BYLAWS OF

HOLLAND VILLAS CONDOMINIUM ASSOCIATION

ARTICLE I

NAME AND ADDRESS

1.01. Name; Purpose. The name of the corporation shall be Holland Villas Condominium Association, Inc. (the "Association"). The Association is incorporated as a nonstock, nonprofit corporation under the provisions of the Wisconsin Nonstock Corporation Law, Wis. Stat. ch. 181.

1.02. Address. The principal office of the Association shall be located at W7765 Parcher Court, Holmen, WI, 54636. This address shall also be the mailing address of the Association.

1.03. Binding Effect. These Bylaws (the "Bylaws") shall be binding upon the Unit Owners, their heirs, successors, and assigns and shall govern the use, occupancy, operation, and administration of the Condominium. These Bylaws supersede and replace any previous Bylaws of the Association.

1.04. Capitalized Terms. Capitalized terms not defined in these Bylaws shall have the definitions given to such terms in the Declaration of Condominium recorded in the office of the La Crosse County Register of Deeds on , 2021, as Document No. (the "Declaration").

1.05. Nonprofit Status. No part of the net earnings of the Association may inure (other than by acquiring, constructing, or providing management, maintenance, and care of Association property, and other than by a rebate of excess membership dues, fees, or assessments) to the benefit of any member or individual. Following the Association's winding up of its affairs and upon its liquidation, no member of the Association shall receive any distribution of assets of the Association greater than the amount originally paid to the Association with respect to such member's membership interest. Furthermore, following the wind-up of the Association's affairs, any excess assets of the Association (other than a rebate of excess membership dues, fees, or assessments) following the wind-up of its affairs shall, at the time of the Association's liquidation, be distributed to a religious, scientific, educational, benevolent, or other corporation or association that is organized and conducted not for pecuniary profit.

ARTICLE II

MEMBERSHIP

2.01. Membership. The membership of the Association shall at all times consist exclusively of all Unit Owners of the Condominium. Land contract vendees but not land contract vendors shall be members of the Association. Persons who hold an interest in a Unit merely as security for the performance of an obligation (including Mortgagees) are not members of the Association. 2

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

2.03. Withdrawal or Expulsion. No Unit Owner may voluntarily withdraw from membership in the Association nor may any Unit Owner be expelled from such membership.

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

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

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

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

2.08. Quorum. Unit Owners holding fifty-one percent (51%) of the total votes of the Association as set forth in the Declaration, present in person or represented by proxy, shall constitute a quorum at all meetings of the Unit Owners for the transaction of business. 3

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

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

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

Unit Owners have designated a single Unit Owner to exercise any or all votes appertaining to their Unit and have filed written notice of such designation signed by all such multiple Unit Owners with the secretary of the Association, in which case such votes cast by a Unit Owner so designated shall be deemed to be the unanimous act of the multiple Unit Owners, or (b) only one of multiple Unit Owners of a Unit is present in person or by proxy at a meeting of the Association, in which event the Unit Owner present (whether or not such Unit Owner or any other Unit Owner has been designated to cast votes pursuant to item (a) of this Section 2.11) is entitled to cast all votes allocated to the Unit and the same shall be deemed to be the unanimous act of the multiple Unit Owners. No designation of a single Unit Owner to cast any vote appertaining to any Unit owned by multiple Unit Owners shall be effective until written notice of such designation signed by all Unit Owners of such Unit has been received by the secretary of the Association before casting such vote. If any Unit Owner is so designated, then except as provided in the Declaration or in these Bylaws, only that Unit Owner shall be entitled to cast such vote in person or by proxy. A voting designation may be limited in time or may be changed by notice in writing to the secretary of the Association signed by all Unit Owners.

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

ARTICLE III

MEETINGS OF MEMBERS

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

3.02. Annual Meetings. The first annual meeting of the Unit Owners shall be held on the last Monday in January after the Declarant has ceased to control the Association as provided in Section 7.02 of the Declaration. Thereafter, regular annual meetings of the Unit Owners shall be held on the third Sunday in May.

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

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

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

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

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

(a) Calling the meeting to order;

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

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

(d) Reading and disposal of any unapproved minutes;

(e) Reports of officers;

(f) Reports of committees (if appropriate);

(g) Election of directors (if appropriate);

(h) Unfinished business;

(i) New business; and

(j) Adjournment.

3.08. Action Without a Meeting by Written Consent. Any action required or permitted by any provision of the Wisconsin Condominium Ownership Act, the Wisconsin Nonstock Corporation Law, the Declaration, the Articles, or these Bylaws to be taken by the vote of the Unit Owners may be taken without a meeting if a written consent, setting forth the action so taken, is signed and dated by all Unit Owners that would have been entitled to vote on the action at such meeting and that hold a number of votes equal to fifty-one percent (51%) of the total number of votes in the Association. 5

3.09. Action Without a Meeting by Written Ballot. Any action required or permitted by any provision of the Wisconsin Condominium Ownership Act, the Wisconsin Nonstock Corporation Law, the Declaration, the Articles, or these Bylaws to be taken by the vote of the Unit Owners may be taken without a meeting if the Association delivers a written ballot to every Unit Owner entitled to vote on the matter. The written ballot shall set forth each proposed action, shall provide an opportunity to vote for or against each proposed action, and shall be accompanied by a notice stating the number of responses needed to meet the quorum requirements, the percentage of approvals necessary to approve each matter other than election of directors, and the time by which the ballot must be received by the secretary of the Association in order to be counted. Approval of any action by written ballot shall be valid only when the number of votes cast by ballot equals or exceeds the quorum required at a meeting authorizing the action and the number of approvals equals or exceeds the number of votes that would be required to approve the matter at a meeting at which the total number of votes cast was the same as the number of votes cast by ballot. Once received by the secretary of the Association, a written ballot may not be revoked.

ARTICLE IV

BOARD OF DIRECTORS

4.01. Number and Membership in Association. The affairs of the Association shall be managed initially by a Board of Directors composed of three (3) directors selected by the Declarant. At such time as the Declarant has conveyed twenty-five percent (25%) of the Percentage Interest to purchasers, the number of directors on the Board of Directors shall be increased to four (4). At such time as the Declarant has conveyed fifty percent (50%) of the percentage interest in the Common Elements as determined under Section 7.03 of the Declaration to purchasers, the number of directors on the Board of Directors shall be decreased to three (3). No more than one director at any given time may be a person who is not also a Unit Owner; provided, however, that during the period of Declarant control as provided in Section 7.02 of the Declaration, any person named by the Declarant to the Board of Directors shall be deemed to be a "Unit Owner" for purposes of this requirement only and provided further, that in the case of a Unit that is owned by an entity rather than an individual, any person who is an officer, member, partner, director, employee, or designee of such entity shall be deemed to be a "Unit Owner" for purposes of this requirement only.

4.02. Term of Office. The initial Board of Directors shall serve until the Declarant has conveyed twenty-five percent (25%) of the Percentage Interest to purchasers. Within thirty (30) days after the conveyance of twenty-five percent (25%) of the Percentage Interest in the Common Elements to purchasers, the Unit Owners other than the Declarant shall elect one director to serve on the Board of Directors. The Declarant shall elect the remaining three directors. Such Board of Directors shall serve until the Declarant has conveyed fifty percent (50%) of the Percentage Interest in the Common Elements to purchasers. Within thirty (30) days after the conveyance of fifty percent (50%) of the Percentage Interest in the Common Elements to purchasers, the Unit Owners other than the Declarant shall elect one director to serve on the Board of Directors. The Declarant shall elect the remaining two directors. Such Board of Directors shall serve until the next election upon expiration of the period of Declarant control as provided in Section 7.02 of the 6

Declaration. Not later than forty-five (45) days after the expiration of the period of Declarant control, a special meeting of the Unit Owners shall be called, and the Unit Owners shall elect all three (3) directors to serve on the Board of Directors. Such directors shall take office upon such election and shall serve until the first annual meeting of the Unit Owners as provided in Section 3.02. Thereafter, each director shall take office at the annual meeting and shall serve for a term of one (1) year or until his or her successor shall be elected.

4.03. Election of Directors. One (1) month before each annual meeting of the Unit Owners, the secretary of the Association shall mail to all Unit Owners a notice setting a deadline for nomination of persons to serve as directors on the Board of Directors. All nominations shall be mailed to the secretary. Unit Owners must obtain the prior consent of any person they nominate and may nominate themselves. Only Unit Owners entitled to vote on the election of any director may nominate a person to serve as a director. If the number of nominees equals the number of directors to be elected, the nominees shall automatically become the new directors to take office at the annual meeting. If the number of nominees is fewer than the number of directors to be elected, the secretary shall solicit further nominees by mail. If the number of nominees exceeds the number of directors to be elected, the secretary shall conduct an election by written ballot in accordance with Section 3.09 with all written ballots due before the deadline set by the secretary. Each Unit shall have the number of votes provided in the Declaration. The persons receiving the largest number of votes shall be elected as directors and shall take office at the annual meeting.

4.04. Vacancy and Replacement. If the office of any director becomes vacant because of death, resignation, disqualification, or removal from office, such vacancy shall be filled by vote of a majority of the remaining directors at a special meeting of the Board of Directors held for that purpose promptly after the occurrence of such vacancy, even though the directors present 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 director who left office or until a successor is elected in accordance with these Bylaws. Notwithstanding the foregoing, during the period of Declarant control as described in Section 7.02 of the Declaration, only the Declarant shall have the right to replace any director elected by Declarant.

4.05. Removal. Before the expiration of the period of Declarant control as described in Section 7.02 of the Declaration, only the Declarant shall have the right to remove a director from the Board of Directors. Thereafter, any director may be removed from the Board of Directors, with or without cause, by a majority vote of the Unit Owners.

4.06. Compensation. No director shall receive any compensation for his or her services as a director of the Association other than reimbursement for reasonable out-of-pocket expenses incurred in the performance of directors' duties.

ARTICLE V

MEETINGS OF THE BOARD OF DIRECTORS

5.01. Regular Meetings. Until the expiration of Declarant control as described in Section 7.02 of the Declaration, the regular meeting of the Board of Directors shall be held annually on the last Monday of January at the time and place designated in the notice of such meeting. 7

Thereafter, regular meetings of the Board of Directors shall be held annually without notice following the annual meeting of the Unit Owners at the same place as the Unit Owners' meeting or at such place as the Board of Directors may vote to hold the meeting.

5.02. Special Meetings. Special meetings of the Board of Directors may be called at any time by the president and shall be called by the president or secretary at the request of any director on the Board of Directors. Business transacted at all special meetings shall be limited to the objects stated in the notice of such meeting.

5.03. Notice of Special Meetings. No special meeting of the Board of Directors may be held except upon at least three (3) days' prior written notice delivered or mailed by the secretary to each member of the Board of Directors. Such notice shall specify the place, day, and hour of the meeting of the Board of Directors and the purpose of the meeting. Attendance by any director at any meeting of the Board of Directors shall be deemed a waiver of such notice.

5.04. Quorum. A majority of the Board shall constitute a quorum for the transaction of business. Except as otherwise expressly provided in the Wisconsin Condominium Ownership Act, the Wisconsin Nonstock Corporation Law, the Declaration, the Articles, or these Bylaws, every act of a majority of directors present at any meeting at which there is a quorum shall be the act of the Board of Directors. If a quorum is not present at the meeting, the directors then present may adjourn the meeting until such time as a quorum is present, and at such later meeting at which a quorum is present, may transact any business that might have been transacted at the meeting originally called.

5.05. Order of Business. The order of business at all meetings of the Board of Directors shall be as follows:

(a) Calling the meeting to order;

(b) Proof of notice of meeting or waiver of notice;

(c) Reading and disposal of any unapproved minutes;

(d) Reports of officers;

(e) Reports of committees (if appropriate);

(f) Election of officers (if appropriate);

(g) Unfinished business;

(h) New business; and

(i) Adjournment.

5.06. Action Without a Meeting by Written Consent. Any action required or permitted by the Articles or these Bylaws to be taken by the Board of Directors may be taken without a meeting if a written consent, setting forth the action so taken, is signed by two-thirds (2/3) of the directors then in office. 8

ARTICLE VI

POWERS AND DUTIES OF BOARD OF DIRECTORS

6.01. Powers and Duties. All powers and duties of the Association under the Declaration, the Articles, these Bylaws, the Wisconsin Condominium Ownership Act, and the Wisconsin Nonstock Corporation Law shall be exercised by the Board of Directors except those powers and duties specifically given to or required of any committees of the Association or the Unit Owners. The powers and duties of the Board of Directors include, without limitation, the power or duty to:

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

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

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

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

(e) Hire and supervise any property manager or agent, security manager or agent, other manager or agent, employee, attorney, accountant, or any other independent contractor whose services the Board of Directors determines are necessary or appropriate;

(f) Sue on behalf of all Unit Owners;

(g) Make contracts and incur liabilities;

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

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

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

(k) Adopt, amend, and repeal rules and regulations governing the operation, maintenance, and use of any portion of the Condominium and the personal conduct of any person on or with regard to Condominium property, including the imposition of charges for the use of Common Elements and penalties for infractions of the rules and regulations of the Association. Such rules and regulations may also be adopted, amended, and repealed by the Unit Owners having sixty-seven percent (67%) or more of the votes of the Association. Notwithstanding anything in these Bylaws to the contrary, (i) rules and regulations that are adopted, amended or repealed by the Unit Owners may not thereafter be amended, repealed, or readopted by the Board of Directors; and (ii) the Declarant and its successors and assigns shall not be subject to or bound by any rule, 9

regulation, or amendment to a rule or regulation that is adopted without the written consent of the Declarant and its successors and assigns to the specific rule, regulation, or amendment;

(l) Insure the Condominium property and property owned or leased by the Association against loss by fire and other casualty and the Association and Unit Owners against public liability as provided in the Declaration and purchase such other insurance as the Board of Directors may deem advisable;

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

(n) Appoint committees to carry out any tasks that the Board of Directors deems necessary or appropriate;

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

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

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

6.02. Manager. The Board of Directors may hire a manager or managing agent at a compensation rate established by the board to perform such duties and services as the Board of Directors shall authorize, including, without limitation, the duties enumerated in Sections 6.01 and 7.07.

ARTICLE VII

OFFICERS AND THEIR DUTIES

7.01. Officers. The three (3) principal officers of the Association shall be the president/treasurer, vice president, and secretary, all of whom shall be elected by the Board of Directors. All officers shall be Unit

Owners, provided, however, that during the period of Declarant control as provided in Section 7.02 of the Declaration, any person named by the Declarant to the Board of Directors or as an officer shall be deemed to be a "Unit Owner" for purposes of this requirement only and provided further, that in the case of a Unit that is owned by an entity rather than an individual, any person who is an officer, member, partner, director, employee, or designee of such entity shall be deemed to be a "Unit Owner" for purposes of this requirement only. The same individual may simultaneously hold more than one office in the Association.

10

7.02. Election of Officers. The first election of officers shall take place at the first meeting of the initial Board of Directors. Thereafter, the officers shall be elected annually by the Board of Directors at its regular meeting.

7.03. Term. Each officer of the Association shall hold office for a term of three (3) years or until his or her successor shall be elected.

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

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

7.06. Vacancies. A vacancy in any office may be filled by appointment by the Board of Directors. The officer appointed to fill such vacancy shall serve for the remainder of the term of the officer replaced.

7.07. Duties. Unless otherwise indicated by the Board of Directors or delegated to a manager or managing agent pursuant to Article VI, the duties of the officers are as follows:

(a) *President.* The president shall preside at all meetings of the members of the Association and of the Board of Directors; oversee the implementation of the Board of Directors' orders and resolutions; sign all leases, mortgages, deeds, contracts, checks, promissory notes, and other written instruments on behalf of the Association; generally manage the business of the Association; supervise and direct all other officers of the Association; and perform such other duties incident to the office of president as may be required under the Wisconsin Condominium Ownership Act, the Wisconsin Nonstock Corporation Law, the Declaration, the Articles, or these Bylaws, or by the Board of Directors.

(b) *Vice President.* The vice president shall act in the place of the president in the event of the president's absence or inability or refusal to act and shall exercise and discharge such other duties as may be required by the Board of Directors.

(c) *Secretary.* The secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board of Directors and of the Unit Owners; serve notices of the meetings of the Board of Directors and of the Unit Owners; keep all books and records of the Association other than books of account, including the membership list described in Section 2.05; and perform such other duties incident to the

office of secretary as may be required under the Wisconsin Condominium Ownership Act, the Wisconsin Nonstock Corporation Law, the Declaration, the Articles, or these Bylaws, or by the Board of Directors. 11

(d) *Treasurer.* The treasurer shall receive and deposit in appropriate bank accounts all funds of the Association and disburse such funds as directed by the president or by the Board of Directors; keep complete and accurate books of account; prepare the annual report of the business transacted by the Association each year; and prepare a proposed annual operating budget each year for consideration of the Board of Directors or Unit Owners.

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

ARTICLE VIII

BOOKS AND RECORDS

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

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

ARTICLE IX

BUDGET, ASSESSMENT, AND ANNUAL REPORT

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

9.02. Budget. Throughout the period of Declarant control as described in Section 7.02 of the Declaration, the Board of Directors shall adopt an annual operating budget for the Association at the annual meeting of the Board of Directors, provided, however, that the first annual operating budget for the Association shall be adopted by the Board of Directors before the first sale of a Unit by the Declarant. After the expiration of the period of Declarant control as described in Section 7.02 of the Declaration, the Unit Owners holding at least fifty-one percent (51%) of the votes present in person or represented by proxy at their annual meeting shall adopt the annual operating budget for the Association at such annual meeting. The budget shall be effective for the period January 1 through December 31 of the succeeding year. For any year in which the Association is maintaining a statutory reserve account for the condominium under Wis. Stat. § 703.163, the Board shall include within the budget the amount of reserve funds to be collected for the ensuing year after considering: 12

1. The reserve funds then in the reserve account;

2. The estimated cost of repairing or replacing Common Elements, other than routine maintenance;

3. The estimated remaining useful life of the Common Elements; and

4. The approximate proportion of the estimated cost of repairing or replacing Common Elements that will be covered by the reserve account and the approximate proportion that will be funded by other means.

9.03. Levying and Payment of General Assessments. Based on the duly adopted annual operating budget, the Board of Directors shall levy General Assessments against the Unit Owners in proportion to their respective Percentage Interest. On or before the last day of December of each year, the secretary shall mail or deliver a copy of the annual operating budget and a statement of assessment for the next twelve (12) months to each Unit Owner. General Assessments shall be payable to the Association in twelve (12) equal installments that shall be due monthly in advance on the first day of each month. Such installments shall be mailed or delivered to the principal office of the Association and shall be deemed paid on the date of mailing or on the date of delivery, as the case may be.

9.04. Special Assessments. Special Assessments may from time to time be levied against Unit Owners by the Board of Directors for any of the purposes enumerated in the Declaration and shall be due and payable in the manner and on the date or dates designated by the Board of Directors.

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

9.06. Annual Report. Each January, the Board of Directors shall, by formal action, approve a full and clear annual report of all business transacted by the Association during the previous fiscal year, including a report of the Common Expenses, surpluses, and assessments collected from each Unit Owner during the year. Copies of the annual report for the previous year shall be mailed or delivered to each Unit Owner at the address in the Association's membership list before the third Thursday in February. 13

9.07. Statutory Reserve Account. All funds collected to fund a statutory reserve account as described in section 9.02, above, shall be held in a separate, segregated account maintained in the name of the Association. Funds may be withdrawn from said account only for the purpose of repairing or replacing common elements, other than routine maintenance or for such other purposes as may be allowed under Wis. Stat. § 703.163. Funds held in the statutory reserve account may be invested only in those investments allowed by law.

ARTICLE X

USE

10.1. Use of Property. The units and common areas and facilities shall be occupied and used as follows:

(a) No part of the Property shall be used for other than housing and related common purposes for which the Property was designed. Each Unit shall be used as a residence for a single family or such other uses permitted by this Declaration and for no other purpose. The Common Elements may be altered to afford ingress and egress to and from such Units in such manner and upon such conditions as shall be determined by the Board in writing.

(b) There shall be no obstruction of the Common Elements or facilities, nor shall anything be stored in the Common Elements without the prior consent of the Board of Directors, except as hereinafter expressly provided. Each Unit Owner shall be obligated to maintain and keep in good order and repair his/her own Unit and Limited Common Elements.

(c) Nothing shall be done or kept in any Unit or in the Common Elements or facilities which will increase the rate of insurance on the Property, or contents thereof, without the prior written consent of the Board of Directors. No Unit Owner shall permit anything to be done or kept in his/her unit or in the Common Elements which will result in the cancellation of insurance on the Property, or contents thereof, or which would be in violation of any law. No waste shall be committed in the Common Elements or Limited Common Elements.

(d) Unit Owners shall not cause nor permit anything to be hung or displayed on the outside of windows or placed on the outside walls of the Unit, and no sign, awning, canopy, shutter radio, or television antenna shall be affixed to or placed upon the exterior walls or roof or any part thereof of a Unit or Building without the prior consent of the Board of Directors.

(e) No animals, rabbits, livestock, fowl, or poultry of any kind shall be raised, bred, or kept in any unit or in the Common Elements, except that a combined total of up to three (3) dogs and/or cats may be kept in Units as pets, subject to rules and regulations adopted by the Board of Directors, provided that they are not kept bred, or maintained for any commercial purpose; and provided further that any such pet causing or creating a nuisance or unreasonable disturbance shall be permanently removed from the Property subject to these restrictions upon three days' written notice from the Board of Directors. 14

(f) No unlawful, immoral noxious, or offensive activity shall be carried on in any Unit or in the Limited Common Elements or Common Elements nor shall anything be done therein or thereon either willfully or negligently which may be or become, in the judgment of the Board of Directors, an annoyance or nuisance to the other Unit Owners or occupants of Units.

(g) Nothing shall be done in any Unit or in, on, or to the Common Elements which will impair the structural integrity of any building or which would structurally change any Building, except as is otherwise provided herein.

(h) The Common Elements, Limited Common Elements, and same shall be kept free and clear of rubbish, debris and other unsightly materials. Trash, garbage and other waste shall be kept only in enclosed sanitary containers, and shall be disposed of in a clean, slightly, healthy and sanitary manner, and as may be prescribed from time to time by the rules and regulations of the Board. In the event any Unit Owner, occupant, guest, invitee, family member, or licensee shall permit or allow any of the items set forth in the preceding paragraph to occur upon the Limited Common Elements or Common Elements and further, shall within twelve (12) hours of receiving written notice fail to take all the necessary steps to correct the condition set forth in said notice, the Board shall have the right to enter on said Limited Common

Elements or Common Elements to correct said condition. The costs of the removal or correction of said item shall be assessed against the Unit Owner and shall become collectible as herein provided for any assessment.

(i) No industry, business, trade, occupation or profession of any kind whether commercial, religious, educational, or otherwise shall be conducted, maintained or permitted on any part of the Property, nor except with the consent of the Board, shall any signs be maintained or permitted by any owner or any part of the Property or in any Unit therein, except that a Unit Owner may conduct a Home Enterprise as hereinafter provided. The Board may allow signs identifying the address of the individual Unit. The Board may provide for a sign or signs identifying the condominium and directional signs to be located on the Common Elements and such other signs and flags for special events as the Board deems advisable. Declarant or the Board may display such signs as are required by law or set forth in the rules and regulations of this Condominium. There shall be no "For Sale" or "For Rent" signs located on the Limited Common Elements, within the Units, or on the Common Elements of the Condominium.

(j) Nothing shall be altered or constructed in or removed from the Common Elements, except upon the written consent of the Board of Directors.

(k) No provisions of these Bylaws shall be deemed to nullify, void or invalidate the specific provisions as set forth in the Declaration, said provisions being deemed to take precedence over any provision of these Bylaws. The Board of Directors shall have the exclusive control and jurisdiction over all underground facilities within the Common Elements of the Condominium. The Board of Directors for the Association and/or the Association by its members may from time to time adopt certain rules and regulations which shall be made a part of these Bylaws. These rules and regulations shall be set forth as "Addendum to Bylaws" and shall be affixed to the official Bylaws of the Association and incorporated therein by reference. 15

ARTICLE XI

ENFORCEMENT OF CONDOMINIUM DOCUMENTS

It shall be the responsibility of each Unit Owner to see that the occupants and tenants of the Unit owned by such Unit Owner, and the employees, agents, representatives, invitees, and guests of such Unit Owner, occupants, and tenants, abide by the provisions of the Declaration, Bylaws, Condominium Ownership Act, all rules and regulations of the Association, and any decisions made by the Association, the Board of Directors, or any committees of the Association that are authorized by any of the foregoing. Unit Owners should report infractions to the Board of Directors in writing, and the Board of Directors shall reply to the reporting Unit Owner within thirty (30) days concerning the action taken. In case of a violation of any provision of the Declaration, the Bylaws, the Condominium Ownership Act, any rule or regulation of the Association, or any authorized decision of the Association, the Board of Directors, or any committee of the Association, the Board of Directors shall notify the alleged offender. If the violation is not corrected within a reasonable time, the Association may take such action as it deems appropriate, including legal action against the offending Unit Owner or the Unit Owners of the Unit in which such offender is a tenant, occupant, employee, agent, representative, invitee, or guest, to correct the violation. In any such action brought against any Unit Owner in which the Association is the prevailing party, the Unit Owner defendant in such action shall pay the Association’s costs and actual attorney fees. If the Association fails to take appropriate enforcement action within thirty (30) days of the Association’s receipt of the report of the infraction, any Unit Owner may take appropriate legal action to enforce the provisions of the

Declaration, the Bylaws, the Condominium Ownership Act, the rules and regulations of the Association, and any authorized decision of the Association, the Board of Directors, or any committee of the Association.

ARTICLE XII

LIABILITY AND INDEMNITY

12.01. General Scope and Definitions.

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

(b) For purposes of this Article, "director or officer" means a natural person (i) who is or was a director or officer of the Association; (ii) 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, limited liability company, joint venture, trust, or other enterprise; (iii) who, while a director or officer of the Association, is or was serving an employee benefit plan because his or her duties to the Association also imposed duties on, or otherwise involved services by, the person to the plan or to participants in or beneficiaries of the plan; or (iv) who is or was a member of the Architectural Review Committee. Unless the context 16

requires otherwise, "director or officer" shall also mean the estate and personal representative of a director or officer.

(c) For purposes of this Article, "proceeding" means 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 (including federal or state securities laws) and that is brought by or in the right of the Association or by any other person.

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

12.02. Mandatory Indemnification.

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

(b) In cases not included under Section 12.02(a), the Association shall indemnify any director or officer against expenses actually and reasonably incurred by the director or officer in a proceeding to which the director or officer was a party because he or she is or was a director or officer, unless liability was incurred because the director or officer breached or failed to perform a duty he or she owed to the

Association and the breach or failure to perform constituted any of the following: (i) a willful failure to deal fairly with the Association or its members in connection with a matter in which the director or officer had 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 benefit; or (iv) willful misconduct. The termination of a proceeding by judgment, order, settlement, or conviction, or upon a plea of no contest or an equivalent plea, does not, by itself, create a presumption that indemnification of the director or officer is not required under this subsection.

(c) Indemnification under this Section is not required to the extent that the director or officer has previously received indemnification or allowance of expenses from any person, including the Association, in connection with the same proceeding. 17

(d) To the extent indemnification is required under this Article XII, the Association has purchased or is required under Section 12.10 to purchase insurance on behalf of the indemnified person and the insurance policy includes a provision obligating the insurer to defend such person, the Association shall be obligated to extend such defense. To the extent possible under such insurance policy, the defense shall be extended with counsel reasonably acceptable to the indemnified person. The Association shall keep the indemnified person advised of the status of the claim and the defense thereof and shall consider in good faith the recommendations made by the indemnified person with respect thereto.

12.03. Determination of Right to Indemnification. Unless otherwise provided by written agreement between the director or officer and the Association, the director or officer seeking indemnification under Section 12.02 shall make a written request for indemnification that shall designate one of the following means for determining his or her right to indemnification: (a) by a majority vote of a quorum of the Board of Directors or a committee of directors consisting of directors not at the time parties to the same or related proceedings; (b) by independent legal counsel selected by a quorum of the Board of Directors or its committee in the manner prescribed in Section 12.03(a) 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 same or related proceedings; (c) by arbitration; or (d) by an affirmative vote of a majority of the Unit Owners entitled to vote; provided, however, that Unit Owners who are at the time parties to the same or related proceedings, whether as plaintiffs or defendants or in any other capacity, may not vote in making the determination. Any determination under this Section shall be made pursuant to procedures consistent with the Wisconsin Nonstock Corporation Law unless otherwise agreed by the Association and the person seeking indemnification. Such determination shall be completed, and eligible expenses, if any, shall be paid to the person requesting indemnification hereunder within sixty (60) days after the Association's receipt of the written request required hereunder.

12.04. Allowance of Expenses as Incurred. Within thirty (30) days after a written request by a director or officer who is a party to a proceeding because he or she is or was a director or officer, the Association shall pay or reimburse his or her reasonable expenses as incurred if the director or officer provides the Association with all the following: (a) a written affirmation of his or her good-faith belief that he or she has not breached or failed to perform his or her duties to the Association; and (b) a written undertaking, executed personally or on his or her behalf, to repay the allowance and, if required by the Association, to pay reasonable interest on the allowance to the extent that it is ultimately determined under Section 12.03 that indemnification under Section 12.02 is not required and indemnification is otherwise not ordered by a court. The undertaking under this Section shall be an unlimited general obligation of the 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.

12.05. Partial Indemnification.

(a) If it is determined pursuant to Section 12.03 that a director or officer is entitled to indemnification as to some claims, issues, or matters in connection with any proceeding, but not as to other claims, issues, or matters, the person or persons making such determination shall reasonably determine and indemnify the director or officer for those expenses that are the result of 18

claims, issues, or matters that are a proper subject for indemnification hereunder in light of all circumstances.

(b) If it is determined pursuant to Section 12.03 that certain expenses (other than liabilities) incurred by a director or officer are for any reason unreasonable in amount in light of all the circumstances, the person or persons making such determination shall authorize the indemnification of the director or officer for only such amounts as he or she or they shall deem reasonable.

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

12.07. Limited Liability of Directors and Officers.

(a) Except as provided in Sections 12.07(b) and (c), a director or officer is not liable to the Association, its members or creditors, or any person for damages, settlements, fees, fines, penalties, or other monetary liabilities arising from a breach of, or failure to perform, any duty resulting solely from his or her status as a director or officer, unless the person asserting liability proves that the breach or failure to perform constitutes any of the acts of misconduct listed in Section 12.02(b).

(b) Except as provided in Section 12.07(c), this Section 12.07 does not apply to any of the following: (i) a civil or criminal proceeding brought by or on behalf of any governmental unit, authority, or agency; (ii) a proceeding brought by any person for a violation of state or federal law when the proceeding is brought pursuant to an express private right of action created by state or federal statute; or (iii) the liability of a director under Wis. Stat. §§ 181.0832 and 181.0833.

(c) The provisions of Wis. Stat. § 12.07(b)(i) and (ii) do not apply to a proceeding brought by a governmental unit, authority, or agency in its capacity as a private party or contractor.

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

12.09. Non-Exclusivity of Rights. The rights to indemnification, defense, and advancement of expenses provided for in this Article shall not be deemed exclusive of any other 19

rights to which those seeking indemnification, defense, or advancement of expenses may be entitled under any agreement authorized by the Board of Directors, any of the Bylaws, any vote of the members or disinterested directors or otherwise, both as to action in his or her official capacity and as to action in another capacity while holding such office. Notwithstanding the foregoing, the Association may not indemnify a director or officer, or permit a director or officer to retain any allowance of expenses, pursuant to any such additional rights 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 that constitutes conduct under Section 12.02(b). A director or officer who is a party to the same or related proceeding for which indemnification, defense, or an allowance of expenses is sought may not participate in a determination under this Section.

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

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

12.12. Amendment. No amendment or repeal of this Article shall be effective to reduce the obligations of the Association under this Article with respect to any proceeding based on occurrences that take place before such amendment or repeal.

ARTICLE XIII

GENERAL PROVISIONS

13.01. Interpretation. These Bylaws are subject to all provisions of the Declaration, the Articles, the Wisconsin Condominium Ownership Act, and the Wisconsin Nonstock Corporation Law. If any provision of these Bylaws shall be held invalid, such invalidity shall not render invalid any other provision hereof that can be given effect. Any invalid provision or portion thereof shall be interpreted as having been amended to comply with the provisions of the Wisconsin Condominium Ownership Act and/or the Wisconsin Nonstock Corporation Law in effect on the date of the adoption of these Bylaws. Nothing in these Bylaws shall be deemed or construed to authorize the Association to conduct or engage in any active business for profit on behalf of any or all Unit Owners. 20

13.02. Notices. Except as otherwise may be provided in the Wisconsin Condominium Ownership Act or the Wisconsin Nonstock Corporation Law, notices to any Unit Owner that are to be delivered or mailed pursuant to these Bylaws shall be deemed to have been given (a) in the case of delivered notices, on the date when the notice is delivered to the address on file with the secretary of the Association; or (b) in the case of mailed notices, on the date when the notice, addressed to the address on file with the secretary of the Association, is deposited in the United States mail with sufficient postage to effect delivery.

ARTICLE XIV

AMENDMENT

These Bylaws may be amended only with the assent of at least sixty-seven percent (67%) of the votes of the Unit Owners; provided, however, as long as the Declarant owns any Unit, no amendment shall be effective without the written consent of the Declarant. Any first Mortgagee or its insurer or guarantor shall, upon written request to the Association, be entitled to timely written advance notice of any proposed amendment to these Bylaws.

Name	Date	Address	Phone Number