

**ARTICLES OF INCORPORATION
OF
CREEKWOOD CONDOMINIUMS OF MENOMONEE FALLS, INC.**

TABLE OF CONTENTS

Article I.	Name.	73
Article II.	Period of Existence.	73
Article III.	Purpose.	73
Article IV.	Powers.	74
Article VI.	Directors.	74
Article VII.	Registered Address and Initial Registered Agent.	75
Article VIII.	Incorporator.	75
Article IX.	Amendments.	75
Article X.	Stock and Dividends.	75

Executed by the undersigned for the purpose of forming a Wisconsin nonstock corporation under Ch. 181 of the Wisconsin Statutes, repealed and recreated by 1997 Wisconsin Act 79:

Article I. Name.

The name of the corporation shall be: "Creekwood Condominiums of Menomonee Falls, Inc."

Article II. Period of Existence.

The corporation shall exist perpetually.

Article III. Initial Principal Office.

The Initial Principal Office of the corporation shall be located at 225 East Mason Street, Milwaukee, WI 53202

Article IV. Purpose.

The purposes for which the corporation is organized are as follows:

- (a) To serve as an association of unit owners who own real estate and improvements under the condominium form of use and ownership as provided in Chapter 703 of the Wisconsin Statutes, commonly known as the Condominium Ownership Act, as the same may be amended, renumbered or renamed from time to time, hereafter referred to as the "Act," and subject to the terms and conditions of the Declaration of "Creekwood, a

Condominium¹ as recorded in the office of the Register of Deeds for Waukesha County, Wisconsin;

(b) To provide for the administration, maintenance, preservation and control of Creekwood Condominium, in accordance with and in furtherance of the Declaration of Condominium of the condominium created under and pursuant to the Act; and

(c) To engage in any lawful activity within the purposes for which corporations may be organized under The Wisconsin Nonstock Corporation Law, Chapter 181 of the Wisconsin Statutes, as the same now provides and as the same may hereafter be amended to provide, subject to the Act and the Declaration of "Creekwood, a Condominium."

Article V. Powers.

The corporation shall have and exercise all necessary or convenient powers enumerated in The Wisconsin Nonstock Corporation Law, Chapter 181 of the Wisconsin Statutes, to the extent not inconsistent with the Condominium Ownership Act, Chapter 703 of the Wisconsin Statutes, the Declaration of "Creekwood Condominium" or the Bylaws of the corporation, to effect its purposes.

The corporation shall have one (1) class of members. The designation of such class, the qualifications, rights, and method of acceptance of members shall be set forth in the Bylaws of the corporation. Membership shall be terminated and members may be expelled as set forth and in the manner provided in the Bylaws of the corporation. Transfer of membership, or any right arising there from, is permitted as set forth and in the manner provided in the Bylaws of the corporation. The right of a member to vote may be limited, enlarged or denied to the extent specified in the Bylaws of the corporation.

Article VI. Directors.

The number of directors constituting the initial Board of Directors shall be three (3). Thereafter, the number of directors constituting the Board of Directors and their election and/or appointment shall be fixed by or in the manner provided in the Bylaws of the corporation. The initial Board of Directors shall consist of the following individuals:

Mr. J. Timothy Graf
Fiduciary Real Estate Development, Inc.
225 East Mason Street
Milwaukee, WI 53202

Mr. William R. Arpe
Fiduciary Real Estate Development, Inc.
225 East Mason Street
Milwaukee, WI 53202

Mr. Craig A. Raddatz
Fiduciary Real Estate Development, Inc.
225 East Mason Street
Milwaukee, WI 53202

Article VII. Registered Address and Initial Registered Agent.

The registered address of the corporation is:

225 East Mason Street
Milwaukee, WI 53202

The name of the initial registered agent at such address is:

Mr. J. Timothy Graf

Article VIII. Incorporator.

The incorporator's name and address is: Bruce A. McInay, Maier, McInay & Schnitt, Ltd., 101 Falls Road, Suite 603, Grafton, WI 53024

Article IX. Amendments.

These articles may be amended, at any time, in the manner authorized by the provisions of The Wisconsin Nonstock Corporation Law, Chapter 181 of the Wisconsin Statutes, in effect at the time of such amendment.

Article X. Stock and Dividends.

The corporation shall not have or issue shares of stock. No dividend shall ever be paid and no part of the assets or surplus of the corporation shall be distributed to the members, directors, or officers except upon dissolution of the corporation. In the event of dissolution of the corporation, all assets, after payment of liabilities, shall be distributed

PROPERTY MANAGEMENT AGREEMENT

Agreement made September 1, 2001, between Creekwood Condominiums of Menomonee Falls, Inc., a corporation organized under the laws of the State of Wisconsin, having its principal office at 225 East Mason Street, Milwaukee, Wisconsin, herein referred to as Association, and Fiduciary Real Estate Development, Inc., a corporation organized under the laws of the State of Wisconsin, having its principal office at Suite 900 , 225 East Mason Street, Milwaukee, Wisconsin, herein referred to as Agent.

RECITALS

A. Association operates and governs the following-described real property: Creekwood, a Condominium, located in the Village of Menomonee Falls, County of Waukesha, hereinafter referred to as the Property.

B. Agent is experienced in the business of managing real estate similar to the Property.

C. Association desires to engage the services of Agent to manage and operate the Property, and Agent desires to provide such services on the following terms and conditions.

In consideration of the mutual covenants contained herein, the parties agree:

SECTION ONE. EMPLOYMENT OF AGENT

Agent shall act as the exclusive agent of Association to manage and maintain the Property.

SECTION TWO. MAINTENANCE, REPAIRS AND OPERATIONS

Agent shall use its best efforts to insure that the Property is maintained in an attractive condition and in a good state of repair. In this regard, Agent shall use its best skills and efforts to serve the Unit Owners of the Property and shall purchase necessary supplies, make contracts for, or otherwise furnish, electricity, gas, fuel, water, telephone, window cleaning, refuse disposal, pest control, and any other utilities or services required for the management of the Property. Agent shall make or cause to be made and supervise necessary repairs and alterations to the Property. Expenditures for repairs and alterations in excess of five thousand Dollars (\$5,000) shall not be made without prior written consent of Association, except in the case of emergency, or if Agent in good faith determines that such expenditures are necessary to protect the Property from damage, to prevent injury to persons or loss of life, or to maintain services to Unit Owners.

SECTION THREE. GOVERNMENT REGULATIONS

Agent shall manage the Property in full compliance with all laws and regulations of any federal, state, county or municipal authority having jurisdiction over the Property.

SECTION FOUR. INSURANCE

4.1. Agent shall obtain the insurance, at the expense of Association, required by the Bylaws of the Association and such insurance shall be maintained in force during the full term of this agreement:

4.2. All of the policies shall name Agent and Association as co-insureds as their respective interests may appear. Agent shall deliver certificates evidencing such insurance coverage to Association within 90 days from the issuance and renewal of the policies. Association shall cooperate with Agent and any insurer in the making and delivery of all reports, notices, and other items required in connection with any of the insurance policies.

SECTION FIVE. RECORDS AND REPORTS

Agent will keep books, accounts and records that reflect all revenues and all expenditures incurred in connection with the management of the Property. The books, accounts and records shall be maintained at the principal place of business of Agent. Agent shall, during regular business hours, make the books, accounts and records required to be maintained hereunder available to Association or the representatives of Association for examination by appointment on no less than five days' prior notice. All such examinations shall be at the expense of Association.

SECTION SIX. COMPENSATION OF AGENT

Agent shall receive a management fee \$8.00 per unit per month payable as to each unit in the first calendar month following the month in which the original sale of the unit is closed. Any management fee due Agent hereunder shall be paid to Agent within ten (10) days after the end of each month.

SECTION SEVEN. ADDITIONAL DUTIES AND RIGHTS OF AGENT

7.1. In addition to the foregoing, Agent shall perform all services that are necessary and proper for the management of the Property, and shall report to Association promptly

any conditions concerning the Property that, in the opinion of Agent, require the attention of Association.

7.2. In order to properly perform the services required by this agreement, Agent is authorized to engage, on behalf of Association, any entity that is an affiliate of Agent, provided that the compensation paid for the services shall be competitive with nonaffiliated entities providing the same or similar services.

SECTION EIGHT. TERMINATION AND RENEWAL

This agreement shall be for a term commencing on September 1, 2001 and ending on December 31, 2001. At the termination of this agreement, it shall be renewed automatically for terms of one year each that may be terminated by either party by giving not less than 90 days' notice in writing to the other party.

SECTION NINE. TERMINATION FOR CAUSE

If Agent breaches any of the terms of this agreement, Association shall give Agent written notice of such breach. If Agent fails to remedy the breach within 30 days after receiving the above-described notice, Association may terminate this agreement.

SECTION TEN. AGENT AS INDEPENDENT CONTRACTOR

Agent is an independent contractor and not an employee of Association for any purpose.

SECTION ELEVEN. NOTICE

All notices, requests, demands or other communications hereunder shall be in writing, and shall be deemed to have been duly given if delivered in person, or within 2 days after deposited in the United States mail, postage prepaid, certified, with return receipt requested, or otherwise actually delivered to the parties' respective addresses as first listed above. Either party hereto may change the address at which it receives written notices by so notifying the other party hereto in writing.

SECTION TWELVE. PARTIES BOUND; ASSIGNMENT

This agreement shall be binding on and inure to the benefit of the parties hereto, and their respective successors and assigns; provided, however, that this agreement may not be assigned by Agent without prior written consent of Association, or by Association without prior written consent of Agent. Anything in the foregoing to the contrary notwithstanding, Agent may, without the consent of Association, delegate the

performance of (but not responsibility for) any duties and obligations of Agent to any independent contractor or entity.

SECTION THIRTEEN. EFFECT OF PARTIAL INVALIDITY

Should any section or any part of any section of this agreement be rendered void, invalid or unenforceable for any reason by any court of law exercising competent jurisdiction, such a determination shall not render void, invalid or unenforceable any other section or any part of any section in this agreement.

SECTION FOURTEEN. CHOICE OF LAW

This agreement has been made and entered into in the State of Wisconsin, and the laws of such state shall govern the validity and interpretation of this agreement and the performance due hereunder.

SECTION FIFTEEN. INTEGRATION

The drafting, execution and delivery of this agreement by the parties have been induced by no representations, statements, warranties or agreements other than those expressed in this agreement. This agreement embodies the entire understanding of the parties, and there are no further or other agreements or understandings, written or oral, in effect between the parties relating to the subject matter hereof unless expressly referred to in this agreement.

SECTION SIXTEEN. ARBITRATION

In case of any dispute regarding any terms or performance of the terms of this agreement, the dispute shall be subject to arbitration in accordance with the commercial rules and regulations then obtaining under the American Arbitration Association, including optional rules for emergency relief, in the City of Milwaukee, State of Wisconsin.

SECTION SEVENTEEN. MODIFICATION

This agreement may not be modified unless such modification is in writing and signed by both parties to this agreement.

IN WITNESS WHEREOF, the parties have executed this agreement the day and year first above written.

Fiduciary Real Estate Development, Inc.

By: _____ /s/ _____
William R. Arpe, President

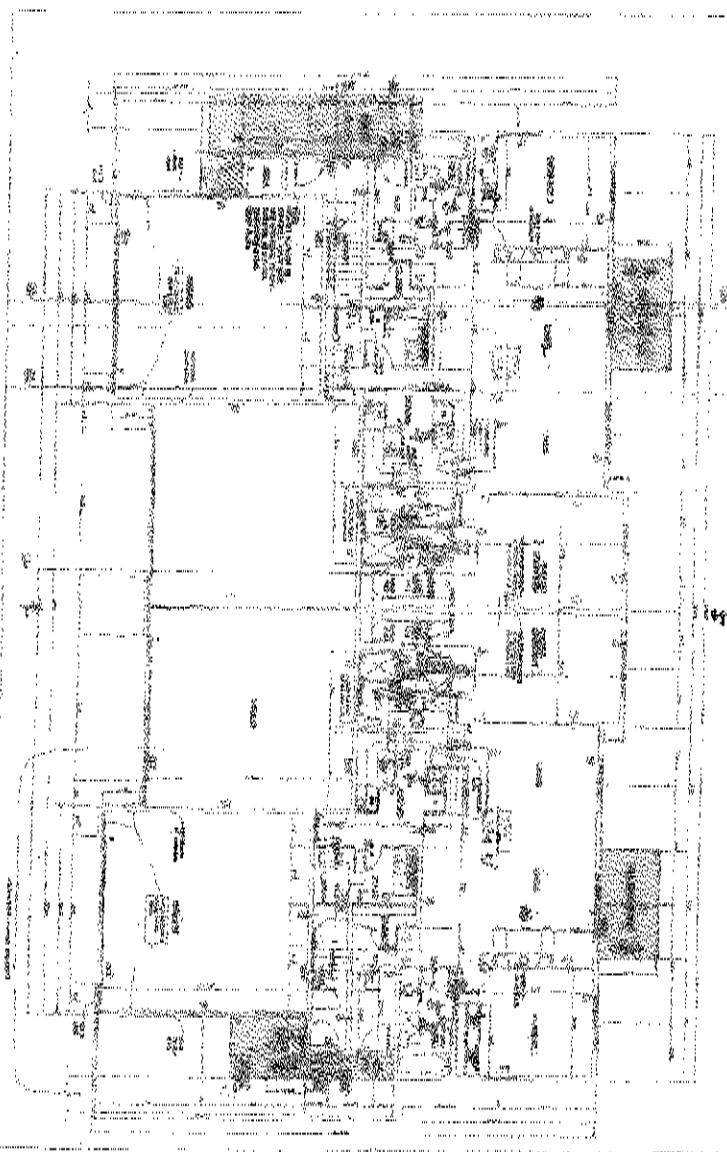
Association

By: _____ /s/ _____
Bruce A. McInay, Secretary

FLOOR PLANS AND MAP

The map of the condominium, including expansion plans, is attached as Exhibit A to the Declaration. The floor plans appear below.

10/17/2007
 10/17/2007
 10/17/2007
 10/17/2007



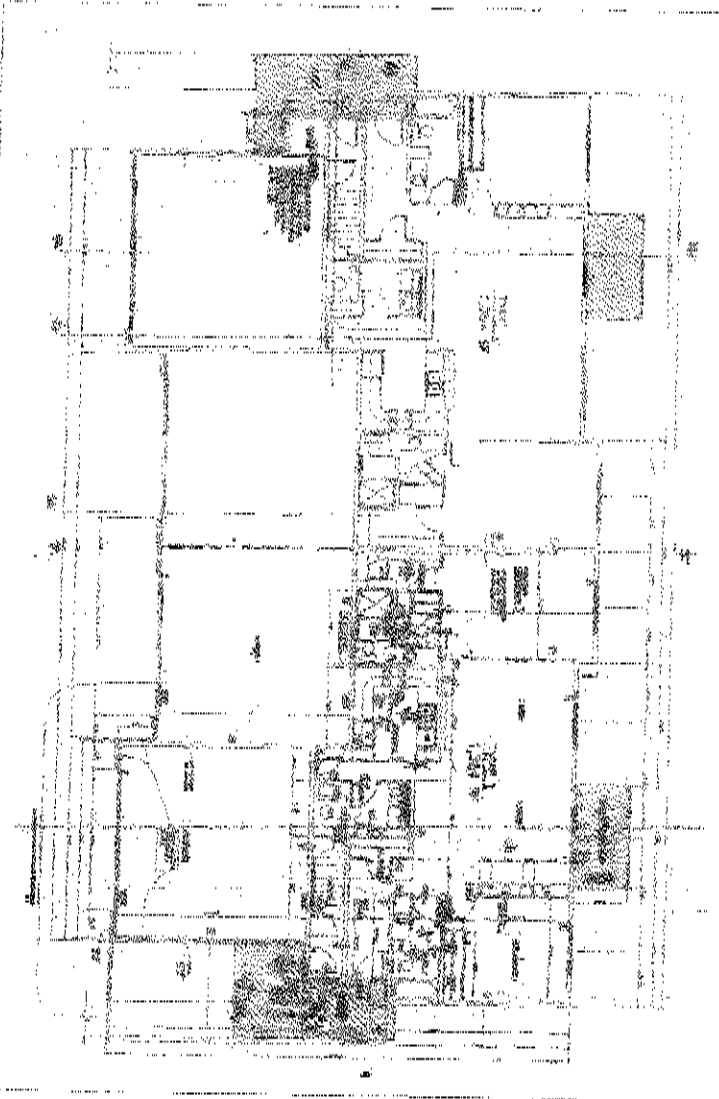
CREEKWOOD CONDOMINIUM
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EXHIBIT
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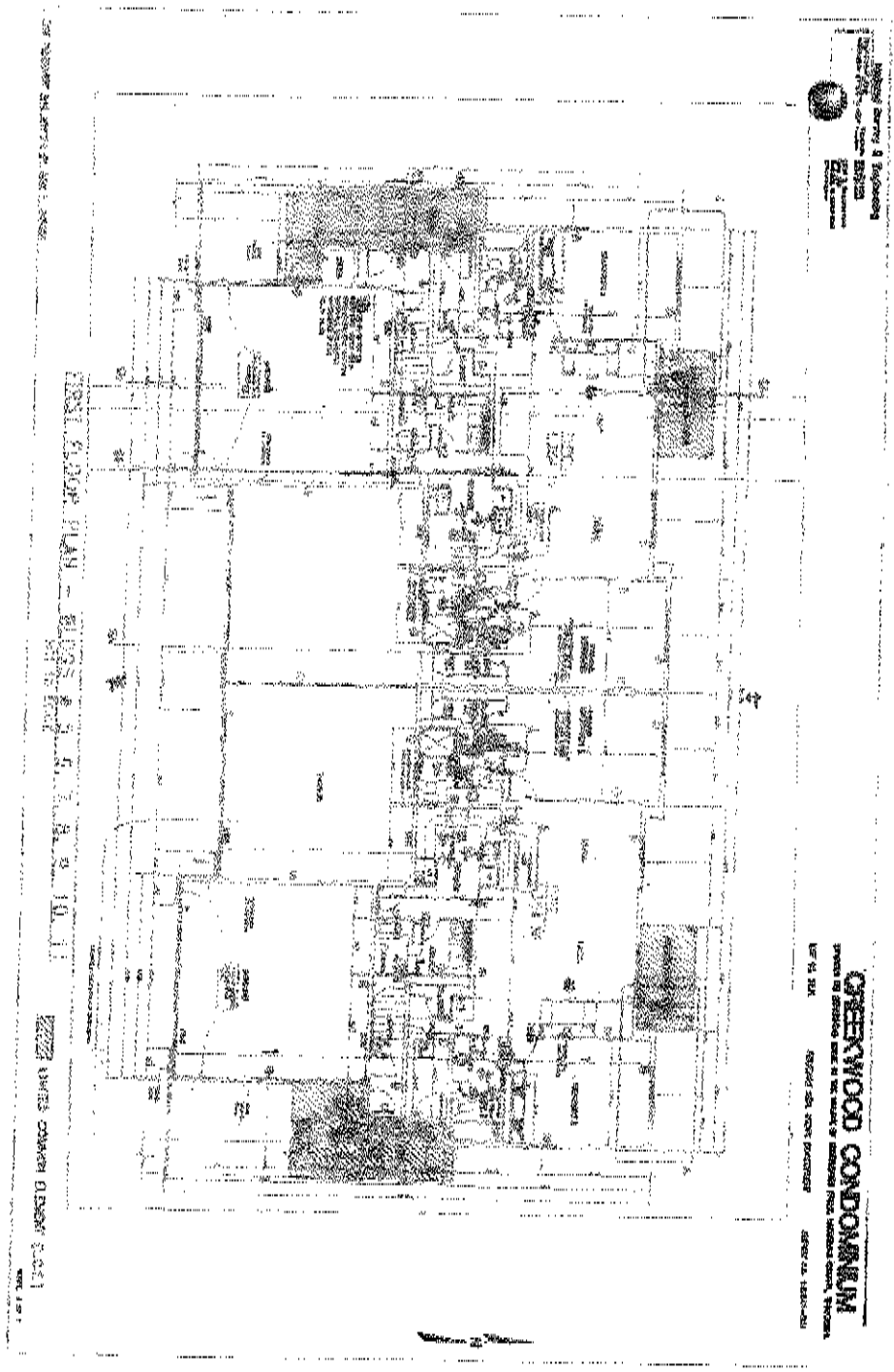
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 1000 PERRY 1, Spokane
 1000 PERRY 1, Spokane



FIRST FLOOR PLAN - 2000-2-4
 NOT TO SCALE

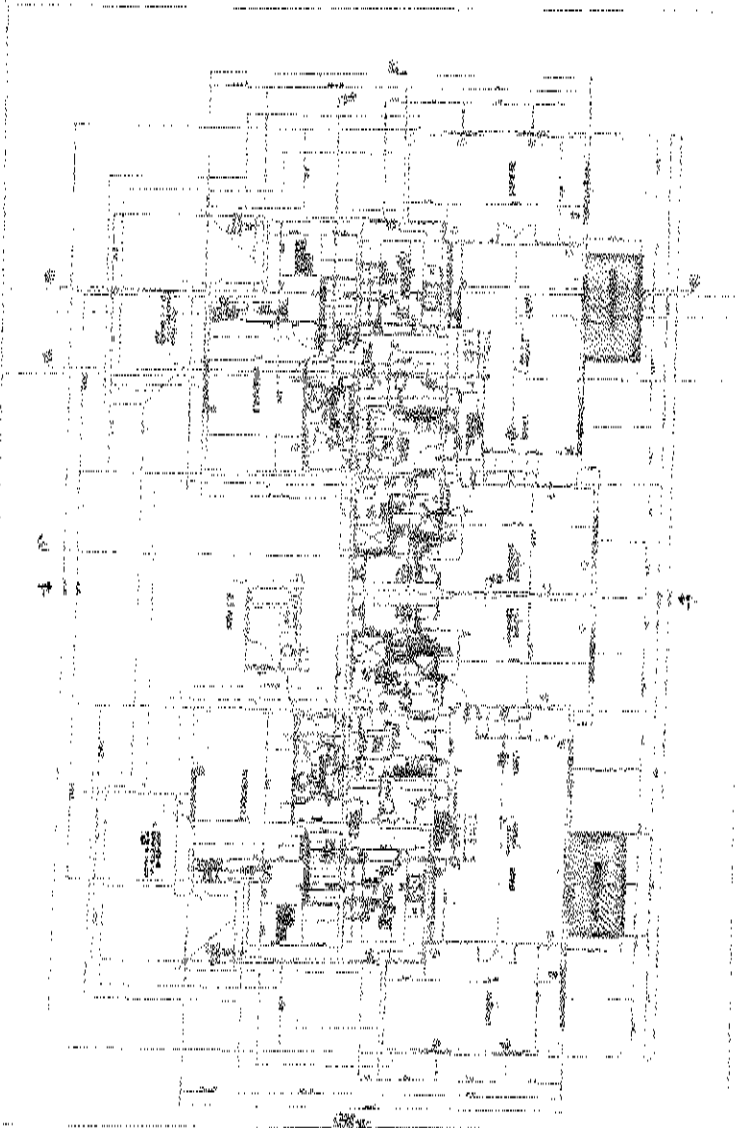
(UNIT) CONDO UNIT (UNIT)

GREEMWOOD CONDOMINIUM
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 1000 PERRY 1, Spokane
 1000 PERRY 1, Spokane





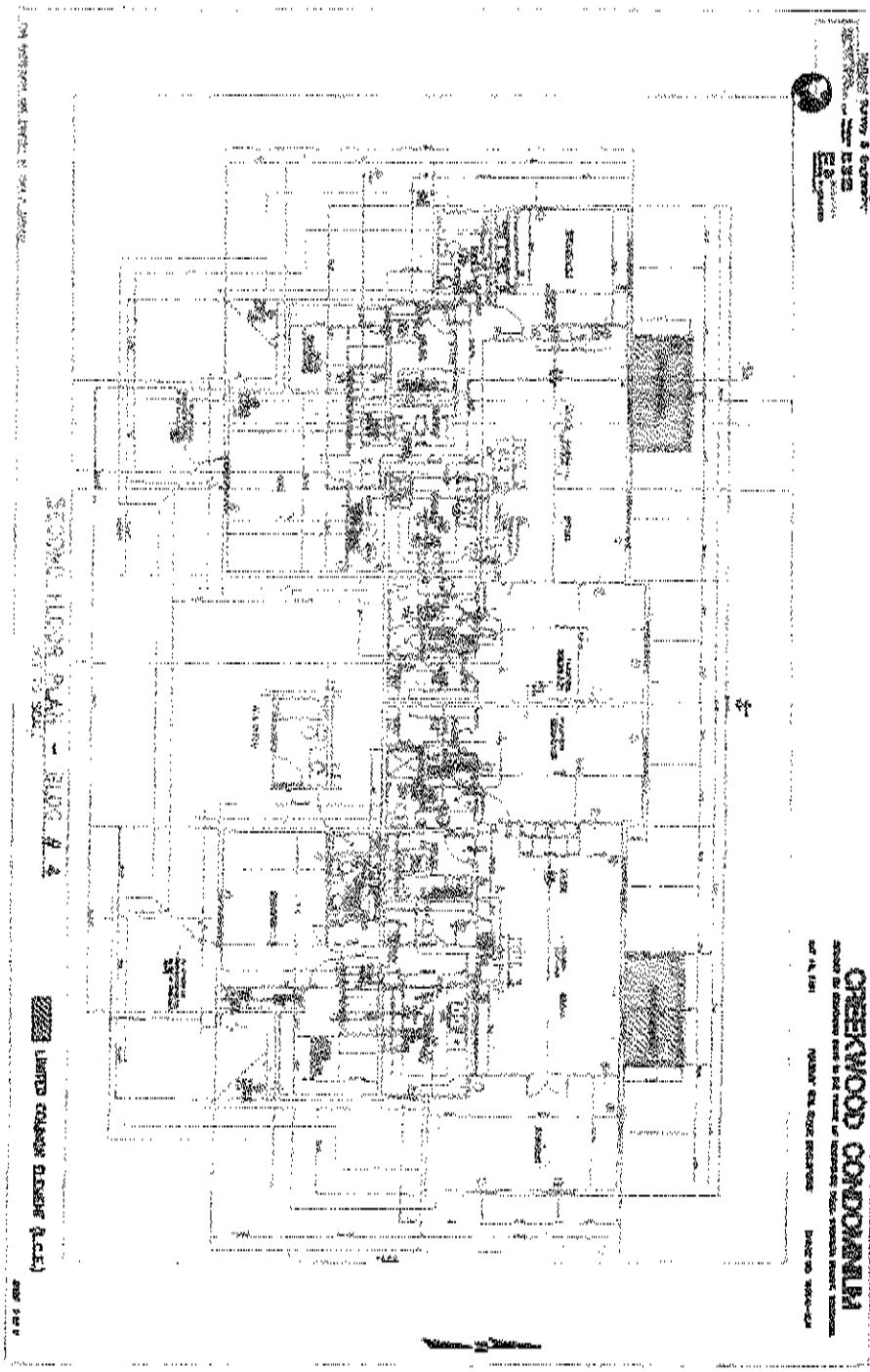
GREENWOOD CONDOMINIUM
 PROJECT NO. 10001
 10/1/83
 10001 10/1/83



10001 10/1/83

SECOND FLOOR PLAN - 10001 10/1/83

10001 10/1/83

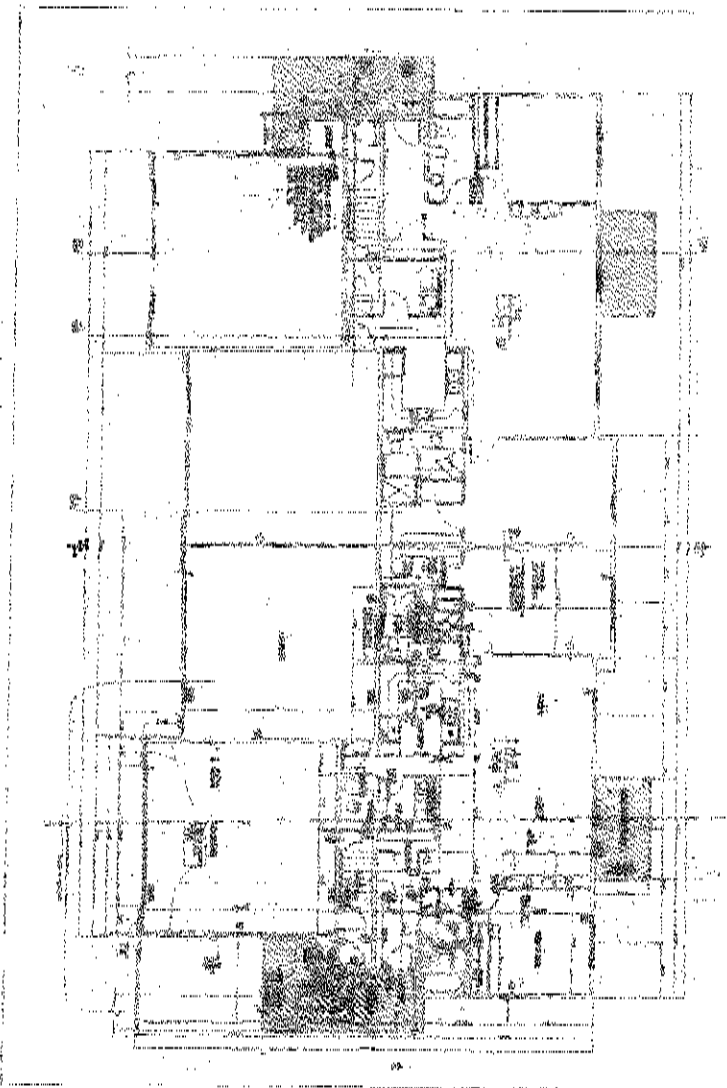


Survey & Engineering
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GREENWOOD CONDOMINIUM
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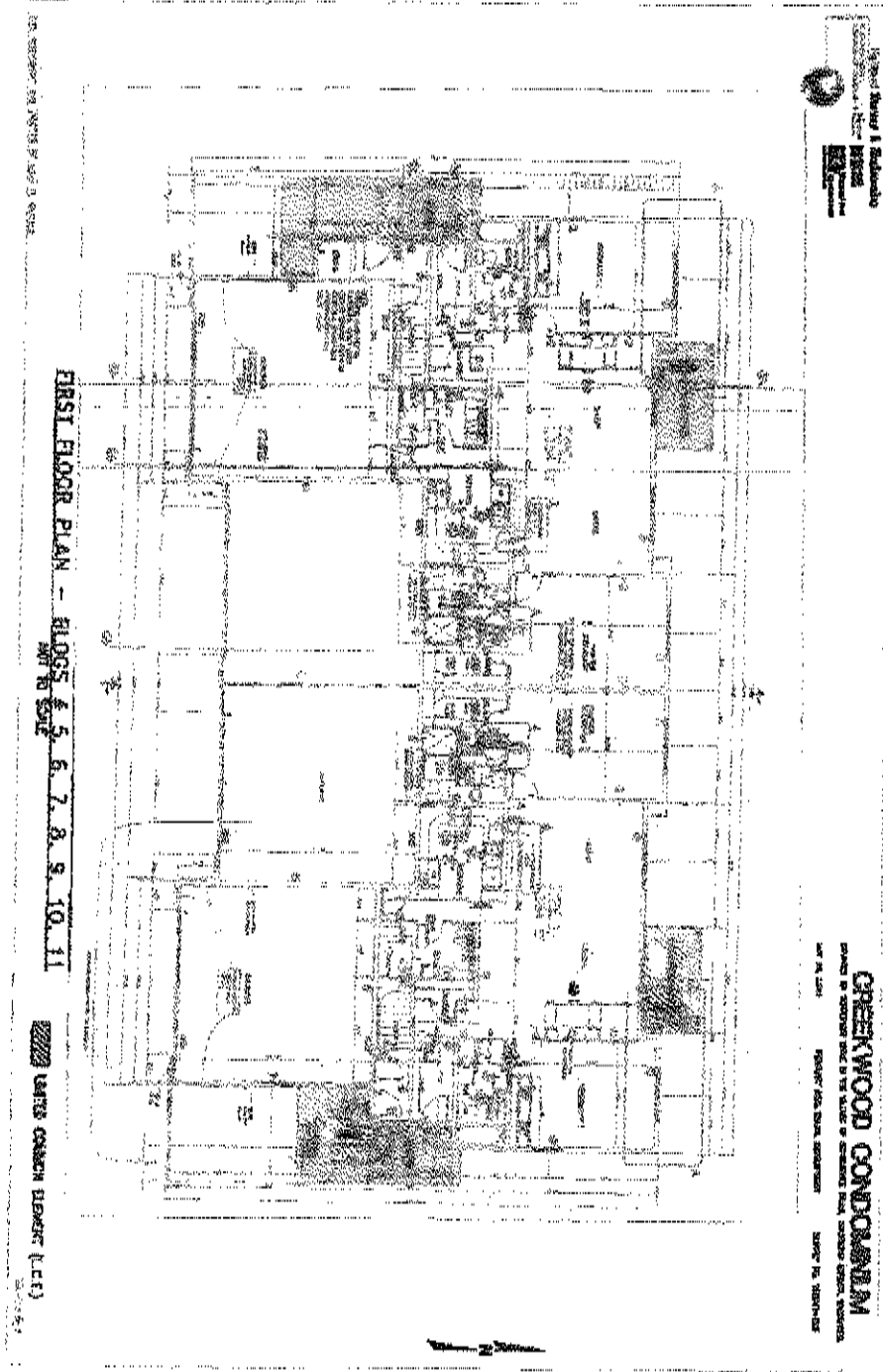
SECOND FLOOR PLAN - UNIT # 2
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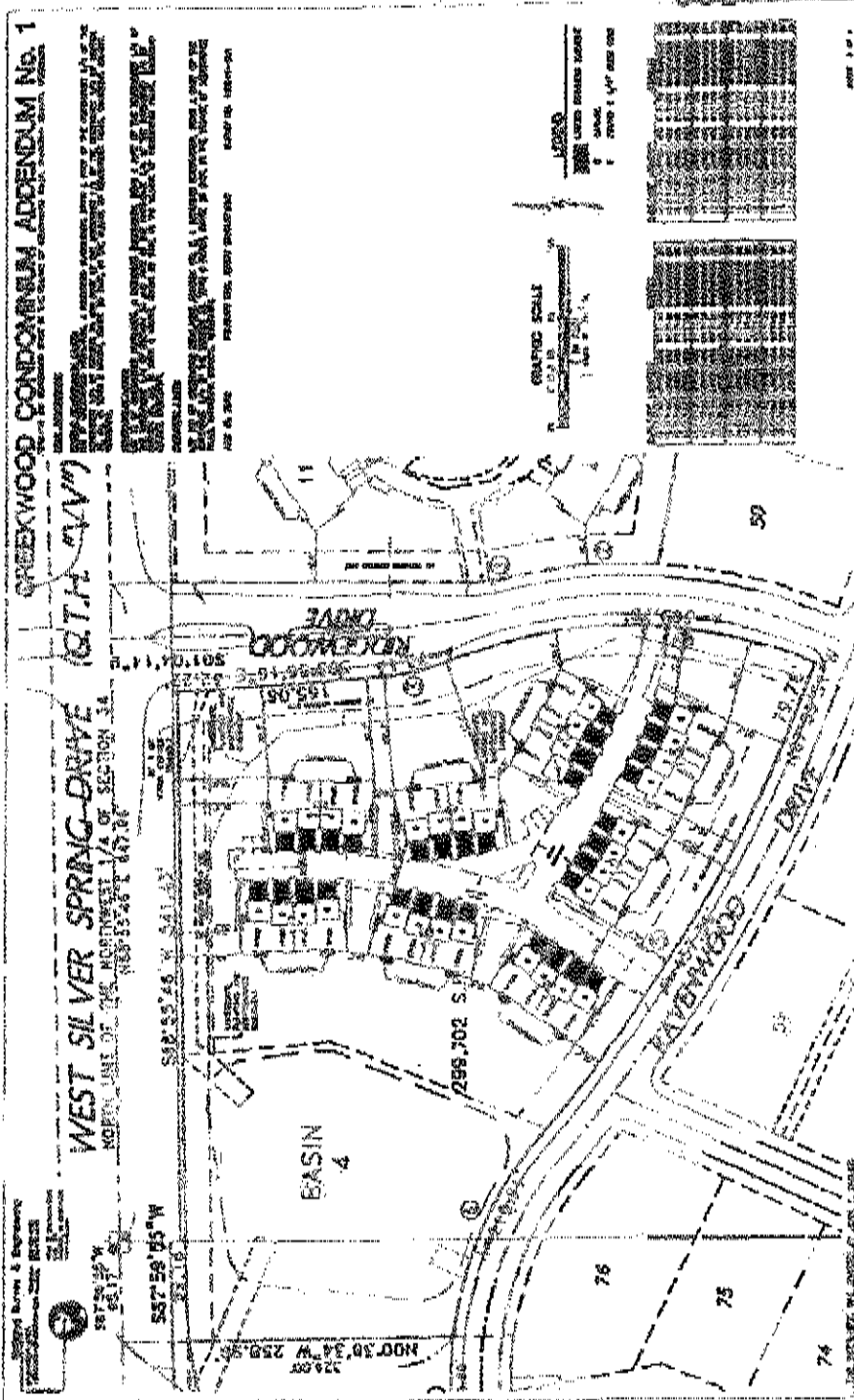
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~~FIRST 7000 PLAYS - 710000 & A~~
~~4-18-1952~~

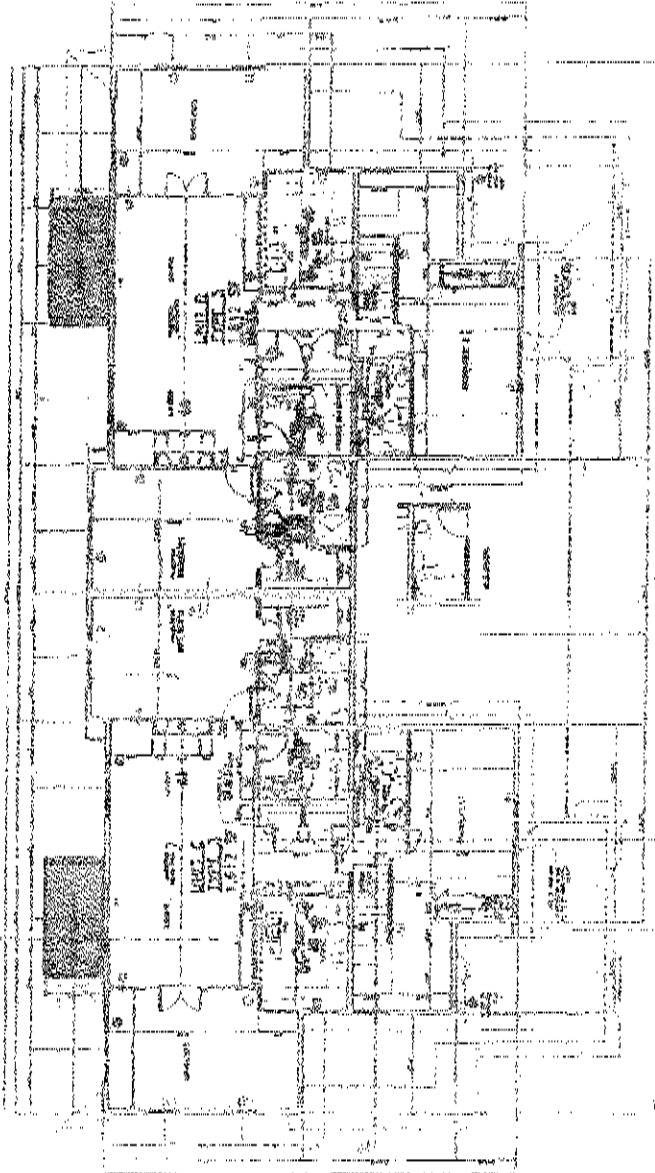
SECRET (U.S.C.)





002009 SEP-58

GREEKWOOD CONDOMINIUM ADDENDUM No. 1
 REFERS TO HOUSEHOLD WHERE THE HOUSE IS LOCATED IN THE CITY OF GREEKWOOD, MISSISSAUGA, ONTARIO, L4X 1L2

[illegible]

SECOND FLOOR PLAN - BLDGS # 12 THRU 19
NOT TO SCALE

EXPANSION PLANS

Declarant expressly reserves the right to expand the Condominium to add a maximum of nineteen (19) buildings, with a maximum of eight (8) units in each such building, which proposed units are identified for future expansion on Exhibit A to the Declaration. Any such expansion shall comply with Section 703.26 of the Act for a period not exceeding ten years from the recording of the Declaration.

Creekwood Condominiums of Menomonee Falls, Inc

"Pet Manure Violation Notice"

Date: _____

Condo Unit Address _____

- ☐ 1st Violation - \$25
- ☐ 2nd Violation - \$50
- ☐ 3rd Violation - \$100
- ☐ 4th Violation - \$100

If you have received this violation notice it is because you have neglected to follow the Rules and Regulations and/or Bylaws (Addendum A, Initial Rules and Regulations, #4 - Animals, letter C) you were presented when you purchased your Condo unit. This is a fine imposed on the condominium unit owner whether you are at fault directly or indirectly (someone living with you).

You have been spotted with your pet leaving behind several piles of dog manure on the common grounds.

Dog manure in public areas or private areas is unsightly, unsanitary and unsafe. There are several diseases which can be spread from dog manure including Giardiasis, Hookworm and Salmonellosis.

There are other hazards to leaving dog droppings behind. Injuries could result from slipping on a dog's manure. The entire community will benefit when dog manure is immediately picked up and disposed of properly.

Please take the corrective action to prevent further fining for the violation in question. Fines will be imposed daily and increase in severity. If you have any questions regarding this violation, please contact us via email at creekwoodcondominiumassoc@yahoo.com.

Thank you,

The Creekwood Condominium Board

Creekwood Condominium of Menomonee Falls, Inc

"Violation Notice"

Date: _____

☐ **Overnight Parking**

☐ **Other** _____

Condo Unit Address _____

Vehicle (make/model) _____

Vehicle Color _____

Vehicle License Plate _____

Date(s) of Violation _____

- ☐ 1st Violation - Warning (cars must be parked inside your garage)
- ☐ 2nd Violation - \$25
- ☐ 3rd Violation - \$50
- ☐ 4th Violation - \$100
- ☐ 5th Violation - \$100 + (towing and storage expense)

If you have received this violation notice it is because you have neglected to follow the Rules and Regulations and/or Bylaws you were presented when you purchased your Condo unit. This is a fine imposed on the condominium unit owner whether you are at fault directly or indirectly (someone living with you).

Requests for short-term parking in the parking pads must be made in writing and submitted to the Board for approval. The Board will notify the condominium unit owner in writing and by telephone, if provided, of its decision.

Please take the corrective action to prevent further fining for the violation in question. Fines will be imposed daily and increase in severity. If you have any questions regarding this violation, please contact me at (262) 703-9519.

Thank you,

Bill Leslie, President of Creekwood Condominium Association

**BYLAWS
OF
Creekwood Condominiums of Menomonee Falls, Inc.**

TABLE OF CONTENTS

Article I. Purposes.....	46
Section 1. Purposes.....	46
Article II. Offices.....	46
Section 1. Principal Office.....	46
Section 2. Registered Office.....	46
Article III. Association.....	46
Section 1. Membership.....	46
Section 2. Unit Owner Prohibited from Voting.....	47
Section 3. Proxies.....	47
Section 4. Membership Roster.....	47
Section 5. Annual Meetings.....	47
Section 6. Special Meetings.....	48
Section 7. Notice of Meetings.....	48
Section 8. Conduct of Meetings.....	48
Section 9. Majority Required to Act.....	48
Section 10. Quorum.....	49
Section 11. Action Without Meeting.....	49
Article IV. Board of Directors.....	49
Section 1. General Powers.....	49
Section 2. Number; Declarant Control.....	49
Section 3. Term of Office.....	50
Section 4. Powers and Duties.....	50
Section 5. Regular Meetings.....	52
Section 6. Special Meetings.....	52
Section 7. Removal of Members of the Board of Directors.....	52
Section 8. Incapacity or Death of a Director.....	52
Section 9. Vacancies.....	53
Section 10. Notice.....	53
Section 11. Telephone Meetings.....	53
Section 12. Quorum.....	54
Section 13. Manner of Acting.....	54
Section 14. Compensation.....	54
Section 15. Presumption of Assent.....	54
Section 16. Informal Action.....	54

Section 17. Committees.....	55
Section 18. Minutes.....	55
Section 19. Managing Agent.....	55
Article V. Officers.....	55
Section 1. Principal officers.....	55
Section 2. Election and Terms of Office.....	55
Section 3. Removal.....	56
Section 4. Vacancies.....	56
Section 5. President.....	56
Section 6. Vice President.....	56
Section 7. Secretary.....	57
Section 8. Treasurer.....	57
Section 9. Salaries.....	57
Section 10. Qualifications.....	57
Article VI. Indemnification.....	58
Section 1. Definitions Relating to Indemnification.....	58
Section 2. Mandatory Indemnification.....	59
Section 3. Determination of Right to Indemnification.....	60
Section 4. Allowance of Expenses as Incurred.....	60
Section 5. Additional Rights to Indemnification and Allowance of Expense.....	60
Section 6. Court Ordered Indemnification.....	61
Section 7. Contract.....	61
Section 8. Insurance.....	62
Section 9. Effect of Invalidity.....	62
Article VII. Assessments.....	62
Section 1. Fiscal Year.....	62
Section 2. Preparation of Budget.....	62
Section 3. Operating Fund.....	62
Section 4. Reserve for Replacement Fund.....	63
Section 5. Reserve Operating Fund.....	63
Section 6. General Assessments.....	63
Section 7. Special Assessments.....	64
Section 8. Penalty and Default in Payment.....	64
Section 9. Books and Accounts.....	64
Article VIII. Rules And Regulations.....	65
Section 1. Initial Rules and Regulations.....	65
Section 2. Changes to Rules and Regulations.....	65
Section 3. Enforcement.....	65
Article IX. Insurance.....	65
Section 1. Directors' and Officers' Liability.....	65
Section 2. Fire and Casualty.....	66
Section 3. Proceeds of Insurance.....	66

Section 4. Public Liability Insurance.....	67
Article X. Repair and Reconstruction After Fire or Other Casualty.....	67
Section 1. General Requirements.....	67
Section 2. Procedure for Reconstruction and Repair.....	68
Section 3. Disbursements.....	68
Section 4. Common Elements: When Reconstruction Is Not Required.....	70
Article XI. Compliance and Default.....	70
Section 1. Unit Owners.....	70
Section 2. Fines.....	70
Section 3. Waiver.....	70
Article XII. Amendments.....	70
Section 1. Amendments.....	70
Section 2. Notices.....	71
Article XIII. Miscellaneous.....	71
Section 1. Invalidity.....	71
Section 2. Captions.....	71
Section 3. Internal Revenue Code.....	71
Section 4. Number and Gender.....	71
Section 5. Defined Terms.....	72

The following Bylaws are accepted by Creekwood Condominiums of Menomonee Falls, Inc. as of September 1, 2001.

Article I. Purposes

Section 1. Purposes.

The purposes for which this Corporation is organized and shall be operated are as follows:

(a) to serve as an association of Unit Owners in Creekwood, a Condominium (the "Association") under the Wisconsin Condominium Ownership Act (hereafter, the "Act").

(b) to serve as a means through which the Unit Owners may collectively and efficiently administer, manage, operate and control the Condominium in accordance with the Act and the Declaration; and

(c) to engage in any lawful activity included in and permitted under the Act, the Declaration and the purposes for which a nonstock, nonprofit corporation may be organized.

Article II. Offices

Section 1. Principal Office.

The principal office of the Association shall be located at 225 East Mason Street, City of Milwaukee, County of Milwaukee. The Association may have such other offices, either within or without the State of Wisconsin, as the Board of Directors may designate from time to time.

Section 2. Registered Office.

The initial registered office shall be the same as the principal office.

Article III. Association

Section 1. Membership.

The Association shall have one (i) class of voting Membership. The Members shall be all the Unit Owners. Members shall have one vote for each Unit owned. Every Unit Owner, upon

condominium appertain, whichever first occurs. Unless otherwise determined by the Board of Directors, annual meetings of the Association held after the first annual meeting shall be held on the same day of the same month of each succeeding year, unless such date shall occur on a Saturday, Sunday or legal holiday, in which event the meeting shall be held on the next succeeding Monday which is not a legal holiday. Meetings of the Association shall be held at the office of the Association or at such other suitable place convenient to Unit Owners as from time to time may be designated by the Board of Directors.

Section 6. Special Meetings.

Upon a written petition signed by Unit Owners holding not less than thirty-three percent (33%) of the Allocated Interests in the Condominium, the President or the Board of Directors shall call a special meeting. The only issues which may be addressed at a special meeting are those issues stated in the petition for such meeting.

Section 7. Notice of Meetings.

The Secretary shall cause to be sent to each Unit Owner written notice of the time, place and purpose or purposes of all general and special meetings of the Association. Such notice shall be given at least ten (10) days but no more than thirty (30) days in advance of the meeting. Such notice shall be sent by United States mail, first class postage prepaid. In lieu of mailing notice of a meeting in the manner provided in this Section, the Secretary may cause such notice to be personally delivered; provided however, the Secretary of the Association shall certify in writing that such notice was personally delivered to the Unit Owner.

Section 8. Conduct of Meetings.

The minutes of all meetings shall be held in a minute book maintained for the Association by the Secretary. The then current Robert's Rules of Order or any other rules of procedure acceptable to a majority of the votes of Unit Owners shall govern the conduct of all meetings of the Association when not in conflict with these Bylaws, the Declaration or the Act. All votes shall be tallied by a person or persons appointed by the presiding officer of the meeting.

Section 9. Majority Required to Act.

Except as otherwise required by the Act, the Declaration or these Bylaws, decisions of the Association shall be made by a majority of the votes of Unit Owners present, in person or by proxy, at a meeting of the Association at which a quorum is present.

Section 10. Quorum.

A quorum for the purposes of general or special meetings shall consist of thirty-three percent (33%) of the votes entitled to vote unless otherwise required by the Act, Declaration or any of the Condominium Documents.

26

Section 11. Action Without Meeting.

Any action by Unit Owners required or permitted to be taken at a meeting may be taken without a meeting if all of the Unit Owners (and Mortgagees if required) shall consent in writing to such action. Any such unanimous written consent shall be filed with the minutes of the proceedings of the meetings of the Association.

Article IV. Board of Directors

Section 1. General Powers.

The affairs of the corporation shall be managed by its Board of Directors. The Board of Directors shall utilize and distribute the net earnings and principal funds of the Association solely in accordance with the purposes for which the Association was organized.

Section 2. Number; Declarant Control.

(a) The Declarant shall designate three (3) persons to the initial Board of Directors. None of the Directors designated by Declarant must be a Unit Owner and each shall serve until control of the Association passes to the Unit Owners as provided in this Section. The Board of Directors shall be expanded to a maximum of five (5) Members, in the manner and at the times set forth below. Each Member of the Board of Directors elected other than the three (3) Directors designated by Declarant must be a Unit Owner.

(b) Prior to conveyance of twenty-five percent (25%) of the Allocated Interest in the Condominium, the Unit Owners other than the Declarant shall elect one Director; thereafter, the Board of Directors shall be composed of four (4) persons; or

(c) Prior to conveyance of fifty percent (50%) of the Allocated Interest in the Condominium are sold, the Unit Owners other than the Declarant shall elect two Directors; thereafter, the Board of Directors shall be composed of five (5) persons.

(d) A special meeting shall be held on or before forty-five (45) days after the earlier to occur of (i) thirty (30) days after the date of conveyance of Units to which seventy-five

percent (75%) of the Allocated Interest of the Condominium appertain or (ii) the date of expiration of ten (10) years from the date of the first conveyance to any purchaser other than Declarant of any Unit in the Condominium, at which special meeting all remaining Directors appointed by the Declarant shall resign and three (3) new Directors shall be elected by all Unit Owners, including the Declarant, to the extent the Declarant then owns any Units. These Directors shall serve until their successors shall have been elected at the next succeeding annual meeting.

Section 3. Term of Office.

Each Director shall serve an initial term beginning after the conclusion of the special or annual meeting at which he or she is first elected and continuing until the next annual meeting. Subsequent terms shall be for periods of one (1) year from one annual meeting to the next annual meeting.

Section 4. Powers and Duties.

The Board of Directors shall have all of the powers and duties necessary or required for the administration and implementation of the affairs of the Association. Such powers and duties shall be exercised in accordance with the provisions of the Act, Declaration and any of the Condominium Documents. Such powers and duties shall include, but not be limited to, the following:

- (a) To promulgate and enforce the Rules and Regulations.
- (b) To contract for and dismiss the services of accountants, attorneys, or other employees or agents and to pay to such persons reasonable compensation.
- (c) To adopt an annual budget, in which there shall be established the required contribution of each Unit Owner to the Common Expenses.
- (d) To operate, maintain, repair, improve and replace the Common Elements and facilities as provided for in the Declaration and other Condominium Documents.
- (e) To ascertain the amount of and pay the Common Expenses.
- (f) To enter into contracts, deeds, leases, or other written agreements which authorize the execution and delivery thereof by the appropriate officers.

- (g) To open bank accounts on behalf of the Association and designate the signatories required therefore.
- (h) To initiate, prosecute and settle litigation for itself, the Association and the Condominium, provided that it shall make no settlement which results in a liability against the Board of Directors.
- (i) To obtain property and casualty insurance on behalf of the Association as required by the Condominium Documents with respect to the Units and the Common Elements and to obtain insurance in accordance with these Bylaws and to settle any claim under any such policies of insurance.
- (j) To repair or restore the Property as required by the Act and/or the Declaration.
- (k) To own, purchase or lease, hold and sell, or otherwise dispose of, on behalf of the Unit Owners, items of personal property necessary to or convenient in the conduct and management of the business and affairs of the Association and in the operation of the Property, including without limitation, furniture, furnishings, fixtures, maintenance equipment, appliances and office supplies.
- (l) To keep adequate books and records as required by the Act and the Condominium Documents.
- (m) To approve and sign checks and issue payment vouchers.
- (n) To pay off liens against any portion of the Property.
- (o) To collect Assessments from Unit Owners and deposit the proceeds thereof in the proper accounts.
- (p) To borrow money and enter into promissory notes on behalf of the Association when required in connection with the operation and maintenance of the Common Elements; provided, however, that at no time shall there be borrowed or owed in excess of Two Thousand Five Hundred Dollars (\$2,500) without the prior consent of at least sixty-six percent (66%) of the votes of Unit Owners obtained at a meeting duly called and held for such purpose.

(g) To purchase on behalf of all Unit Owners any Unit whose Unit Owner has elected to sell such Unit or any Unit which is to be sold at a foreclosure or other judicial sale; provided, however, that the Board of Directors may not take any such action without the prior consent of a least sixty-six percent (66%) of the votes of all Unit owners in the Association obtained at a meeting duly called and held for such purpose.

(h) Contract for the services of a Managing Agent and to delegate to a Managing Agent all of its foregoing powers, duties and responsibilities referred to above except for those set forth in subparagraphs (a), (c), (f) (except for contracts under \$5,000.00), (g), (h), (i), (q), and (r), above and to bring, prosecute or settle litigation.

(s) To appoint an Architectural Control Committee which shall be empowered to review and approve all exterior improvements, alterations and modifications to the Condominium

Section 5. Regular Meetings.

The Board of Directors may provide, by resolution, the time and place, within the State of Wisconsin, for the holding of regular meetings.

Section 6. Special Meetings.

Special meetings of the Board of Directors may be called by or at the request of the President or any two Directors. The person or persons calling such meetings shall fix any time or place, within the State of Wisconsin, for holding any special meeting of the Board of Directors.

Section 7. Removal of Members of the Board of Directors.

The Declarant may by written notice to the Board of Directors remove any Director appointed to the Board of Directors by Declarant and appoint a successor Director. Any Director, except for a Director appointed by the Declarant, may be removed from office either with or without cause, by the affirmative vote of a majority of Directors then in office taken at a special meeting of Directors called for that purpose.

Section 8. Incapacity or Death of a Director.

If a Director shall be incapacitated to the extent he is unable to perform his duties as a Director

or if a Director dies during his term as a Director, then a new Director shall be chosen as provided for in Section 9 of this Article.

Section 9. Vacancies.

Except for Directors appointed by Declarant, any vacancy occurring in the Board of Directors may be filled until the next succeeding annual election by the affirmative vote of a majority of the Directors then in office, although less than a quorum of the Board of Directors.

Section 10. Notice.

Notice of a regular meeting shall be given at least ten (10) business days prior to the date thereof and notice of any special meeting shall be given at least forty-eight (48) hours prior to the time thereof. Notices may be given orally or by written notice delivered personally, mailed by United States Mail or by Federal Express or some other similar form of commercial delivery system, or sent by facsimile machine to each Director at his last known address, or by telegram. If mailed, a notice shall be deemed to be delivered when deposited in the United States Mail or when deposited with a Federal Express agent or some other agent of a similar form of commercial delivery system so addressed with postage thereon prepaid. If notice is given by telegram, such notice shall be deemed to be delivered when given to the telegraph company. Whenever any notice is required to be given to any Directors of the Association under the provisions of these Bylaws or under the provisions of the Articles of Incorporation or under the provisions of any statute, a waiver thereof in writing, signed at any time, whether before or after the time of meeting, by the Director entitled to such notice, shall be deemed equivalent to the giving of such notice. The attendance of a Director at a meeting shall constitute a waiver of notice of such meeting except where a Director attends a meeting and objects thereafter to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the Board of Directors need be specified in the notice or waiver of notice of such meeting.

Section 11. Telephone Meetings.

The Board of Directors may conduct its meetings by means of a conference telephone or similar communication equipment if all persons participating in such meeting can hear and talk to each other at the same time. Such participation shall constitute presence in person at any such meeting.

Section 12. Quorum.

A majority of the Directors then in office shall constitute a quorum for the transaction of business at any meeting of the Board of Directors, but if less than a quorum is present at a meeting a majority of the Directors present may adjourn the meeting from time to time without further notice.

Section 13. Manner of Acting.

The act of the majority of the Directors present at a meeting at which a quorum is present shall be the act of the Board of Directors, unless the act of a greater number is required by these Bylaws or by law.

Section 14. Compensation.

The Board of Directors, by affirmative vote of a majority of the Directors then in office, and irrespective of any personal interest of any of its Members or the fact that they may also be Officers, may establish reasonable compensation of all Directors for services rendered to the Association as Directors or otherwise, or may delegate such authority to an appropriate committee.

Section 15. Presumption of Assent.

A Director of the corporation who is present at a meeting of the Board of Directors or a committee thereof at which action on any corporate matter is taken shall be presumed to have assented to the action taken unless his dissent shall be entered in the minutes of the meeting or unless he shall file his written dissent to such action with the person acting as the secretary of the meeting before the adjournment thereof or shall forward such dissent by registered mail to the Secretary of the Association within twenty-four (24) hours after the adjournment of the meeting. Such right to dissent shall not apply to a Director who voted in favor of such action.

Section 16. Informal Action.

Any action required or permitted to be taken at any meeting of the Board of Directors or any committee thereof 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 or Members of such committee.

Section 17. Committees.

The Board of Directors may appoint and dismiss committees made up of Unit Owners, as the Board of Directors from time to time deems desirable to assist in the administration or operation or affairs of the Condominium.

Section 18. Minutes.

Minutes of all meeting of the Board of Directors and its committees shall be made and filed in the Association's Minute Book.

Section 19. Managing Agent.

The Board of Directors shall have the right (but shall not be required) to employ for the Condominium a "Managing Agent" at a compensation established by the Board of Directors.

The Managing Agent shall be a bona fide business enterprise, which may be affiliated with the Declarant. Such firm shall have a minimum of two years experience in real estate residential management.

The Managing Agent shall perform such duties and services as the Board of Directors shall authorize, including, but not limited to the obligations, duties and services relating to management of the property, the rights of Mortgagees and the maintenance of reserve funds in compliance with the provisions of these Bylaws.

Article V. Officers

Section 1. Principal officers.

The principal Officers of the Association shall be a President, one or more Vice Presidents, a Secretary and a Treasurer, each of whom shall be elected by the Board of Directors. Such other officers and assistant Officers as may be deemed necessary shall be elected by the Board of Directors. Any two or more offices may be held by the same person, except the offices of President and Secretary and President and Vice President.

Section 2. Election and Terms of Office.

The Officers shall be elected by the Board of Directors at its annual meeting. If the election of

Officers shall not be held at such meeting, such election shall be held as soon thereafter as conveniently may be. Each Officer shall hold office until the next annual meeting of the Board of Directors or until the officer's successor is duly elected and qualified unless sooner terminated by the officer's death, resignation or removal.

Section 3. Removal.

Any Officer or agent elected or appointed by the Board of Directors may be removed by the Board of Directors whenever in its judgment the best interest of the Association will be served thereby, but such removal shall be without prejudice to the contract rights, if any, of the person so removed. Election or appointment shall not of itself create contract rights.

Section 4. Vacancies.

A vacancy in any principal office shall be filled by the Board of Directors for the unexpired portion of the term.

Section 5. President.

The President shall be the principal executive officer of the Association and, subject to the control of the Board of Directors, shall in general supervise and control all of the business and affairs of the Association. The president shall, when present, preside at all meetings of the Board of Directors. The president may sign, with the Secretary or any other officer of the Association authorized by the Board of Directors, any deeds, mortgages, bonds, contracts, or other instruments which the Board of Directors has authorized to be executed, except in cases where the signing and execution thereof shall be expressly delegated by the Board of Directors or by these Bylaws or some other law to be otherwise signed or executed. In general the President shall perform all duties incident to the office of President and such other duties as may be prescribed by the Board of Directors from time to time.

Section 6. Vice President.

In the absence of the President or in the event of the President's death or inability to act, the Vice President or if there shall be more than one, the Vice Presidents in the order determined by the Board of Directors, shall perform the duties of the President, and when so acting, shall have all the powers of and be subject to all the restrictions upon the President. The Vice President or Vice Presidents, as the case may be, shall perform such other duties and have such other powers as the Board of Directors may from time to time prescribe.

Section 7. Secretary.

The Secretary shall: (a) keep any minutes of the Board of Directors' meetings in one or more books provided for that purpose; (b) see that all notices are duly given; (c) be custodian of the corporate books and records of the Association; (d) count all votes at any meeting of the Association; and, (e) in general, perform all duties incident to the office of Secretary and such other duties as from time to time may be assigned by the President or by the Board of Directors.

Section 8. Treasurer.

If required by the Board of Directors, the Treasurer shall at the expense of the Association obtain a bond for the faithful discharge of the treasurer's duties in such sum and with such surety or sureties, as the Board of Directors shall determine. The treasurer shall: (a) have charge and custody of and be responsible for all funds and securities of the corporation; (b) receive and give receipts for monies due and payable to the Association from any source whatsoever; (c) deposit all monies in the name of the Association in such banks, trust companies or other depositories as shall be selected in accordance with the provisions of these Bylaws; and, (d) in general, perform all of the duties as from time to time may be assigned by the President or by the Board of Directors.

Section 9. Salaries.

Officers shall ordinarily serve without compensation, but in unusual circumstances the Board of Directors may approve salaries for the Officers. No Officer shall be prevented from receiving any salary by reason of the fact that the officer is also a Director of the Association.

Section 10. Qualifications.

All Officers shall be Unit Owners, except for the Officers selected by the Board of Directors when controlled by Directors designated by the Declarant.

Section 11. Insurance Trustee.

The Board of Directors shall have the right (but shall not be required) to designate any bank, trust company, management agent, savings and loan association, building and loan association, insurance company or any institutional lender, or the Unit Owners Association, as the Insurance Trustee, and all parties beneficially interested in such insurance coverage shall be bound thereby. The Insurance Trustee at the time of the deposit of such policies and endorsements shall acknowledge that the policies and any proceeds there from will be held in accordance with the

terms of these By-Laws. The Insurance Trustee shall not be liable for the payment of premiums, the renewal of the policies, the sufficiency of coverage, the form or content of the policies, the correctness of any amounts received by it on account of the proceeds of any insurance policies, nor the failure to collect any insurance proceeds. The sole duty of the Insurance Trustee shall be to receive such proceeds as are paid to it and to hold the same in trust for the purposes elsewhere stated in these By-Laws, for the benefit of the Unit Owners and their respective Mortgagees.

Article VI. Indemnification

Section 1. Definitions Relating to Indemnification.

For the purposes of this Article VI, the following terms shall have the meanings ascribed to them in this section:

(a) "Director" or "Officer" shall mean any of the following:

(i) a natural person who is or was a Director or Officer of the Association;

(ii) a natural person who, while a Director or Officer of the Association, is or was serving at the Association's request as a Director, Officer, partner, trustee, member of any governing or decision-making committee, employee or agent of another corporation or foreign corporation, partnership, joint venture, trust or other enterprise;

(iii) a natural person who, while a Director or Officer of the Association, is or was serving an employee benefit plan because his duties to the Association also imposed duties on, or otherwise involved services by, the person to the plan or to participants in or beneficiaries of the plan; and

(iv) unless the context requires otherwise, the estate or personal representative of a Director or Officer.

(b) "Expenses" shall include fees, costs, charges, disbursements, attorney fees and any other expenses incurred in connection with a Proceeding.

(c) "Liability" shall include the obligation to pay a judgment, settlement, penalty, assessment, forfeiture or fine, including any excise tax assessed with respect to an employee benefit plan, and reasonable expenses.

(d) "Party" shall mean a natural person who was or is, or who is threatened to be made, a named defendant or respondent in a proceeding.

(e) "Proceeding" shall mean any threatened, pending or completed civil, criminal,

administrative or investigative action, suit, arbitration or other proceeding, whether formal or informal, which involves foreign, federal, state or local law and which is brought by or in the right of the Association or by any other person.

Section 2. Mandatory Indemnification.

(a) The Association shall indemnify a Director or Officer, to the extent he has been successful on the merits or otherwise in the defense of a Proceeding, for all reasonable Expenses incurred in the Proceeding if the Director or Officer was a Party because of being a Director or Officer of the Association.

(b) In cases not included under subparagraph (a), above, the Association shall indemnify a Director or Officer against Liability incurred by the Director or Officer in a Proceeding to which the Director or Officer was a Party because of being a Director or Officer of the Association, unless Liability was incurred because the Director or Officer breached or failed to perform a duty owed to the Association and the breach or failure to perform constitutes any of the following:

- (i) a willful failure to deal fairly with the Association or its Members in connection with a matter in which the Director or Officer has a material conflict of interest;
- (ii) a violation of criminal law, unless the Director or Officer had reasonable cause to believe his or her conduct was lawful or no reasonable cause to believe his or her conduct was unlawful;
- (iii) a transaction from which the Director or officer derived an improper personal profit; or
- (iv) willful misconduct.

Determination of whether indemnification is required under this subparagraph (b) shall be made under the provisions of Article VI Section 3 hereof. The termination of a proceeding by judgment, order, settlement or conviction, or upon a plea of no contest or an equivalent plea shall not, by itself, create a presumption that indemnification of the Director or Officer is not required under this subparagraph (b).

(c) A Director or Officer who seeks indemnification under this section shall make a written request to the Association.

(d) Indemnification under this section is not required if the Director or Officer has previously received indemnification or allowance of the same expenses from any person,

including the Association, in connection with the same Proceeding.

Section 3. Determination of Right to Indemnification.

Unless provided otherwise by a written agreement between the Director or Officer and the Association, determination of whether indemnification is required under subsection (b) of Article VI Section 2 shall be made by one of the following methods: (i) by a majority vote of a quorum of the Board of Directors consisting of the Directors who are not at the time Parties to the Proceedings or, if a quorum of disinterested Directors cannot be obtained, by a majority vote of a committee duly appointed by the Board of Directors (which appointment by the Board may be made by Directors who are parties to the Proceeding) consisting solely of two or more Directors who are not at the time Parties to the Proceedings; (ii) by a panel of three arbitrators consisting of (a) one arbitrator selected by a quorum of the Board of Directors or its committee constituted as required under (i), above, or, if unable to obtain such a quorum or committee, by a majority vote of the full Board of Directors, including directors who are Parties to the Proceedings, (b) one arbitrator selected by the Director or Officer seeking indemnification, and, (c) one arbitrator selected by the other two arbitrators; (iii) by a court of competent jurisdiction; or (iv) by any other method provided for under Article VI Section 5.

Section 4. Allowance of Expenses as Incurred.

Upon written request by a Director or Officer who is a Party to a Proceeding, the Association may pay or reimburse his or her reasonable Expenses as incurred if the Director or Officer provides the Association with all of the following:

(a) a written affirmation of his or her good faith belief that he or she has not breached or failed to perform his or her duties to the Association; and

(b) a written undertaking, executed personally or on his or her behalf, to repay the allowance, and, if required by the Association, to pay reasonable interest on the allowance to the extent that it is ultimately determined under Article VI Section 3 hereof that indemnification under Article VI Section 2 is not required and that indemnification is not ordered by a court under Article VI Section 6. The undertaking under this subparagraph shall be an unlimited general obligation of the Director or Officer and may be accepted without reference to his or her ability to repay the allowance. The undertaking may be secured or unsecured.

Section 5. Additional Rights to Indemnification and Allowance of Expense.

Except as provided in this Article VI Section 5, the provisions of Article VI Section 2 and Article VI Section 4 hereof do not preclude any additional right to indemnification or allowance of Expenses that a Director or Officer may have under any of the following:

- (a) the written agreement between the Director or Officer and the Association; or
- (b) a resolution of the Board of Directors.

Regardless of the existence of an additional right to indemnification or allowance of Expenses, the Association shall not indemnify a Director or Officer or permit a Director or Officer to retain any allowance of Expenses unless it is determined by or on behalf of the Association that the Director or Officer did not breach or fail to perform a duty he or she owes to the Association which constitutes conduct under Article VI Section 2(b)(i)-(iv). A Director or Officer who is a Party to the same or related Proceeding for which indemnification or an allowance of Expenses is sought may not participate in a determination under this subparagraph. None of the provisions contained in this Article VI shall affect the Association's power to pay or reimburse Expenses incurred by a Director or Officer in any of the following circumstances:

- (a) as a witness in a Proceeding to which he or she is not a Party; or
- (b) as a plaintiff or petitioner in a Proceeding because he or she is or was an employee, agent, Director or Officer of the Association.

Section 6. Court Ordered Indemnification.

Except as provided otherwise by written agreement between the Director or Officer and the Association, a Director or Officer who is a Party to a Proceeding may apply for indemnification to the court conducting the Proceeding or to another court of competent jurisdiction. Application shall be made for an initial determination by the court under the provisions of Article VI Section 3(iii) or for review by the court of an adverse determination under Article VI Section 3(i), (ii) or (iv).

Section 7. Contract.

The assumption by a person of a term of office as a Director or Officer of the Association or, at the request of the Association, as a Director or Officer of another corporation, partnership, joint venture, trust or other enterprise, and the continuance in office or service of those persons who are any such Directors or Officers as of the adoption of this Article VI, shall constitute a contract between such person and the Association entitling such person during such term of office or service to all of the rights and privileges of indemnification afforded by this Article VI as in effect as of the date of his assumption or continuance in such term of office or service, but such contract shall not prevent, and shall be subject to modification by, amendment of this Article VI at any time prior to receipt by the Association of actual notice of a claim giving rise to any such person's entitlement to indemnification hereunder.

Section 8. Insurance.

The Association shall have power to purchase and maintain insurance on behalf of any person who is or was a Director or Officer of the Association, or is or was serving at the request of the Association as a Director or Officer of another corporation, partnership, joint venture, trust or other enterprise against any liability asserted against him and incurred by him in any such capacity or arising out of his status as such, whether the Association would have the power to indemnify such person against such liability under the provisions of this Article VI or Chapter 181 of the Wisconsin Statutes.

Section 9. Effect of Invalidity.

The invalidity or unenforceability of any provision of this Article VI shall not affect the validity or enforceability of any other provision of this Article VI or of these Bylaws.

Article VII. Assessments

Section 1. Fiscal Year.

The fiscal year of the Condominium shall commence on January 1 of each year (except that the first fiscal year shall commence upon the recording of the Declaration) and terminate on December 31 of such year unless otherwise determined by the Board of Directors.

Section 2. Preparation of Budget.

The Declarant shall prepare a budget for the first fiscal year of the Condominium. Each year thereafter, the Board of Directors shall adopt a budget at least thirty (30) days before the beginning of the new fiscal year. The annual budget shall provide for an "operating fund" and, after the sale of the first Unit, for a "reserve for replacement fund." Promptly upon completion of the budget, the Board of Directors shall send to each Unit Owner a copy of such budget and a statement setting forth the obligation of each Unit Owner pursuant to the provisions of this Article VII to pay the Allocated Interest of the Common Expenses based upon such budget.

Section 3. Operating Fund.

The operating fund shall be used for the payment of Common Expenses, which the Association is required to pay on behalf of the Unit Owners. Such Common Expenses shall include normal and recurring expenses including, but not limited to, management services, insurance, common services, administration, materials and supplies.

Section 4. Reserve for Replacement Fund.

The reserve for replacement fund shall be used for future Common Expenses and Limited Common Expenses, which the Association is required to pay on behalf of the Unit Owners. Such Common Expenses may include, but not be limited to, roof replacement and driveway/ parking lot resurfacing. These funds may be kept in the same bank account as the Operating Funds, but must be accounted for separately in the general ledger maintained by the Association.

Section 5. Reserve Operating Fund.

From and after the date of sale of the first Unit, the Board of Directors, in an account separate from the operating fund and reserve for replacement fund, shall establish and maintain adequate reserves for the payment of extraordinary expenses. The reserve operating fund shall have a balance of at least two (2) times the monthly Assessments collected from all the Unit Owners. The initial funding of the reserve operating fund shall come from the buyers of individual Units at the time of closing when they will advance an amount equal to at least two (2) months installments of the regular annual Association assessment. If at any time the Board of Directors shall use any portion of the funds in this account, each Unit Owner will be assessed its pro rata share of the expenditure.

Section 6. General Assessments.

Each Unit shall receive a notice of annual Assessment promptly after the final budget is prepared. The final budget will show the amount assessed to the particular Unit, how that amount was determined, and that one-twelfth of the amount of the Assessment is due on the first day of each month of the year. The amount due on the first day of each month shall be paid by the Unit Owner to the Association or the Managing Agent. Within ninety (90) days after the end of each fiscal year, the Board of Directors shall supply to all Unit owners an itemized accounting of the expenses incurred and paid by the Association for such fiscal year, together with a tabulation of the amounts collected pursuant to the budget adopted by the Board of Directors for such fiscal year. For purposes of this Article VII Section 6, the Declarant shall be responsible for the payment of the Assessment as outlined in Section 6.1 of the Declaration. Anything herein to the contrary notwithstanding, Declarant's liability for Common Expenses shall not commence as to Units owned by Declarant until the first day of the first full calendar month that is greater than sixty (60) days following issuance of the occupancy permit for each such Unit. Upon the commencement of Declarant's liability as provided herein, Declarant shall begin making the installment payment when due as provided in Section 6.3. Declarant shall not, however, have any liability whatsoever for the contributions to the reserve operating fund as established and defined in Article VII of the Bylaws.

Section 7. Special Assessments.

The Board of Directors, upon the affirmative vote of sixty-six percent (66%) of all the Directors, may at any time assess a Special Assessment which shall be used to pay any deficiency in the operating fund, reserve replacement fund, or operating reserve fund. The Board of Directors shall also have the right to make any other Special Assessment as provided herein or in the Condominium Documents upon the affirmative vote of sixty-six percent (66%) of all the Directors. If such a Special Assessment is levied against a Unit for disrepair or maintenance cost of the Unit or for any other matter stated in the Condominium Documents incurred by the Association, then the Unit Owner shall pay the entire Special Assessment. Upon the determination of the amount of the Special Assessment, the Board shall give notice to each Unit Owner of the amount assessed to each Unit, the date when payment of the amount is due and the reason for the Special Assessment.

Section 8. Penalty and Default in Payment.

If any payment for any Assessment is not received by the Association within fifteen (15) days after the date such payment is due, a late payment penalty equal to Ten Dollars (\$10) shall be assessed against the Unit; and if any payment for any Assessment is not received by the Association within thirty (30) days after the date such payment is due, a late payment penalty equal to Twenty-Five Dollars (\$25) shall be assessed against the Unit for each thirty (30) day period the payment is late. In addition, the Board of Directors shall have the right and duty to attempt to recover such Assessments, together with interest thereon, and the expenses of the proceedings, including attorneys' fees, in an action brought against such Unit Owner, and/or by foreclosure of the lien on such Unit granted by Section 703.16 of the Act. 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, convey, vote the votes appurtenant to, 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. The Board of Directors shall also have the right to prohibit such Unit Owner from voting at a meeting of the Association or serving on the Board of Directors, 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 9. Books and Accounts.

The Treasurer shall keep the books and accounts of the Association in accordance with generally accepted accounting practices. The books and accounts of the Association shall be available for examination by the Unit Owners and contract purchasers, and/or their duly authorized agents or attorneys, and to the holder of any Mortgage, and/or its duly authorized agents or attorneys, during normal business hours.

Article VIII. Rules And Regulations

Section 1. Initial Rules and Regulations.

The initial Rules and Regulations are attached to Declarant's Disclosure materials as Addendum A, and are incorporated herein by reference.

Section 2. Changes to Rules and Regulations.

In addition to the Rules and Regulations initially promulgated by the Declarant (see Addendum A), the Board of Directors may enact Rules and Regulations for the use, repair and maintenance of the Units and Common Elements without amending these Bylaws; provided, that such Rules and Regulations are not contrary to or inconsistent with the Act or any of the Condominium Documents. Notwithstanding anything to the contrary herein, the Board of Directors shall not have authority to amend Rules and Regulations to override similar provisions that are contained in the Declaration, as amended from time to time, unless the Declaration is amended and the Amended Declaration is recorded as provided in the Act. Copies of and changes to the Rules and Regulations shall be furnished by the Board of Directors to each Unit Owner prior to the time when the same shall become effective.

Section 3. Enforcement.

The Rules and Regulations in effect from time to time shall be enforced by such means as the Association deems necessary and appropriate, including recourse to civil authorities, court action if necessary, and monetary fines of not less than Twenty-Five Dollars (\$25.00) per day per violation, nor more than One Hundred Dollars (\$100.00) per day per violation.

Article IX. Insurance

Section 1. Directors' and Officers' Liability.

The Board may obtain and maintain, in a reasonable amount, Directors' and Officers' Liability Insurance coverage to protect against wrongful and dishonest acts on the part of the Officers, Directors, employees and other agents of the Association, including the Managing Agent, who either handle or are responsible for handling the funds held or administered by the Association.

Section 2. Fire and Casualty.

The Association shall maintain fire and broad form extended coverage insurance on the Buildings and the Common Elements, including, but not limited to, any fixtures owned by the Association and the Unit Owners (but excluding the personal property of the Unit Owner), in an amount not less than the replacement value of the Buildings and the Common Elements from time to time, including endorsements for automatic changes in insurance coverage as fluctuating values may warrant and contingency endorsements covering nonconforming use. To the extent reasonably possible, the insurance shall provide (i) that the insurer waives its rights of subrogation as to any claim against the Unit Owners, the Association, the Board of Directors and their respective family members, servants and agents, and (ii) that the insurance cannot be canceled, invalidated or suspended on account of the conduct of any one or more of the Unit Owners, or the Association, or their servants, agents and guests, without sixty (60) days' prior written notice to the Association which gives the Association an opportunity to cure the defect within that time. All required insurance shall be issued by an insurance company with a minimum of a B general policyholder's rating and of a class III financial size category in the Best's Key Rating Guide. The amount of protection and the types of hazards to be covered shall be reviewed by the Association at least annually and the amount of coverage may be increased or decreased at any time it is deemed necessary by the Association to conform to the requirements of replacement value insurance. Any Mortgagee may receive an insurance certificate upon ten (10) days prior written notice. The insurance shall be obtained in the name of the Association as trustee for each of the Unit Owners and their respective Mortgagees.

It is the express intent of the Association to provide the above coverage for all elements of the Condominium including, but not limited to, fixtures within and without individual Units, excluding only personal property of Unit Owners.

Section 3. Proceeds of Insurance.

In the event of partial or total destruction of the Buildings and/or common Elements and the Association determines to repair or reconstruct the Buildings and/or Common Elements according to Section IX of the Declaration and Section 1 of Article X of these Bylaws, the proceeds of such insurance shall be paid to the Association as trustee to be applied to the cost of repairing and reconstructing the particular Building(s) and/or Common Element(s) which were damaged. If it is determined (according to Section 9.1 of the Declaration and Section 1 of Article X of these Bylaws) not to reconstruct or repair any particular Building and/or Common Element, then the proceeds shall be distributed according to Section 9.1 of the Declaration and Section 1 of Article X of these Bylaws.

of each Unit Owner, to the extent sufficient for this purpose, the amount of any unpaid liens on such Unit Owner's Condominium Unit, in the order of the priority of such liens. Any Unit Owners whose Unit is subject to a Mortgage shall first obtain its Mortgagees' written consent to the Unit Owner's intended vote. Until the execution of judgment partitioning the Condominium, each Unit Owner, and its heirs, successors or assigns, shall have an exclusive right of occupancy of that part of the Condominium which formerly constituted its Unit.

Section 2. Procedure for Reconstruction and Repair.

(a) Cost Estimates. Immediately after a fire or other casualty causing damage to any part of the Condominium, the Board shall obtain detailed estimates of reconstruction and repair costs so as to restore the Condominium to a condition as good as that existing before such fire or other casualty. Such costs may also include professional fees and premiums for such bonds as the Board determines to be necessary or desirable.

(b) Casualty Assessments. If the proceeds of insurance maintained by the Board are not sufficient to defray the estimated costs of reconstruction and repair, or if at any time during reconstruction and repair, the funds for the payment thereof are insufficient, special casualty assessments in sufficient amounts to provide payment of such costs shall be deemed to be a general obligation of all Unit Owners; accordingly, the Board shall levy such special casualty assessments against all Unit Owners in proportion to the respective Allocated Interest of all Units. Special casualty assessments shall not require the approval of the Association, anything in these Bylaws to the contrary notwithstanding.

(c) Determination Amount of Special Casualty Assessment: Use of Reserve for Replacement Funds. If the Board determines that the repair or reconstruction of any portion of the Condominiums (including one or more Buildings) after a casualty will, upon completion, materially reduce the necessity of maintaining any reserve for fund at its then current level, the Board may utilize such reserve for replacement fund to the extent it deems appropriate to reduce or eliminate the amount of any special casualty assessment.

(d) Plans and Specifications. Except upon the approval of the Association, any reconstruction or repair of the Condominium in accordance with this Article shall be made substantially in accordance with the plans and specifications under which the Condominium originally was constructed, subject to the requirements of applicable law at the time of such reconstruction or repair.

Section 3. Disbursements.

(a) Construction Fund. The net proceeds of insurance collected on account of casualty, together with any sums received by the Board from collections or special casualty

Section 4. Common Elements: When Reconstruction Is Not Required.

If the Board elects not to repair insubstantial damage to the Common Elements, the Board shall remove all remains of the damaged improvements and restore the site thereof to an acceptable condition compatible with the remainder of the Condominium, and the balance of any insurance proceeds received on account of such damage shall be distributed among all Unit Owners in proportion to their respective Allocated Interests.

Article XI. Compliance and Default

Section 1. Unit Owners.

All Unit Owners shall be governed by and shall comply with the provisions of the Act and the Condominium Documents, as any of the same may be amended from time to time. A default by a Unit Owner shall entitle the Association or an aggrieved Unit owner to the relief as provided in this Article XI.

Section 2. Fines.

The Board of Directors may establish and assess fines against Unit Owners for every violation of the Condominium Documents or the Act by the Unit owner, their family members, guests, invitees, employees and/or agents. If a Unit Owner requests in writing a hearing before the fine is imposed, the imposition of the fine shall be suspended until hearing before the Board of Directors is held. Fines are Special Assessments and shall be collectible as such. In any proceeding arising out of any alleged violation by a Unit Owner, the prevailing party shall be entitled to recover the costs of the proceeding, and such reasonable attorneys' fees as may be determined by the court.

Section 3. Waiver.

No restriction, condition, obligation or provision contained in these Bylaws 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.

Article XII. Amendments

Section 1. Amendments.

These Bylaws may be altered, amended or repealed and new Bylaws adopted by the Members, at

a meeting called for such purpose, by an affirmative vote of Unit Owners of Units to which at least seventy-five (75%) of the votes in the Association appertain. The amendment shall be effective when it is duly adopted and notice of such amendment is delivered to the Unit Owners.

Section 2. Notices.

All notices required under these Bylaws shall be in writing and shall be deemed to have been duly given upon delivery if delivered personally or upon mailing if sent by United States mail, first-class postage prepaid, or otherwise as the Act may require or permit at the following:

(a) if to the Unit owner, at the address shown on the Membership Roster; and

(b) if to the Association or its Managing Agent, at the registered office of the Association.

Article XIII. Miscellaneous

Section 1. Invalidity

The invalidity or unenforceability of any provision of these Bylaws shall not affect the validity or enforceability of any other provision of these Bylaws.

Section 2. Captions.

The captions and headings of various paragraphs and sections of these Bylaws are for convenience only and are not to be construed as defining or limiting the scope or intent of the provisions thereof.

Section 3. Internal Revenue Code

Notwithstanding anything herein contained to the contrary, no action shall be required or permitted to be taken under these Bylaws or by the Officers or Directors of this Association, which would not be permitted to be taken by an organization described in 528 of the Internal Revenue Code of 1986, as amended.

Section 4. Number and Gender.

Whenever used herein, the singular number shall include the plural, the plural the singular and use of any gender shall include all genders.

Section 5. Defined Terms.

Terms defined in the Declaration shall have the same meaning herein unless the context clearly indicates to the contrary.