

**RIVERWOOD
CONDOMINIUM
HOMES
ASSOCIATION, INC.**

Racine, Wisconsin

**Disclosure Materials
Declaration
By-Laws
Articles of Incorporation**

Includes Approved Revisions, Printed September 2004

DISCLOSURE MATERIALS

Riverwood Condominium
Racine, Wisconsin

Declarant:

K D G Ltd.
7900 Durand Avenue
P. O. Box 366
Sturtevant, WI 53177

Declarant's Agent:

Carl W. Korndoerfer
7900 Durand Avenue
P. O. Box 366
Sturtevant, WI 53177

1. THESE ARE THE LEGAL DOCUMENTS COVERING YOUR RIGHTS AND RESPONSIBILITIES AS A CONDOMINIUM OWNER. IF YOU DO NOT UNDERSTAND ANY PROVISIONS CONTAINED IN THEM, YOU SHOULD OBTAIN PROFESSIONAL ADVICE.
2. THESE DISCLOSURE MATERIALS GIVEN TO YOU AS REQUIRED BY LAW MAY BE RELIED UPON AS CORRECT AND BINDING. ORAL STATEMENTS MAY NOT BE LEGALLY BINDING.
3. YOU MAY AT ANY TIME WITHIN 5 BUSINESS DAYS FOLLOWING RECEIPT OF THESE DOCUMENTS, OR FOLLOWING NOTICE OF ANY MATERIAL CHANGES IN THESE DOCUMENTS, CANCEL IN WRITING THE CONTRACT OF SALE AND RECEIVE A FULL REFUND OF ANY DEPOSITS MADE.

INDEX

The disclosure materials the Declarant is required by law to provide to each prospective condominium purchaser contains the following documents and exhibits:

1. Declaration. The Declaration establishes and describes the Condominium, the units and the common elements. The Declaration begins on page. IV
2. By-Laws. The By-Laws contain rules which govern the condominium and effect the rights and responsibilities of unit owners. The By-Laws begin on page V
3. Articles of Incorporation. The operation of the Condominium is governed by the Association, of which each unit owner is a member. Powers, duties, and operation of the Association are specified in the Articles of Incorporation of the Association. The Articles of Incorporation begin on page. X

4. Annual Operating Budget. The Association incurs expenses for the operation of the Condominium which are assessed to the unit owners. The operating budget is an estimate of those charges which are in addition to mortgage and utility payments. The budget begins on page XI
5. Expansion Plans. The Declarant has reserved the right to expand the Condominium in the future to add up to 52 additional units on contiguous land. A description of the plans for expansion and its effect on unit owners is set forth in paragraph 12 of the Declaration and in the Condominium Plat.
6. Floor Plan and Plat of Survey. The Declarant has provided floor plans of the units being offered for sale and a plat of survey of the Condominium which shows the location of the unit you are considering and all facilities and common elements which are part of the Condominium. The floor plans and plat of survey are set forth in the Condominium Plat which begins on page XII

DECLARATION

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RIVERWOOD CONDOMINIUM
DECLARATION OF CONDOMINIUM

K D G Ltd., a Wisconsin corporation (the "Declarant"), does hereby declare that the real estate described below is subject to the Wisconsin Condominium Ownership Act. The said real estate and all the improvements now or subsequently placed thereon and the appurtenances thereto shall hereafter be known and described as Riverwood Condominium (the "Condominium"). The address of the condominium shall be Old Mill Drive, Racine, Wisconsin.

1. Description of Land. The land which is the subject of this Declaration and upon which the buildings and improvements are and will be located is in Racine County, Wisconsin, more particularly described in Exhibit A attached hereto.

2. Description of Buildings. Six buildings containing 38 units, are in process of construction or have been constructed upon the land with locations as shown on the Condominium Plat filed for record in the office of the Register of Deeds for Racine County, Wisconsin and incorporated herein by reference. The condominium dwelling units in each building are called "units". The buildings containing units are designated and numbered One through Six as indicated on the Condominium Plat.

Building One contains six units, Buildings Three, Four and Five each contain eight units and Buildings Two and Six each contain four units. Two units in each building are Type B units and the remainder of the units in each building are Type A units (see paragraph 3 of this Declaration for a description of units). Each building has two levels of living space and a basement. Each building is constructed principally of concrete block foundations and footings, drywall interior partitions, wood frame, brick facing and sills, cedar trim, fascia and rake board and stained wood siding. The roofs are asphalt shingle. Each building may have one sump pump in the basement. The cost of the electricity used to operate the sump pumps shall be paid by Riverwood Condominium Homes Association, Inc., a Wisconsin nonstock, nonprofit corporation serving as the

association of unit owners for the Condominium (the "Association"), as provided in section 17, Article V of the By-Laws of the Association (the "By-Laws"). Each unit is connected to municipal water and sewer systems. Each building has a common water meter. Municipal water and sewer charges shall be paid by the Association. Each unit has a separate gas-fired hot water heater and heating plant in the basement and a separate central air-conditioning system having an electrically powered pad mounted condenser in the limited common area of the unit. Electricity and gas are separately metered for each unit.

3. Description of Units.

(a) Units are identified by building number, type (A or B as described below) and a separate number sequence for each building. Each unit has a separate address on Old Mill Road. Each unit and the approximate area, location, number of rooms and immediate common area to which it has access are shown on the survey and set of floor plans included in the Condominium Plat. Working drawings and general specifications for the project are on file at the office of the Declarant, 7900 Durand Avenue, Sturtevant, Wisconsin 53177.

(b) The boundaries of each unit shall consist of that part of the cubic area of each building which is enclosed as follows:

(i) The vertical or parametrical boundaries of the unit shall be the plane of the outer surfaces of the drywall (being the first layer of double drywall as to common walls between units) and the plane of the outside faces of doors and windows bounding a dwelling extended in each case to an intersection with the upper and lower boundaries; and

(ii) The upper and lower boundaries shall be [a] lower boundary - the plane of the underside of the floor of the basement; and [b] upper boundary - the plane of the undersurfaces of the chords of the roof trusses, ceiling joists of roof or rafters.

(c) Each Type A unit contains approximately 2,035 square feet including a basement and a crawl space beneath the living room, a living room, dining room, kitchen,

hall, lavatory and garage on the first floor and two bedrooms, a full bath and a storage area over the garage on the second floor. Each Type B unit contains approximately 2,246 square feet including, in addition to the rooms contained in a Type A unit, a third bedroom above the living room on the second floor.

(d) It is intended that the structural portions of each building be common elements except that the drywall portion thereof shall be included within the boundaries of the units. All utility lines and all plumbing equipment located outside of units shall be repaired and maintained by and at the expense of the Association. The heating and central air-conditioning system, and water heater for each unit, shall be considered part of the respective unit serviced by said items and shall be repaired and maintained by and at the expense of the unit owner of said unit.

(e) If any portion of the common or limited common elements shall encroach upon any unit, or if any unit shall encroach upon any other unit or upon any portion of the common or limited common elements as a result of the duly authorized construction, reconstruction or repair of a building, or as a result of settling or shifting of a building, a valid easement for the encroachment and for its maintenance shall exist so long as the building stands. The existing physical boundaries of a unit or common elements constructed or reconstructed in substantial conformity with the condominium plat shall be conclusively presumed to be its boundaries, regardless of the shifting, settlement or lateral movement of the building and regardless of minor variations between the physical boundaries described in this Declaration or shown on the condominium plat and the existing physical boundaries of any such unit or common element.

4. Description of Common Elements. The common elements shall include all of the Condominium except its units and shall include, but not be limited to the following: Old Mill Drive, land, walks, driveways, parking areas, fences, water main easement, sump pumps and equipment building. The sump pumps and the other common elements shall be repaired and maintained by and at the expense of the Association.

5. Description of Limited Common Elements. The following common elements are permanently assigned to and limited to the use of units as follows (the "limited common elements"):

(a) The patio in the back of the unit to which each unit has direct access by a door from the unit;

(b) The courtyard and walk way at the front of the unit to which each unit has direct access by a door from the unit; and

(c) The parking space reserved to each unit and located directly behind each garage at all Buildings except Building Three and directly across from Building Three.

6. Percentage Interests, Voting and Assessments.

(a) The undivided percentage interest in the common elements (including limited common elements) appertaining to each Type A unit shall be 2.55% and to each Type B unit shall be 2.81%.

(b) There shall be one vote appertaining to each unit.

(c) Except for the cost of physical damage insurance premiums on policies which have been obtained by the Board of Directors of the Association and for water and sewer charges, common expenses shall be assessed in equal shares based upon the number of units in the Condominium, with one share assessed to the owners of each unit collectively. The cost of such insurance premiums shall be assessed against the unit owners in proportion to the undivided percentage interest in the common elements appertaining to each unit. Water and sewer charges for each building shall be assessed against unit owners in such building as provided in Section 16, Article V of the By-Laws.

7. Residential Use. All units are intended for and shall be restricted to use by the owner, his family, lessees, invitees and frequenters, for residential purposes only. All buildings containing units are intended for and restricted to use for residential purposes only.

8. Service of Process. The resident agent for the Condominium shall be the Declarant. Service of process shall be made upon the Declarant at 7900 Durand Avenue, Sturtevant, Wisconsin 53177 as to matters provided in the Wisconsin Condominium Ownership Act until all units have been sold, conveyed and paid for or until the first meeting of the unit owners, at which time the Association may designate a successor by vote of a simple majority of a quorum present at any meeting (members or Board of Directors) of the Association.

9. Damage or Destruction. In the event the Condominium is destroyed or damaged in an amount in excess of \$10,000, and insurance proceeds less an amount not exceeding \$10,000 are insufficient to complete repair and reconstruction, action by the Association by vote of a majority of unit owners, as defined in the By-Laws, taken within 90 days after such damage or destruction shall be necessary to determine to repair or reconstruct the Condominium as more fully described in section 3, Article V of the By-Laws. Damage or destruction to a lesser extent, and to a greater extent if insurance proceeds (less an amount not exceeding \$10,000) are sufficient to complete repair and reconstruction shall be repaired and reconstructed pursuant to arrangement by the Board of Directors of the Association as provided in said section of the By-Laws.

10. Further Matters.

(a) All present and future owners of units, tenants of such owners and any other occupants of units, employees of owners, or any other persons that in any manner use or come upon the Condominium or any part thereof shall be subject to and shall comply with the provisions of this Declaration, the Articles of Incorporation of the Association (the "Articles"), and the By-Laws and rules and regulations adopted pursuant thereto, as these instruments may be amended from time to time. The acceptance of a deed or conveyance, or the entering into of a lease, or the entering into occupancy of any unit shall constitute an acceptance by such owner, tenant or occupant of the provisions of such instruments, as they may be amended from time to time. The provisions contained in such instruments shall be covenants running with the land and shall bind any person having at any time any interest or estate in such unit, as though such provisions were recited and fully stipulated in each deed, conveyance or lease thereof. The enforcement thereof may be by such

judicial proceedings as the Board of Directors of the Association may deem appropriate as well as by the provisions of the Wisconsin Condominium Ownership Act.

(b) The Declarant hereby reserves the right for a period of ten years from date hereof to cause one or more of the units it owns to be maintained as a model unit, and to maintain a sales office in the Condominium, and to display such models and the common elements of the Condominium for purposes of selling units in the Condominium or in other projects of the Declarant.

(c) Rules and regulations (in addition to the By-Laws) concerning the use of the units and the common and limited common elements, including provisions limiting keeping of animals and other pets, may be promulgated and amended by the Board of Directors of the Association. Copies of such rules and regulations shall be furnished by the Board of Directors of the Association to each unit owner prior to their effective date.

(d) The Declarant hereby reserves for the Association acting by and in the discretion of its Board of Directors, the right to grant to the City of Racine, Wisconsin, or public or semi-public utility companies, easements and rights-of-way for the erection, construction and maintenance of all poles, wires, pipes and conduits for the transmission of electricity, gas, water, telephone and for other purposes, for sewers, storm water drains, gas mains, water pipes and mains, and similar service, and for performing any public or quasi-public utility function that said Board of Directors may deem fit and proper for the improvement and benefit of the Condominium. Such easements and rights-of-way shall be confined, so far as possible, in underground pipes or other conduits, with the necessary rights of ingress and egress therefrom and with the rights to do whatever may be necessary to carry out the purposes for which this easement is created.

(e) The Declarant hereby further reserves for itself and its successors and assigns access to and the right to connect to any such underground pipes or other conduits for the improvement and benefit of "Phase 2" as defined in section 12(b) of this Declaration.

(f) The Declarant hereby reserves for itself and successor owners of Phase 2 and for lessees, invitees

and frequenters thereof, an easement of ingress and egress over, and access to, in an unlimited manner, the roadways now or hereafter constructed in the Condominium.

11. Additional Rights of Lenders.

(a) As to the holder of any mortgage and as to any land contract vendor (the "Lender") of a unit which has notified the Association in writing delivered or mailed by certified mail to the place for service of process stated in section 8 of this Declaration that it desires to receive notice of the following matters:

(i) The Board of Directors of the Association shall give the Lender written notice by mail of the call of any meeting of the membership or the Board of Directors of the Association to be held for the purpose of considering any proposed amendment to this Declaration, the Articles or the By-Laws;

(ii) The Board of Directors of the Association shall give the Lender by mail a copy of the notice of default which is given to any unit owner on any failure to comply with or violation of any of the provisions of this Declaration, the Articles, the By-Laws and rules and regulations promulgated thereunder, and any amendments thereto, simultaneously with the giving of required notice to any unit owner; and

(iii) The Board of Directors of the Association shall notify the Lender of physical damage to structure, fixtures or equipment of a unit in an amount exceeding \$2,500 when such damage is known to the Board of Directors and shall notify all Lenders if common elements of the Condominium are damaged in an amount exceeding \$2,500.

(b) Unless all Lenders have given their prior written approval, the Association shall not:

(i) Change the undivided percentage interest in the common elements of the Condominium appertaining to each unit;

(ii) Partition or subdivide any unit or the common elements of the Condominium; or

(iii) By act or omission seek to abandon the condominium status of the Condominium except as provided in section 9 of this Declaration in case of substantial damage to or destruction of the Condominium.

(c) Notwithstanding section 12 of this Declaration, this section shall not be amended unless all Lenders have given their prior written approval.

12. Amendment of Declaration.

(a) This Declaration may be amended with the written consent of at least 75% of the unit owners and 75% of the mortgagees and land contract vendors having interest in the units of the Condominium.

(b) This Declaration may also be amended by the Declarant to change or alter the percentage of ownership in the common or limited common elements where the Declarant alters such percentage in accordance with this section.

Declarant owns or has the right to acquire certain land ("Phase 2") described in Exhibit B attached hereto. Declarant presently intends to construct approximately ten buildings upon Phase 2 in one or more stages with a maximum of 52 units. The general design of the buildings shall be substantially similar to those included in this Declaration; the buildings shall be located upon Phase 2 generally as shown on the Condominium Plat. Declarant reserves the right to change the design, location and number of buildings and units to be constructed on Phase 2 so long as the maximum number of units on the Phase 2 land does not exceed 52.

Without making any representation hereby that Declarant or any other party can or will undertake such construction and notwithstanding the provisions of section 12(a) hereof, Declarant reserves the absolute and unqualified right for Declarant and its successors and assigns on behalf of each unit owner of the Condominium to amend this Declaration at any time and from time to time within ten years from date hereof to add to the Condominium all or any part of Phase 2 and the units constructed or under construction thereon, if any. In the event of any such addition, the undivided percentage interest in the common elements (after addition of units) appertaining to each of the units hereby created shall be determined by the following formula:

$$\frac{\text{Unit square footage} \times 100}{\text{Total square footage of all units in Condominium}} = \begin{matrix} \% \text{ of undivided} \\ \text{interest in} \\ \text{common elements} \end{matrix}$$

Declarant shall determine such percentage after the addition and its determination shall be final and binding on all parties. Declarant may assign in whole or in part, absolutely or for purposes of security, by a written assignment for that purpose, all such powers of amendment. Each unit owner, by acceptance of a condominium deed to a unit, shall thereby appoint Declarant and its successors and assigns as attorney-in-fact with irrevocable power coupled with an interest to execute and deliver an amendment in accordance with the foregoing provisions.

(c) This Declaration may also be amended by Declarant to interchange A and B type units (e.g., an A type unit would be built and declared where Exhibit B indicated a B type unit and vice versa) prior to the initial conveyance of any such unit and to change the location of parking spaces serving a building prior to the initial conveyance of any unit in the building. Each unit owner, by acceptance of a condominium deed to a unit, shall thereby consent to the interchange of type units and the relocation of parking spaces as provided by the foregoing provision and shall thereby appoint Declarant and its successors and assigns as attorney-in-fact with irrevocable power coupled with an interest to execute and deliver an amendment in accordance with the foregoing provisions.

IN WITNESS WHEREOF, this document has been executed
this 6th day of July, 1979.

K D G LTD., a
Wisconsin corporation

BY /s/ Carl W. Korndoerfer
Carl W. Korndoerfer, President

Attest:

/s/ Jerome Pederson
Jerome Pederson, Secretary

State of Wisconsin)
 : SS
Milwaukee County)

Personally came before me this 6th day of July, 1979, Carl W. Korndorfer, President and Jerome Pederson, Secretary of the above corporation, to me known to be such persons and officers who executed the foregoing instrument and acknowledged that they executed the same as such officers on behalf of said corporation, by its authority.

/s/ Roxanne M. McNamee

(Roxanne M. McNamee)
Notary Public, State of Wisconsin
My commission expires 3/1/81

The undersigned mortgagee consents to the above Declaration of Condominium.

FIRST WISCONSIN BANK OF RACINE

BY /s/ Theodore L. Shenkenburg

Theodore L. Shenkenburg, Vice Presider

This instrument was drafted by Kathleen Hyland.

Please return to: Kathleen Hyland, Esq.
1800 Marine Plaza
Milwaukee, WI 53202

RIVERWOOD CONDOMINIUM
RACINE, WISCONSIN

PHASE I LEGAL DESCRIPTION

That part of the North 1/2 of Section 6, Township 3 North, Range 23 East, and of the South 1/2 of Section 31, Township 4 North, Range 23 East, in the City of Racine, Racine County, Wisconsin, bounded as follows: Begin at a point on the Township line between Township 3 North and Township 4 North which is located S87-57-26W 34.70 feet from the South 1/4 corner of said Section 31; run thence S87-57-26W 98.00 feet on the Township line; thence N02-02-34W 108.76 feet to a point on a meander line along the Southwesterly shore of the Root River; thence N87-44-52E 108.72 feet on said meander line; thence N38-12-12E 191.86 feet on said meander line; thence S34-16-57E 750.11 feet along said meander line to its point of ending; thence N82-41-57W 23.36 feet; thence S05-04-43E 178.40 feet to a point on a curve whose center bears S84-55-17W 60.00 feet; thence counter-clockwise 188.50 feet on the arc of said curve whose chord bears S84-55-17W and whose radius is 60.00 feet; thence S84-55-17W 73.85 feet; thence N44-29-08W 40.14 feet; thence N82-41-57W 180.00 feet; thence N07-18-03E 404.70 feet; thence N73-24-09W 96.17 feet; thence N09-54-54E 40.04 feet; thence N73-32-51W 111.59 feet to the point of beginning.

Together with all lands lying between the above-described meander line and the Southwesterly water's edge of the Root River. Bounded on the West by a line bearing N02-02-34W from the first described point of said meander line and on the South by a line bearing S82-41-57E from the point of ending of said meander line.

EXHIBIT A

LEGAL DESCRIPTION

THAT PART OF THE SOUTHWEST 1/4 OF SECTION 31, TOWNSHIP 4 NORTH, RANGE 23 EAST IN THE CITY OF RACINE, RACINE COUNTY, WISCONSIN, BOUNDED AS FOLLOWS: BEGIN AT A POINT ON THE TOWNSHIP LINE BETWEEN TOWNSHIP 3 NORTH AND TOWNSHIP 4 NORTH WHICH IS LOCATED S87-57-26W 132.70 FEET FROM THE SOUTH 1/4 CORNER OF SAID SECTION 31; RUN THENCE S87-57-26W 695.00 FEET ON THE TOWNSHIP LINE TO A RACK BAR STAKE; THENCE N01-54-51W 401.89 FEET; THENCE N20-40-55E 139.12 FEET TO THE POINT OF BEGINNING OF A MEANDER LINE ALONG THE SOUTHWESTERLY SHORE OF THE ROOT RIVER; THENCE S47-17-49E 194.14 FEET ON SAID MEANDER LINE TO A 1" DIAMETER IRON PIPE STAKE; THENCE S26-25-59E 167.20 FEET ON SAID MEANDER LINE; THENCE S65-42-34E 300.08 FEET ON SAID MEANDER LINE TO A 1" DIAMETER IRON PIPE STAKE; THENCE N87-44-52E 164.49 FEET TO THE POINT OF ENDING OF SAID MEANDER LINE; THENCE S02-02-34E 108.76 FEET TO THE POINT OF BEGINNING. TOGETHER WITH ALL LANDS LYING BETWEEN THE ABOVE-DESCRIBED MEANDER LINE AND THE SOUTHWESTERLY WATER'S EDGE OF THE ROOT RIVER, BOUNDED ON THE WEST BY A LINE BEARING N20-40-55E FROM THE POINT OF BEGINNING OF SAID MEANDER LINE, AND ON THE EAST BY A LINE BEARING N02-02-34W FROM THE POINT OF ENDING OF SAID MEANDER LINE. CONTAINING 5 ACRES MORE OR LESS, IN ALL.

EXHIBIT B

1055679

Register's Office)
Racine County, WI) SS

Received for Record 10th day of
July, A.D., 1979 at 9:51 o'clock
A.M. and recorded in Volume 1516
of Records on pages 116-127.

Stanley F. Bialecki,
Register of Deeds

BY-LAWS

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BY-LAWS OF
RIVERWOOD CONDOMINIUM HOMES ASSOCIATION, INC.

ARTICLE I

Plan of Unit Ownership

Section 1. Condominium Unit Ownership. The property located in the Racine County, State of Wisconsin (the "Property") known as Riverwood Condominium, has been submitted to the provisions of the Wisconsin Condominium Ownership Act by a Declaration of Condominium (the "Declaration") recorded in the office of the Register of Deeds for Racine County on July 10, 1979, in Volume 1516 of Records on pages 116 through 129 as Document No. 1055679 and by a Condominium Plat recorded in said office on said date in Volume 1516 of Records on pages 113 through 115 (and also being referred to in Volume 32 of Plats, pages 79 through 90) as Document No. 1055678.

Section 2. Applicability of By-Laws and Definitions. These By-Laws are adopted as the By-Laws of Riverwood Condominium Homes Association, Inc. (the "Association"), a Wisconsin corporation organized under the Wisconsin Nonstock Corporation Law to serve as an association of unit owners under the Wisconsin Condominium Ownership Act. The provisions of these By-Laws are applicable to the Property and to the use and occupancy thereof. The term "Property" and other terms used herein shall, unless the context or the Declaration requires otherwise, have the same meaning as the definitions contained in section 703.02 of the Wisconsin Condominium Ownership Act.

Section 3. Office and Mailing Address. The office and mailing address of the Association and of the Board of Directors of the Association (the "Board of Directors") shall be reachable through: P. O. Box 081693, Racine, Wisconsin 53408-1693.

ARTICLE II

Board of Directors

Section 1. Number and Qualification. The affairs of the Association and of the Property shall be governed by the Board of Directors. Until election of a new Board of

Directors by the unit owners pursuant to section 1(c), Article III of these By-Laws, the Board of Directors shall consist of such three persons as shall have been designated by K D G Ltd., a Wisconsin corporation (the "Declarant") or as shall have been elected by the unit owners pursuant to section 1(b), Article III of these By-Laws. Thereafter the Board of Directors shall be composed of seven persons, six of whom shall be owners of units, fiduciary owners, members or employees of partnership owners, or officers, stockholders or employees of corporate owners and one of whom may be the spouse of a unit owner or a mortgagee of a unit, a fiduciary mortgagee, a member or employee of a partnership mortgagee or an officer, stockholder or employee of a corporate mortgagee.

Section 2. Powers and Duties. The Board of Directors shall have the powers and duties necessary for the administration of the affairs of the Association and of the Property, except such powers and duties as by law or by the Declaration or by these By-Laws may not be delegated to the Board of Directors by the unit owners or have been specifically reserved by or to the unit owners. The Board of Directors shall have full powers and authority necessary for or desirable for the complete enforcement and administration of the Property and the provisions of the Wisconsin Condominium Ownership Act, the Declaration, these By-Laws and rules and regulations hereunder.

Section 3. Managing Agent and Manager. The Board of Directors may employ for the Property a managing agent which may be the Declarant or a related party and a manager at a compensation established by the Board of Directors to perform such duties and services as the Board of Directors shall authorize.

Section 4. Election and Term of Office. At the first annual meeting of the unit owners, the term of office of three members of the Board of Directors shall be fixed at three years, the term of office of two members of the Board of Directors shall be fixed at two years and the term of office of one member of the Board of Directors shall be fixed at one year. At the expiration of the initial term of office of each member of the Board of Directors, his successor shall be elected to serve for a term of three years. The members of the Board of Directors shall hold office until their respective successors shall have been elected by the unit owners.

Section 5. Removal of Members of the Board of Directors. At any regular or special meeting of unit owners, any one or more of the members of the Board of Directors may be removed with or without cause by a majority of the authorized votes of all unit owners and a successor may then and there or thereafter be elected to fill the vacancy thus created. Any member of the Board of Directors whose removal has been proposed by the unit owners shall be given an opportunity to be heard at the meeting.

Section 6. Vacancies. Vacancies in the Board of Directors caused by any reason other than the removal of a member thereof by a vote of the unit owners, shall be filled by vote of a majority of the remaining members at a special meeting of the Board of Directors held for that purpose promptly after the occurrence of any such vacancy even though the members present at such meeting may constitute less than a quorum, and each person so elected shall be a member of the Board of Directors for the remainder of the term of the member so removed and until a successor shall be elected at the next annual meeting of the unit owners.

Section 7. Organization Meeting. The first meeting of the members of the Board of Directors following the first annual meeting of the unit owners shall be held within ten days thereafter, at such time and place as shall be fixed by the unit owners at the meeting at which such Board of Directors shall have been elected, and no notice shall be necessary to the newly elected members of the Board of Directors in order legally to constitute such meeting, providing a majority of the whole Board of Directors shall be present thereat.

Section 8. Regular Meetings. Regular meetings of the Board of Directors may be held at such time and place as shall be determined from time to time by a majority of the members of the Board of Directors. Notice of regular meetings of the Board of Directors shall be given to each member of the Board of Directors, by mail or telegraph, at least 48 hours prior to the time of such meeting.

Section 9. Special Meetings. Special meetings of the Board of Directors may be called by the President on 48 hours' notice to each member of the Board of Directors, given by mail or telegraph, which notice shall state the time, place and purpose of the meeting. Special meetings of

the Board of Directors shall be called by the President or Secretary in like manner and on like notice on the written request of at least one member of the Board of Directors.

Section 10. Waiver of Notice. Any member of the Board of Directors may, at any time, waive notice of any meeting of the Board of Directors in writing, and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a member of the Board of Directors at any meeting of the Board shall constitute a waiver of notice by him of the time and place thereof. If all the members of the Board of Directors are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

Section 11. Quorum of Board of Directors. At all meetings of the Board of Directors, a majority of the members thereof shall constitute a quorum for the transaction of business, and the votes of a majority of the members of the Board of Directors present at a meeting at which a quorum is present shall constitute the decision of the Board of Directors. If at any meeting of the Board of Directors there shall be less than a quorum present, a majority of those present may adjourn the meeting from time to time. At any such adjourned meeting at which a quorum is present, any business which might have been transacted at the meeting originally called may be transacted without further notice.

Section 12. Fidelity Bonds. The Board of Directors may, in its discretion, obtain fidelity bonds for all officers and employees of the Property handling or responsible for funds. The premiums on such bonds shall constitute a common expense.

Section 13. Compensation. No member of the Board of Directors shall receive any compensation from the Association for acting as such.

Section 14. Liability of the Board of Directors. The members of the Board of Directors shall not be liable to the unit owners for any mistake of judgment, failure to adhere to the provisions of the Declaration or these By-Laws, negligence or otherwise, except for their own individual willful misconduct or bad faith. The unit owners shall indemnify and hold harmless each member of the Board of Directors against all contractual liability to others arising

out of contracts made by the Board of Directors on behalf of the Association unless any such contract shall have been made in bad faith. It is intended that the members of the Board of Directors shall have no personal liability with respect to any contract made by them on behalf of the Association. It is also intended that the liability of the unit owners arising out of any contract made by the Board of Directors or out of the indemnity in favor of the members of the Board of Directors shall be shared equally by all of the unit owners, and the liability of any single unit owner shall be limited to such equal proportionate share of the total liability. At the option of the Board of Directors, directors' liability insurance may be obtained and shall be paid for as a common expense.

Section 15. Informal Action. Any action which is required to be taken at a meeting of the Board of Directors or which may be taken at such a meeting, may be taken without a meeting if a consent in writing setting forth the action so taken shall be signed by all of the directors entitled to vote with respect to the subject matter. Such consent shall have the same force and effect as a unanimous vote.

ARTICLE III

Unit Owners

Section 1. Annual Meetings.

(a) Until the first annual meeting of the unit owners as described below, until the Declarant designates otherwise, or until the unit owners elect a member of the Board of Directors pursuant to this section prior to the first annual meeting of the unit owners, the initial Board of Directors named in the Articles of Incorporation of the Association shall serve as the Board of Directors.

(b) Prior to the conveyance of 25% of the undivided percentage interest in the common elements, the Declarant shall call a meeting of the unit owners. At such meeting one of the designees of the Declarant on the Board of Directors shall resign and the unit owners other than the Declarant shall elect a successor by vote of a majority of those unit owners. Such successor shall serve until the first annual meeting of the unit owners. If such successor

Riverwood By-law, ARTICLE III, Section 1. Annual Meetings. (c)., Amended October 27, 1996:

Thirty days after 75% of the undivided percentage interest in the common elements shall have been sold and conveyed by the Declarant or such earlier time as determined by the Declarant, the Declarant shall call the first annual meeting of the unit owners. At such meeting the designees of the Declarant and any other members of the Board of Directors elected by the unit owners shall resign as members of the Board of Directors, and all the unit owners, including the Declarant, shall elect a new Board of Directors. Thereafter the annual meetings of the unit owners shall be **determined each year by the Board of Directors, held in either September or October.** At such meetings the Board of Directors shall be elected by ballot of the unit owners in accordance with the requirements of section 4, Article II of these By-laws. The unit owners may transact such other business at such meetings as may properly come before them.

shall resign prior to the first annual meeting of the unit owners, a successor to him shall be elected in the same manner.

(c) Thirty days after 75% of the undivided percentage interest in the common elements shall have been sold and conveyed by the Declarant or such earlier time as determined by the Declarant, the Declarant shall call the first annual meeting of the unit owners. At such meeting the designees of the Declarant and any other members of the Board of Directors elected by the unit owners shall resign as members of the Board of Directors, and all the unit owners, including the Declarant, shall elect a new Board of Directors. Thereafter the annual meetings of the unit owners shall be held on the second Monday of January of each succeeding year. At such meetings the Board of Directors shall be elected by ballot of the unit owners in accordance with the requirements of section 4 of Article II of these By-Laws. The unit owners may transact such other business at such meetings as may properly come before them.

Section 2. Place of Meetings. Meetings of the unit owners shall be held at the principal office of the Association or at such other suitable place convenient to the unit owners as may be designated by the Board of Directors.

Section 3. Special Meetings. It shall be the duty of the President to call a special meeting of the unit owners if so directed by resolution of the Board of Directors or upon a petition signed and presented to the Secretary by unit owners having 25% of the total authorized votes of all unit owners. The notice of any special meeting shall state the time, place and purpose of the meeting. No business shall be transacted at a special meeting except as stated in the notice.

Section 4. Notice of Meetings. The Secretary shall mail to each unit owner of record or cause to be delivered to each unit owner a notice of each annual or special meeting of the unit owners, at least ten but not more than 20 days prior to such meeting, stating the purpose thereof as well as the time and place where it is to be held, at the address of his unit or at such other address as such unit owner shall have designated by notice in writing to the Secretary.

Section 5. Adjournment of Meetings. Any meeting of unit owners at which a quorum has or has not attended may be adjourned at the option of the unit owners by vote of a majority of the authorized votes of the unit owners who are present, either in person or by proxy, at such meeting.

Section 6. Title to Units. Title to units may be taken in the name of an individual or in the names of two or more persons, as tenants in common or as joint tenants, in the name of a corporation or partnership, or in the name of a fiduciary.

Section 7. Voting. Each unit owner shall furnish the Association with his name and current mailing address. No unit owner may vote at meetings of the Association until this information is furnished. The owner or owners of each unit, or some person designated by such owner or owners to act as proxy on his or their behalf and who need not be an owner, shall be entitled to cast the vote appurtenant to such unit at all meetings of unit owners. The designation of any such proxy shall be made in writing to the Secretary, and shall be revocable at any time by written notice to the Secretary by the owner or owners so designating. Any such proxy shall be effective only for a maximum period of 180 days following its issuance unless granted to a mortgagee, land contract vendor or lessee of a unit. Each unit owner (including the Declarant and the Board of Directors, if the Declarant, or the Board of Directors or its designee, shall then hold title to one or more units) shall be entitled to cast at all meetings of the unit owners the vote appurtenant to each unit owned. Where ownership is in the name of two or more persons, the vote appurtenant to their unit may be cast by any one joint owner; provided, however, that if any joint owner protests promptly the casting of such vote to the person presiding over the meeting or files a written statement with the Secretary stating that thereafter the vote must be cast prorata in accordance with each joint owner's interest in the unit, then such vote shall thereafter be cast prorata by all joint owners in accordance with their interests in the unit. Where a unit is leased the lessor shall be entitled to vote the vote appurtenant to said unit (where there are two or more lessors, they shall be considered joint owners). Where the unit is sold under a land contract, the land contract vendee shall be entitled to vote the vote appurtenant to said unit (where there are two or more vendees, they shall be considered joint owners). Notwithstanding the

provisions of this section, if the Association has recorded a statement of condominium lien on a unit and the amount necessary to release the lien has not been paid at the time of the meeting, such unit owner may not vote at the meeting.

Section 8. Majority of Unit Owners. As used in these By-Laws, the term "majority of unit owners" shall mean those unit owners having more than 50% of the authorized votes of all unit owners present in person or by proxy and voting at any meeting of the unit owners, determined in accordance with the provisions of section 7 of this Article III. ✓

Section 9. Quorum. Except as otherwise provided in these By-Laws, the presence in person or by proxy of unit owners having 33-1/3% of the total authorized votes of all unit owners shall constitute a quorum at all meetings of the unit owners.

Section 10. Majority Vote. The vote of a majority of unit owners at a meeting at which a quorum shall be present shall be binding upon all unit owners for all purposes except where a higher percentage vote is required by law, by the Declaration or by these By-Laws.

Section 11. Action by Unanimous Consent. Any action required to be taken or which may be taken at a meeting of unit owners may be taken without a meeting if a consent in writing setting forth the action so taken shall be signed by all unit owners entitled to vote thereon. The signature required in each instance shall be that person who is then entitled to cast the vote for a unit. All such consent action shall have the same force and effect as a unanimous vote.

Section 12. Membership.

(a) All unit owners shall be members of the Association. The foregoing is not intended to include persons who hold an interest in a unit merely as security for the performance of an obligation. Land contract vendors shall not be members; land contract vendees shall be members. Membership shall be appurtenant to and may not be separated from ownership of any unit.

(b) Initial membership in the Association shall be established by the recording of the Declaration in

the office of the Register of Deeds for Racine County, Wisconsin. Transfer of membership in the Association shall be established by the recording in the office of the Register of Deeds for Racine County of a deed or other instrument establishing a change of record title to a unit or the recording in said office of a land contract. A certified copy of such instrument or land contract shall be delivered to the Association by the transferee or vendee. The transferee designated by such instrument or the vendee shall thereby become a member of the Association and the membership of the prior owner or vendor shall thereby be terminated. Until such delivery the transferee or vendee shall not be entitled to vote as a member of the Association and shall not be entitled to notice of meetings of unit owners. The Association shall maintain a current roster of names and addresses of every unit owner to whom notice of meetings of the Association must be sent.

ARTICLE IV

Officers

Section 1. Designation. The principal officers of the Association shall be the President, the Vice President, the Secretary and the Treasurer, all of whom shall be elected by the Board of Directors. The Board of Directors may appoint an Assistant Treasurer, an Assistant Secretary and such other officers as in its judgment may be necessary. The President and Vice President must be members of the Board of Directors.

Section 2. Election of Officers. Officers shall be elected annually by the Board of Directors at the organization meeting of each new Board of Directors and shall hold office at the pleasure of the Board of Directors.

Section 3. Removal of Officers. Upon the affirmative vote of a majority of the members of the Board of Directors, any officer may be removed, either with or without cause, and his successor may be elected at any regular meeting of the Board of Directors, or at any special meeting of the Board of Directors called for such purpose.

Section 4. President. The President shall be the chief executive officer of the Association. He shall preside at all meetings of the unit owners and of the Board of Directors. He shall have all of the general powers and

duties which are incident to the office of President of a stock corporation organized under the Wisconsin Business Corporation Law, including but not limited to the power to appoint from among the unit owners any committee which he decides is appropriate to assist in the conduct of the affairs of the Association.

Section 5. Vice President. The Vice President shall take the place of the President and perform his duties whenever the President shall be absent or unable to act. If neither the President nor the Vice President is able to act, the Board of Directors shall appoint some other member of the Board of Directors to act in the place of the President on an interim basis. The Vice President shall also perform such other duties as shall from time to time be imposed upon him by the Board of Directors or by the President.

Section 6. Secretary. The Secretary shall keep the minutes of all meetings of the unit owners and of the Board of Directors; he shall have charge of such books and papers as the Board of Directors may direct; and he shall, in general, perform all the duties incident to the office of Secretary of a stock corporation organized under the Wisconsin Business Corporation Law. The Secretary shall count the votes at meetings of the Association.

Section 7. Treasurer. The Treasurer shall have the responsibility for Association funds and securities and shall be responsible for keeping full and accurate financial records and books of account showing all receipts and disbursements and for the preparation of all required financial statements. He shall be responsible for the deposit of all moneys and other valuable effects in the name of the Association in such depositories as may from time to time be designated by the Board of Directors, and he shall, in general, perform all the duties incident to the office of Treasurer of a stock corporation organized under the Wisconsin Business Corporation Law.

Section 8. Agreements, Contracts, Deeds, Checks, etc. All agreements, contracts, deeds, leases, checks and other instruments of the Association may be executed by the President of the Association or by such other person or persons as may be designated by the Board of Directors.

Section 9. Compensation of Officers. No officer shall receive any compensation from the Association for acting as such.

ARTICLE V

Operation of the Property

Section 1. Determination of Common Expenses. The Board of Directors shall from time to time, and at least annually, prepare a budget for the Property, determine the amount of the common expenses for the forthcoming year and allocate and assess such common expenses against the unit owners according to their respective undivided percentage interests in the common elements. The assessment for common expenses for the entire year shall be effective as of January 1 of each year but shall be payable at such time or times as the Board of Directors shall determine. The common expenses shall include, among other things, the cost of all insurance premiums on all policies of insurance required to be or which have been obtained by the Board of Directors pursuant to the provisions of section 2 of this Article V. The common expenses may also include such amounts as the Board of Directors may deem proper for the operation and maintenance of the Property, including without limitation an amount for working capital, for a general operating reserve, for a reserve fund for replacement, and for making up any deficit in the common expenses for any prior year. The common expenses may also include such amounts as may be required for the purchase or lease by the Board of Directors or its designee, corporate or otherwise, on behalf of all unit owners, of any unit whose owner has elected to sell or lease such unit or of any unit which is to be sold at a foreclosure or other judicial sale. The Board of Directors shall advise each unit owner in writing of the amount of common expenses payable by him, and shall furnish copies to all unit owners of each budget on which such common expenses are based.

Section 2. Insurance. The Association shall be required to obtain and maintain, to the extent obtainable, fire insurance with extended coverage, vandalism and malicious mischief endorsements, insuring all buildings (including all of the units and the bathroom and kitchen fixtures initially installed therein by the Declarant, but not including furniture, furnishings or other personal property supplied or installed by unit owners), together with all air-conditioning equipment and other service machinery contained therein, and all limited common elements; such insurance shall cover the Property and shall name as insureds the Association, and all unit owners and their mortgagees, as their interests may

appear, in an amount equal to not less than the replacement value of the buildings, without deduction for depreciation. Each policy shall provide that proceeds shall be payable to the Association or the insurance trustee as provided herein as trustee for all unit owners and their mortgagees or land contract vendors as their interests may appear. All such policies shall provide that adjustment of loss shall be made by the Association, and that the net proceeds thereof, if \$10,000 or less, shall be payable to the Association, and if more than \$10,000, shall be payable to the insurance trustee.

All policies of physical damage insurance shall contain waivers of subrogation and waivers of any defense based on coinsurance or of invalidity arising from any acts of the insured, and shall provide that such policies may not be cancelled or substantially modified without at least ten days' prior written notice to the Association. Prior to obtaining any policy of fire insurance or any renewal thereof, the Association shall obtain an appraisal from a fire insurance company or otherwise of the full replacement value of the buildings including all of the units and all of the common and limited common elements without deduction for depreciation, for the purpose of determining the amount of fire insurance to be effected pursuant to this section.

The Association shall also be required to obtain and maintain, to the extent obtainable, public liability insurance in such limits as the Association may from time to time determine, covering each member of the Board of Directors, the managing agent, the manager, and each unit owner. Such public liability coverage shall also cover cross liability claims of one insured against another. The Board of Directors shall review such limits once each year. Until the first meeting of the Board of Directors following the first annual meeting of the unit owners, such public liability insurance shall be in a single limit of at least \$300,000 covering all claims for bodily injury or property damage arising out of one occurrence. The Association may obtain and maintain workmen's compensation insurance to the extent necessary to comply with any applicable laws.

Unit owners or their mortgagees or land contract vendors shall not be prohibited from carrying other insurance for their own benefit provided that all policies

shall contain waivers of subrogation, that the liability of the carriers issuing insurance obtained by the Association shall not be affected or diminished by reason of any such additional insurance, and that all reasonable efforts shall be made to place such additional insurance with the carrier issuing insurance obtained by the Association. The insurance obtained by the Association will not cover the contents of units or public liability claims arising out of occurrences happening within the boundaries of the units.

Section 3. Repair and Reconstruction After Damage.

(a) In the event of any damage to or destruction of the Property in the amount of \$10,000 or less whether or not the insurance proceeds, if any, are sufficient to complete repair or reconstruction, the Board of Directors is authorized to and shall arrange for the prompt repair and reconstruction (including any damaged units, and any kitchen or bathroom fixtures initially installed therein by the Declarant, but not including any wall, ceiling or floor decorations or coverings or other furniture, furnishings, fixtures or equipment installed by unit owners in the units), and the Board of Directors shall disburse any insurance proceeds to the contractors engaged in such repair and reconstruction in appropriate progress payments. Any cost of such repair and reconstruction in excess of the insurance proceeds shall be a common expense and the Board of Directors may assess all the unit owners for such deficit as part of the common expenses.

By acceptance of the deed to his unit, each unit owner shall be deemed to have consented to the foregoing authorization and direction for repair and reconstruction. Such authorization and direction shall be deemed continuous action by the Association by unanimous consent pursuant to section 11, Article III of these By-Laws and shall constitute the determination by the unit owners and the Association to repair or reconstruct as required by the Wisconsin Condominium Ownership Act. If, notwithstanding the foregoing provisions, such a determination is submitted to the vote of the unit owners, then the affirmative vote of one unit owner shall be sufficient to determine to repair or reconstruct.

(b) In the event the Property is destroyed or damaged in an amount in excess of \$10,000 and insurance proceeds, if any, less an amount not exceeding \$10,000 are

(Amendments Approved October 22, 2012)

ARTICLE V

OPERATION OF THE PROPERTY

Section 4. Payment of Common Expense. All unit owners shall be obligated to pay the common expenses assessed by the Board of Directors pursuant to the provisions of **Section 1** of this **Article** at such time as the Board of Directors shall determine. A late charge of up to \$20 may be imposed by the Board of Directors against a unit owner if any balance in common expenses remains unpaid by the fifth day of the month when due. **An additional late charge of \$20 will be imposed for each month thereafter if the assessment remains unpaid.**

(Approved by ballot vote Annual Meeting October 22, 2012)

ARTICLE VII

SALES AND LEASES OF UNITS

Section 5. Rental. Unit owners may rent their units by written lease to whomever and on whatever terms and conditions as they so desire, provided *that each lease shall be in writing and no lease shall be for a term of less than six (6) months. Each lease shall include a provision that all tenants shall be bound by the terms and conditions contained in the Declarations and By-laws of the condominium and the Rules and Regulations adopted by the Association as those instruments are amended from time to time. At the time the Unit is leased, the Unit owner shall immediately provide the association with the following: 1) a copy of the lease which shall contain the name, address and telephone number of each tenant; 2) a written certification executed by the tenant(s) which acknowledges that the tenant(s) have reviewed the Declaration, By-laws and Rules and Regulations and agree to be bound by the terms and conditions of those documents as amended from time to time; 3) a written notification of the new permanent address and telephone number for the Unit Owner; 4) a written verification executed by the Unit Owner which acknowledges that the Unit Owner shall remain liable for a violation of any term or condition of the Declaration, By-laws, or Rules and Regulations by any tenant of that Unit Owner.* **June 1996 The number of rental units will be restricted to ten percent (10%) of the total number of the thirty-eight (38) units, or a total of four (4) units rented during the same period of time.** (Approved by ballot vote Annual Meeting October 22, 2012)

insufficient to complete repair or reconstruction, the Association by vote of a majority of unit owners shall determine within 90 days after such damage or destruction whether to proceed with repair, reconstruction or sale. If the Association determines to repair or reconstruct, the Board of Directors shall arrange for such repair or reconstruction in accordance with the preceding paragraph of this section. If the Association, within 90 days after such damage or destruction in excess of \$10,000 fails to make a determination of whether to repair, reconstruct or sell, the Property shall be deemed to be owned in common by the unit owners in the same percentages as previously owned by each unit owner in the common elements and be subject to an action for partition at the suit of any unit owner, in which event the net proceeds of sale, together with the net insurance proceeds, shall be divided by the Board of Directors, or the insurance trustee, as the case may be, among all the unit owners in proportion to their respective interests in common, after first paying out of the share of each unit owner, to the extent sufficient for the purpose, all liens on the undivided interest in the property owned by each unit owner.

(c) In the event the Property is destroyed or damaged in an amount in excess of \$10,000 and insurance proceeds less an amount not exceeding \$10,000, are sufficient to complete repair or reconstruction, the Board of Directors is authorized and shall arrange for such repair or reconstruction in accordance with paragraph (a) of section 3, Article V.

By acceptance of the deed to his unit, each unit owner shall be deemed to have consented to the foregoing authorization and direction for repair and reconstruction. Such authorization and direction shall be deemed continuous action by the Association by unanimous consent pursuant to section 11, Article III of these By-Laws and shall constitute the determination by the unit owners and the Association to repair or reconstruct as required by the Wisconsin Condominium Ownership Act. If, notwithstanding the foregoing provisions, such a determination is submitted to the vote of the unit owners, then the affirmative vote of one unit owner shall be sufficient to determine to repair or reconstruct.

Section 4. Payment of Common Expenses. All unit owners shall be obligated to pay the common expenses assessed by the Board of Directors pursuant to the provisions of section 1 of this Article at such time or times as the Board

of Directors shall determine. A late charge of up to \$20 may be imposed by the Board of Directors against a unit owner if any balance in common expenses remains unpaid by the fifth day of the month when due.

No unit owner shall be liable for the payment of any part of the common expenses assessed against his unit subsequent to a sale, transfer or other conveyance by him thereof (made in accordance with the provisions of section 1, Article VII of these By-Laws). A purchaser of a unit shall be liable for the payment of common expenses assessed against such unit prior to the acquisition by him of such unit except that if the Association or Board of Directors furnishes a statement pursuant to section 703.16 of the Wisconsin Unit Ownership Act, such liability shall be limited to the amount set forth therein.

Each unit owner shall be obligated to pay common expenses hereunder notwithstanding the fact that he may have a pending dispute with the Association or the Board of Directors on any matter.

Section 5. Collection of Assessments. The Board of Directors shall assess common expenses against the unit owners from time to time and at least annually and shall take prompt action to collect from a unit owner any assessment due which remains unpaid by him for more than 30 days from the due date for its payment.

Section 6. Default in Payment of Common Expenses. In the event of default by any unit owner in paying to the Board of Directors the assessed common expenses, such unit owner shall be obligated to pay interest at the highest rate permitted by law per year on such common expenses from the due date thereof, together with all expenses, including attorneys' fees, incurred by the Board of Directors in any proceeding brought to collect such unpaid common expenses. The Board of Directors shall have the right and duty to attempt to recover such common expenses, together with interest thereon, and the expenses of the proceedings, including attorneys' fees, in an action brought against such unit owner, or by foreclosure of the lien on such unit granted by section 703.16 of the Wisconsin Condominium Ownership Act. The Board of Directors shall also have the right to prohibit such unit owner from voting at a meeting of the Association if the Association has recorded a statement of condominium lien on such unit and the amount necessary

to release the lien has not been paid at the time of the meeting.

Section 7. Foreclosure of Liens for Unpaid Common Expenses. In any action brought by the Board of Directors to foreclose a lien on a unit because of unpaid common expenses, the unit owner shall be required to pay a reasonable rental for the use of his unit and the plaintiff in such foreclosure action shall be entitled to the appointment of a receiver to collect such rental. The Association or the Board of Directors, acting on behalf of all unit owners, shall have power to purchase such unit at the foreclosure sale and to acquire, hold, lease, mortgage, vote the votes appurtenant to, convey or otherwise deal with the same after such purchase. A suit to recover a money judgment for unpaid common expenses shall be maintainable without foreclosing or waiving the lien securing the same.

Section 8. Statement of Common Expenses. The Board of Directors shall promptly provide any unit owner, who makes a request in writing, with a written statement of his unpaid common expenses.

Section 9. Abatement and Enjoining of Violations. The violation of any rule or regulation adopted by the Board of Directors, or the breach of any By-Law contained herein, or the breach of any provision of the Declaration, shall give the Board of Directors the right, in addition to any other rights set forth in these By-Laws: (a) to enter the unit in which, or as to which, such violation or breach exists and to summarily abate and remove, at the expense of the defaulting unit owner, any structure, thing or condition that may exist therein contrary to the intent and meaning of the provisions hereof, and the Board of Directors shall not thereby be deemed guilty in any manner of trespass; or (b) to enjoin, abate or remedy such thing or condition by appropriate legal proceedings.

Section 10. Grievance Procedure. *amended 10-19-99*

(a) Any unit owner may file a written complaint with the Secretary of the Association against another unit owner for violation of the Wisconsin Condominium Ownership Act, the Declaration, these By-Laws and rules and regulations hereunder. Upon receipt of a complaint, the Secretary shall furnish a written notice of the alleged violation, the

Section 10. Grievance Procedure

- (a) Any unit owner may file a written complaint with the Secretary of the Association against another unit owner for violation of the Wisconsin Condominium Ownership Act, the Declaration, these By-Laws and rules and regulations hereunder. Upon receipt of a complaint:
- The Secretary shall furnish a written notice of the alleged violation, the penalties therefore and the hearing procedures to the unit owner complained of by personal delivery **and regular first-class mail**.
 - The unit owner complained of may within five (5) calendar days of delivery or mailing of the notice file a written answer with the Secretary admitting or denying the allegations in the notice. If, within the time period allowed, the unit owner complained of fails to file an answer or admits the allegations of the notice, a violation will be conclusively deemed to have occurred.
 - If, within the time period allowed, the unit owner complained of denies the allegations of the notice, the Secretary shall schedule a hearing before the Grievance Committee to be held not less than fourteen (14) or more than thirty (30) **calendar** days after delivery or mailing of a notice of hearing to the parties.
- (b) Upon delivery or mailing of the notice of hearing, names of all **unit owners** (except the Board of Directors, relatives of the unit owner complaining or complained of, witnesses at the hearing or persons otherwise interested in the hearing) **shall be written/affixed to individual cards. The cards will be put into a container and the President of the Association shall randomly draw three (3) cards) representing three (3) unit owners who will be members of the Grievance Committee. Should any of these unit owners decline to be on the Grievance Committee, the President will continue drawing names of unit owners until three (3) have been chosen and are willing to be the Grievance Committee. If three (3) unit owners have not accepted by random drawing to serve on the Grievance Committee, the President will appoint up to three non-Board Members to serve as the Grievance Committee.**
- (c) The Grievance Committee shall conduct the hearing. The Board of Directors shall represent the complaining unit owner. The parties and the Grievance Committee shall be entitled to representation at the hearing by counsel and shall be entitled to examine and cross-examine witnesses. When summoned by the Grievance Committee to do so, it shall be the obligation of each unit owner to appear and testify at the hearing and to produce records and data relevant to a subject matter of the hearing. The hearing shall be informal and conformity to the legal rules of evidence shall not be required. Within seven (7) **calendar** days after the conclusion of the hearing, the Grievance Committee shall file a written decision with the Secretary, which shall be binding upon the unit owners.
- (d) Upon a determination by the Grievance Committee that a violation has occurred, the Board of Directors shall without limiting any other rights set forth in the By-Laws, impose a fine against the defaulting unit owner in the amount of **\$100** for the first violation. **If not paid within three (3) calendar days, \$10 per month will be added to the fine until the fine is paid in full and violation is corrected.** This fine shall constitute a lien against the unit until paid in full. **Subsequent violations will incur the same penalty as the first violation.**

The defaulting unit owner is also responsible for legal, attorney fees and any collection fees incurred by the association as a result of the unit owner's violation.

Section 11. Maintenance and Repair.

(a) All maintenance of and repairs to any unit (including replacement of window panes and glass doors, if any), structural or nonstructural, ordinary or extraordinary shall be made by the owner of such unit. Each unit owner shall be responsible for all damages to any other unit and to the common and limited common elements resulting from his negligence, misuse, misconduct or neglect.

(b) All maintenance, repairs and replacements to the common and limited common elements (unless necessitated by the negligence, misuse, misconduct or neglect of a unit owner, in which case such expense shall be charged to such unit owner) shall be made by the Board of Directors and be charged to all the unit owners as a common expense.

(c) Access to the Property from Highway 38 is provided by a public road known as Old Mill Drive. The Association, and the other owners of property abutting Old Mill Drive, are required by the City of Racine to maintain the planted areas of the right of way for Old Mill Drive. The Association's share of the cost of maintenance of the planted areas shall be paid by the Board of Directors and be charged to the unit owners as a common expense.

Section 12. Use of Property. In order to provide for congenial occupancy of the Property and for the protection of the values of the units, the use of the Property shall be subject to the following limitations:

(a) The units shall be used for residential purposes only. The garage shall not be used for any purpose other than as a garage.

(b) The common and limited common elements shall be used only for the purposes for which they are reasonably suited and which are incidental to the use and occupancy of units provided, however, that one or more unit owners may reserve the common elements for a temporary special use with the permission of the Board of Directors.

(c) No nuisances shall be allowed on the Property nor shall any use or practice be allowed which is a source of annoyance to its residents or which interferes with the peaceful possession or proper use of the Property by its residents.

(d) No unlawful use shall be made of the Property or any part thereof, and all valid laws, zoning ordinances and regulations of all governmental bodies having jurisdiction thereof shall be complied with. Such compliance shall be accomplished at the sole expense of the unit owners or the Board of Directors, whichever shall have the obligation to maintain or repair such portion of the Property.

(e) A unit owner shall not place any furniture, packages or objects in common elements unless permitted by the Board of Directors, except that a unit owner may place furniture, packages or objects in the courtyard, patio, yard or parking space assigned to his unit.

(f) No animals, livestock or poultry of any kind shall be raised, bred or kept on the Property, except that each unit owner may keep one dog or cat per unit and other small household pets (such as fish, canaries or parakeets) provided that they are not kept, bred or maintained for any commercial purposes. No pet shall be permitted which causes an unreasonable disturbance. Any pet excrement in common elements shall be removed immediately by the owner of the unit in which the pet resides. Dogs and cats may be walked on a leash in the common elements.

(g) No more than three people shall reside permanently in any Type A unit and no more than four people shall reside permanently in any Type B unit.

(h) No landscaping, including but not limited to trees, bushes, flowerbeds and vegetable gardens, shall be removed from or installed in the limited common elements of any unit without the prior written approval of the Board of Directors. The removal and installation and, unless determined otherwise by the Board of Directors, the maintenance, repair and replacement of said landscaping shall be made by the unit owner at his expense.

Section 13. Additions, Alterations or Improvements by Board of Directors. Whenever in the judgment of the Board of Directors the common and limited common elements shall require additions, alterations or improvements costing in excess of \$5,000 and the making of such additions, alterations or improvements shall have been approved by a majority of unit owners, the Board of Directors shall proceed with such additions, alterations or improvements and shall assess

all unit owners for the cost thereof as a common expense. Any additions, alterations or improvements costing \$5,000 or less may be made by the Board of Directors without approval of the unit owners and the cost thereof shall constitute a common expense.

Section 14. Structural Additions, Alterations or Improvements by Unit Owners. A unit owner may make additions, improvements or alterations within his unit which do not impair the structural integrity or lessen the support of any portion of the Property. No unit owner shall make any change in, nor affix anything to, the exterior of the building containing his unit or of any portion of the Property. The Board of Directors shall not be liable to any contractor, subcontractor or materialman or to any person sustaining personal injury or property damage, for any claim arising in connection with such additions, alterations or improvements. The provisions of this section shall not apply to units owned by the Declarant until such units shall have been conveyed by the Declarant.

Section 15. Rules of Conduct. Rules and regulations concerning the use of the units and the common and limited common elements may be promulgated and amended by the Board of Directors with the approval of a majority of unit owners. Copies of such rules and regulations shall be furnished by the Board of Directors to each unit owner prior to their effective date.

Section 16. Water and Sewer Charges. Municipal water and sewer services shall be supplied to all of the units and the common elements, and shall be separately metered for each building. The Board of Directors shall pay the bills for water consumed or used in or in connection with the common elements, including any charge for fire hydrants located on the Property, as a common expense. The Board of Directors shall pay the bills for water consumed or used in or in connection with the buildings and the sewer charge for the buildings and shall charge each unit owner of each building for his pro rata share of the bill for the building to be determined according to the ratio of the number of bedrooms in the unit to the total number of bedrooms in the building.

Section 17. Electricity and Gas. Electricity and gas required to service the units and the common elements are supplied by the public utility companies serving the

area. The Board of Directors shall pay the bills for gas and electricity consumed or used in or in connection with the common elements as a common expense. Electricity and gas are separately metered for each unit. Each unit owner shall pay the bills for electricity and gas consumed or used in or in connection with his unit. The sum of \$1.50 shall be paid each month by the Association to those unit owners whose electricity is used to operate the sump pumps in each building. The amount of said sum may be adjusted from time to time by the Board of Directors to approximate as closely as possible the cost of said electricity.

Section 18. Right of Access. A unit owner shall grant a right of access to his unit to the manager, the managing agent, and any other person authorized by the Board of Directors, the manager or the managing agent to make inspections, to correct any condition originating in his unit and threatening another unit or the common or limited common elements, to install, alter or repair mechanical or electrical services or other common or limited common elements in his unit or elsewhere in the building, and to correct any condition which violates the provisions of any mortgage covering another unit. Requests for such entry shall be made in advance and such entry shall be scheduled for a time reasonably convenient to the unit owner. However, in case of an emergency, such right of entry shall be immediate, whether the unit owner is present at the time or not.

ARTICLE VI

Mortgages

Section 1. Mortgage of Units. Each unit may be separately mortgaged.

Section 2. Notice to Board of Directors. A unit owner who mortgages his unit shall notify the Board of Directors of the name and address of his mortgagee and shall file a conformed copy of the note and mortgage with the Board of Directors. The Board of Directors shall maintain such information in a book entitled "Mortgages of Units".

Section 3. Notice of Unpaid Common Expenses. The Board of Directors, whenever so requested in writing by a mortgagee of a unit, shall promptly report any then unpaid common expenses or other default by the owner of the mortgaged unit.

Section 4. Notice of Default. The Board of Directors, when giving notice to a unit owner of a default in paying common expenses or other default, shall send a copy of such notice to each holder of a mortgage covering such unit whose name and address has theretofore been furnished to the Board of Directors.

Section 5. Examination of Books. Each unit owner and each mortgagee of a unit shall be permitted to examine the books of account of the Association at reasonable times, on business days, but not more often than once a month.

Section 6. Land Contracts. For purposes of this Article VI and elsewhere in these By-Laws, land contract vendors and vendees shall have the same rights as mortgagees and mortgagors,, respectively.

ARTICLE VII

Sales and Leases of Units

Section 1. Sales and Leases. Unit owners may sell or lease their units or any interest therein provided the provisions of this Article are complied with. A unit owner's sale of his unit shall include the sale of (a) the undivided percentage interest in the common and limited common elements appurtenant thereto; (b) the interest of such unit owner in any units theretofore acquired by the Association, or its designee, on behalf of all unit owners, or the proceeds of the sale or lease thereof, if any; and (c) the interest of such unit owner in any other assets of the Association ((a), (b) and (c) hereinafter collectively called the "appurtenant interests").

Section 2. No Severance of Ownership. No unit owner shall execute any deed, mortgage or other instrument conveying or mortgaging title to his unit without including therein the appurtenant interests, it being the intention hereof to prevent any severance of such combined ownership. Any such deed, mortgage or other instrument purporting to affect one or more of such interests, without including all such interests, shall be deemed and taken to include the interest or interests so omitted, even though the latter shall not be expressly mentioned or described therein. No part of the appurtenant interests of any unit may be sold, transferred, or otherwise disposed of, except as a part of a sale, transfer or other disposition of the unit to which

Riverwood By-law, Page 23, ARTICLE VII, Section 5. Rental.,
Amended June, 1996:

Unit Owners may rent their units by written lease to whoever and on whatever terms and conditions as they so desire, provided that each lease shall be in writing and no lease shall be for a term of less than six (6) months. Each lease shall include a provision that all tenants shall be bound by the terms and conditions contained in the Declarations and By-laws of the Condominium and the Rules and Regulations adopted by the Association as those instruments are amended from time to time. At the time a Unit is leased, the Unit Owner shall immediately provide the Association with the following: 1) a copy of the lease which shall contain the name, address and telephone number of each tenant; 2) a written certification executed by the tenant(s) which acknowledges that the tenant(s) have reviewed the Declaration, By-laws and Rules and Regulations and agree to be bound by the terms and conditions of those documents as amended from time to time; 3) a written notification of the new permanent address and telephone number for the Unit Owner; 4) a written verification executed by the Unit Owner which acknowledges that the Unit Owner shall remain liable for a violation of any term or condition of the Declaration, By-laws, or Rules and Regulations by any tenant of that Unit Owner.

such interests are appurtenant, or as part of a sale, transfer or other disposition of such part of the appurtenant interests of all units.

Section 3. Financing of Purchase of Units by Association. Acquisition of units by the Association or its designee, on behalf of all unit owners, may be made from the working capital and assessments for common expenses in the hands of the Board of Directors, or if such funds are insufficient, the Association may borrow money to finance the acquisition of such unit; provided, however, that no financing may be secured by an encumbrance or hypothecation of any property other than the unit so to be acquired by the Association. Title to any real or personal property acquired by the Association shall be taken in the name of the Association. The Association shall act to borrow money, and acquire and convey property in the same manner as corporations formed under Chapter 181, Wisconsin Statutes.

Section 4. Waiver of Right of Partition With Respect to Units Acquired by Association. In the event that a unit shall be acquired by the Association or its designee, on behalf of all unit owners as tenants in common, all such unit owners shall be deemed to have waived all rights of partition with respect to such unit.

Section 5. Rental. Unit owners may rent their units by written lease to whomever and on whatever terms and conditions as they so desire provided the Association is given notice of the name and permanent address of the tenants and further provided that the lease specifically obligates the tenant to abide by the Declaration, these By-Laws and rules and regulations promulgated thereunder. *amended June, '96*

Section 6. Payment of Assessments. No unit owner shall be permitted to convey, mortgage, pledge, hypothecate, sell or lease his unit unless and until he shall have paid in full to the Association all unpaid common expenses there-tofore assessed by the Board of Directors against his unit.

ARTICLE VIII

Condemnation

Section 1. Common Elements. In the event of a taking in condemnation or by eminent domain of part or all of the common elements of the Property, the award made for such taking shall be payable to the Association if such

award amounts to \$10,000 or less, otherwise it shall be payable to the insurance trustee. The Association shall promptly undertake to restore the common elements. The proceeds of the award shall be disbursed to effect such restoration and any costs in excess of the award shall be a common expense. The Board of Directors shall effect such restoration in accordance with paragraph (a) of section 3, Article V of these By-Laws.

Section 2. Units. In the event of a taking in condemnation or by eminent domain of any of the units, the Association by vote of a majority of unit owners of the Condominium within 90 days of payment of the award (or other payment if conveyed in lieu of such taking) shall determine whether to proceed with repair or reconstruction. If the Association determines to repair or reconstruct, the Board of Directors shall effect such repair or reconstruction in accordance with paragraph (a) of section 3, Article V of these By-Laws. Any cost of repair or reconstruction in excess of the award shall be a common expense. If the Association determines not to repair or reconstruct or fails to vote within said 90-day period, the entire net proceeds shall be disbursed to those unit owners whose units have been taken in proportion to the percentage of interest in the common elements appertaining to their respective units. If any such unit owner is in default in paying common expenses, the amount of said common expenses shall be deducted from his share of the proceeds. Upon receipt of his share of the proceeds, each unit owner shall execute a release, in form satisfactory to the Association, of their undivided percentage interest in the common elements and shall thereafter no longer be considered a unit owner. The interests of the remaining unit owners in the common elements shall be recomputed by the Board of Directors, whose decision shall be final, to reflect said releases.

ARTICLE IX

Records

Section 1. Records and Reports. The Board of Directors or the managing agent shall keep detailed records of the actions of the Association and the Board of Directors, minutes of the meetings of the Board of Directors, minutes of the meetings of the unit owners, and financial records, and books of account of the Association, including a chronological listing of receipts and expenditures, as well as a

separate account of each unit which, among other things, shall contain the amount of each assessment of common expenses against such unit, the date when due, the amounts paid thereon, and the balance remaining unpaid. A written report summarizing all receipts and expenditures of the Association shall be rendered by the Board of Directors to all unit owners at least semiannually. In addition, an annual report of the receipts and expenditures of the Association, prepared by an independent certified public accountant which report need not be certified, shall be rendered by the Board of Directors to all unit owners and to all mortgagees of units who have requested the same, promptly after the end of each fiscal year.

ARTICLE X

Miscellaneous

Section 1. Notices. All notices to the Board of Directors or the Association shall be sent by registered or certified mail, c/o the managing agent, or if there is no managing agent, to the office of the Association or to such other address as the Board of Directors may hereafter designate from time to time. Except when delivered in person, all notices to any unit owner shall be mailed or hand delivered to his unit or to such other address as may have been designated by him from time to time, in writing, to the Board of Directors. All notices to mortgagees of units shall be mailed or hand delivered to their respective addresses, as designated by the unit owners to the Board of Directors. All notices shall be deemed to have been given when mailed, except notices of change of address which shall be deemed to have been given when received. Notices to the unit owners or their mortgagees need not be mailed by registered or certified mail.

Section 2. Invalidity. The invalidity of any part of these By-Laws shall not impair or affect in any manner the validity, enforceability or effect of the balance of these By-Laws.

Section 3. Captions. The captions herein are inserted only as a matter of convenience and for reference, and in no way define, limit or describe the scope of these By-Laws or the intent of any provision thereof.

Section 4. Gender. The use of the masculine gender in these By-Laws shall be deemed to include the

feminine gender and the use of the singular shall be deemed to include the plural, whenever the context so requires.

Section 5. Waiver. No restriction, condition, obligation or provision contained in these By-Laws shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches thereof which may occur.

Section 6. Insurance Trustee. The insurance trustee shall be a bank in the State of Wisconsin, designated by the Board of Directors and having a capital, surplus and undivided profits of \$500,000 or more. The Board of Directors shall pay the fees and disbursements of any insurance trustee and such fees and disbursements shall constitute a common expense.

Section 7. Conflicts. These By-Laws are set forth to comply with the requirements of the Wisconsin Condominium Ownership Act. In case any of these By-Laws conflict with the provisions of such Act, the provisions of such Act shall control. In case any of these By-Laws conflict with the provisions of the Declaration, the Declaration shall control.

ARTICLE XI

Amendments to By-Laws

Section 1. Amendments to By-Laws. These By-Laws may be modified or amended by vote of at least 67% of the authorized votes of all unit owners, such vote to be taken at a meeting of unit owners duly held for such purposes.

ARTICLES OF INCORPORATION

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ARTICLES OF INCORPORATION
OF
RIVERWOOD CONDOMINIUM HOMES ASSOCIATION, INC.

I, the undersigned, being a natural person over the age of 21 years and acting as incorporator of a nonstock, nonprofit corporation under the provisions of the Wisconsin Nonstock Corporation Law, Chapter 181 of the Wisconsin Statutes, do hereby adopt the following as the Articles of Incorporation of such corporation:

ARTICLE I

Name

The name of the Corporation shall be Riverwood Condominium Homes Association, Inc.

ARTICLE II

Period of Existence

The period of existence of the Corporation shall be perpetual.

ARTICLE III

Purposes

The purposes for which this Corporation is organized are as follows:

(a) To serve as an association of unit owners under the Wisconsin Condominium Ownership Act who own certain residential property located in Racine County, State of Wisconsin (the "Property") subject to the terms and conditions of the Declaration of Condominium as the same may be amended from time to time (the "Declaration") for Riverwood Condominium (the "Condominium") as recorded in the office of the Register of Deeds for Racine County, Wisconsin;

(b) To serve as a means through which the unit owners may collectively and efficiently manage, maintain, reconstruct and care for the Property in accordance with the Wisconsin Condominium Ownership Act and the Declaration; and

(c) To engage in any lawful activity related to the foregoing within the purposes for which a nonstock, nonprofit corporation may be organized under the Wisconsin Nonstock Corporation Law, Chapter 181 of the Wisconsin Statutes, subject to the Wisconsin Condominium Ownership Act and the Declaration.

ARTICLE IV

Powers

The Corporation shall have all of the powers enumerated in the Wisconsin Nonstock Corporation Law, to the extent not inconsistent with the Wisconsin Condominium Ownership Act, the Declaration and the By-Laws of the Corporation, including without limitation, the following:

(a) To exercise exclusive management and control of the common elements described in the Declaration;

(b) To operate, repair, replace, reconstruct, protect and maintain the common elements described in the Declaration;

(c) To purchase, lease or otherwise acquire units on behalf of all the unit owners and to sell, lease, mortgage, vote the votes appurtenant to, and otherwise deal with said units so acquired on behalf of all the unit owners;

(d) To hire, engage or employ and discharge such persons or entities as it may deem necessary or advisable to assist in the management of its affairs and the maintenance and operation of the Property;

(e) To determine, levy and collect assessments against the unit owners and use the proceeds thereof in the exercise of its powers and duties, including without limitation, the payment of operating expenses of the Corporation and the common expenses relating to the maintenance, repair, replacement, reconstruction, operation and protection of the common elements described in the Declaration;

(f) To purchase insurance on the Property and insurance for the benefit of the Corporation and its members;

(g) To adopt and amend rules and regulations governing the use and operation of the Property;

(h) To enforce by legal means the provisions of the Wisconsin Condominium Ownership Act, the Declaration, the By-Laws of the Corporation and any rules and regulations governing the use and operation of the Property;

(i) To establish and maintain one or more bank accounts for deposit and withdrawal of the funds of the Corporation; and

(j) To do all things necessary or convenient to effectuate the purposes of the Corporation.

ARTICLE V

Members

There shall be one class of members designated as "unit owners". The rights and qualifications of members are set forth in the By-Laws of the Corporation.

ARTICLE VI

Principal Office and Registered Agent

The location of the principal office of the Corporation shall be 2736 Old Mill Drive, Racine, Wisconsin 53405, and the initial registered agent shall be Carl W. Korndoerfer. The address of the initial registered agent is 7900 Durand Avenue, P. O. Box 366, Sturtevant, Wisconsin 53177.

ARTICLE VII

Directors

The number of directors of the Corporation shall be fixed in the By-Laws of the Corporation and in no event shall be less than three. The manner in which directors shall be selected, appointed and removed shall be set forth in the By-Laws of the Corporation.

The number of directors constituting the initial Board of Directors shall be three, and the names and addresses of the initial directors are:

Carl W. Korndoerfer
7900 Durand Avenue
Sturtevant, Wisconsin 53177

C. W. Korndoerfer
7900 Durand Avenue
Sturtevant, Wisconsin 53177

Merll Korndoerfer
7900 Durand Avenue
Sturtevant, Wisconsin 53177

ARTICLE VIII

Incorporator

The name and address of the incorporator of the Corporation are:

Kathleen Hyland, Esq.
c/o Reinhart, Boerner, Van Deuren
Norris & Rieselbach, s.c.
1800 Marine Plaza
Milwaukee, Wisconsin 53202

ARTICLE IX

Dissolution

The Corporation shall not have or issue shares of stock. No dividend shall ever be paid and no part of the net earnings, assets or surplus of the Corporation shall inure to the benefit of or be distributed to its members, directors, officers or any other private individual other than by a rebate of excess membership dues, fees or assessments. The Corporation may pay compensation in reasonable amounts to employees, members, directors or officers for services rendered and may confer benefits upon its members in conformity with its purposes and to the extent not prohibited in its By-Laws.

Executed in duplicate this 2 day of July,
1979.

Kathleen Hyland
Kathleen Hyland, Incorporator

Personally came before me this 2nd day of July, 1979, the above-named Kathleen Hyland, known to me to be the person whose name is subscribed to the foregoing Articles of Incorporation, and he acknowledged that he executed the same for the purposes therein contained.

(Allen N. Rieselbach)
Notary Public, State of Wisconsin
My commission is permanent.

Please return to: Kathleen Hyland, Esq.
1800 Marine Plaza
Milwaukee, WI 53202