising from a breach of, or failure to perform, any duty resulting solely from his or her status as an officer, unless the person asserting liability proves that the breach or failure to perform constitutes any of the acts of misconduct listed in section 9.02(b), above.

(b) Except as provided in section 9.07(c), below, this Section 9.07 does not apply to any of the following: (i) a civil or criminal proceeding brought by or on behalf of any governmental unit, authority, or agency; (ii) a proceeding brought by any person for a violation of state or federal law where the proceeding is brought pursuant to an express private right of action created by state or federal statute; or (iii) the liability of a director under Wis. Stat. §§ 181.0832 and 181.0833.

(c) Items 9.07(b)(i) and (ii), above, do not apply to a proceeding brought by a governmental unit, authority, or agency in its capacity as a private party or contractor.

9.08 **Severability of Provisions.** The provisions of this article and the several rights to indemnification, advancement of expenses, and limitation of liability created hereby are independent and severable and, if any such provision or right shall be held by a court of competent jurisdiction in which a proceeding relating to such provisions or rights is brought to be against public policy or otherwise to be unenforceable, the other provisions of this article shall remain enforceable and in full effect.

9.09 **Non-exclusivity of Rights.** The rights to indemnification, defense, and advancement of expenses provided for in this article shall not be deemed exclusive of any other rights to which those seeking indemnification, defense, or advancement of expenses may be entitled under any agreement authorized by the Association Officers, any of the Bylaws, any vote of the 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. Notwithstanding the

foregoing, the Association may not indemnify an officer, or permit an officer to retain any allowance of expenses, pursuant to any such additional rights unless it is determined by or on behalf of the Association which constitutes conduct under subsequent 9.02(b), above. An officer who is a party to the same or related proceedings for which indemnification, defense, or an allowance of expenses is sought may not participate in a determination under this section.

9.10 **Purchase of Insurance.** The Association shall use its reasonable best efforts to purchase and maintain insurance on behalf of any person who is or was an officer of the Association, to the extent that such officer is insurable and such insurance coverage can be secured by the Association at rates, and in amounts and subject to such terms and conditions as shall be determined in good faith to be reasonable and appropriate by the Association Officers of the Association, and whose determination shall be conclusive (provided, however, that such insurance shall contain a provision obligating the insurer to defend the officer if such provision is available at reasonable rates), against liability asserted against or incurred by him or her in any such capacity or arising out of his or her status as such, whether or not the Association would have the power to indemnify or defend him or her against such liability under the provisions of this article.

9.11 **Benefit.** The rights of indemnification, defense, and advancement of expenses provided by, or granted pursuant to, this article shall continue as to a person who has ceased to be an officer and shall inure to the benefit of the heirs, executors, and administrators of such a person.

9.12 **Amendment.** No amendment or repeal of this article shall be effective to reduce the obligations of the Association under this article with respect to any proceeding based upon occurrences that take place prior to such amendment or repeal.

ARTICLE X
GENERAL PROVISIONS

10.01 **Seal.** The Association shall not have a corporate seal.

10.02 **Interpretation.** These Bylaws are subject to all provisions of the Declaration, the Articles, the Wisconsin Condominium Ownership Act, and the Wisconsin Nonstock Corporation Law. If any provision of these Bylaws shall be held invalid, such invalidity shall not render invalid any other provision hereof which can be given effect. Any invalid provision or portion thereof shall be interpreted as having been amended to comply with the provisions of the Wisconsin Condominium Ownership Act and/or the Wisconsin Nonstock Corporation Law in effect on the date of the adoption of these Bylaws. Nothing in these bylaws shall be deemed or construed to authorize the Association to conduct or engage in any active business for profit on behalf of any or all of the Unit Owners.

10.03 **Notices.** Except as otherwise may be provided in the Wisconsin Condominium Ownership Act or Wisconsin Nonstock Corporation Law, notices to any Unit Owner which must be delivered or mailed pursuant to these Bylaws shall be deemed to have been given (a) in the case of delivered notices, on the date when the notice is delivered to the address on file with the secretary of the Association, or (b) in the case of mailed notices, on the date when

the notice, addressed to the address on file with the secretary of the Association, is deposited in the United States mail with sufficient postage to effect delivery.

ARTICLE XI
AMENDMENT

11.01 **Amendment.** These bylaws may be amended only with the assent of at least seventy-five (75) percent of the votes of the Unit Owners. Any first Mortgagee or its insurer or guarantor shall, upon written request to the Association, be entitled to timely written advance notice of any proposed amendment to these Bylaws.

This amendment was approved and recorded on March 14, 2022.

Purposed outdoor decorations for bylaws ~ ~~we~~ we voted on these 6/15/24

1. 4 flower pots allowed in the front
2. Doors may have wreaths, Welcome signs, or other decorative items for that holiday, (flags on 4th of July only)
3. **Small** garden flags may be used in your garden, (seasonal ones)
4. No statuettes may be placed on upper balconies or juliettes. They may be placed on the decks over the arch.
5. Christmas lights in the courtyard area need to be white/clear only. Colored light may be used in the back of your unit if wanted. They may be up from the week of Thanksgiving until 1/15.
6. No stencils or decorations may be put on the buildings walkway, driveway or porches