

BY-LAWS
OF
EDGEWATER EAST CONDOMINIUMS OF HARTFORD OWNER'S ASSOCIATION, INC.
TABLE OF CONTENTS

Article I	General Purpose, Name, Location		B-4
	Section 1	Purpose	
	Section 2	Name and Location	
	Section 3	Persons subject to By-Laws	
Article II	Definitions		B-4
	Section 1	"Association"	
	Section 2	"Common Elements"	
	Section 3	"Declarant"	B-5
	Section 4	"Declaration"	
	Section 5	"Member"	
	Section 6	"Reference to Declaration"	
	Section 7	"Subject Property"	
	Section 8	"Unit"	
	Section 9	"Unit Owner"	
Article III	Association Membership		B-5
	Section 1	Membership	
Article IV	Voting and Meeting		B-5
	Section 1	Voting	
	(a)	Class A Members	B-6
		(i) Defined	
		(ii) One Membership per Unit	
		(iii) Membership Roster	
		(iv) Transfer of Membership	B-7
		(v) Notices	
	(b)	Class B Members	
		(i) Defined	
		(ii) Rights of Declarant	

Article V	Meeting of Members		B-8
	Section 1	Annual Meeting	
	Section 2	Special Meeting	
	Section 3	Place of Meeting	
	Section 4	Notice of Meetings	
	Section 5	Quorum	
	Section 6	Proxies	B-9
	Section 7	Majority of Unit Owners	
	Section 8	Order of Business	
	Section 9	Parliamentary Procedure	
	Section 10	Declarant's Control	
	Section 11	Rights of Declarant Prior to Transfer	
	Section 12	Miscellaneous	
Article VI	Board of Directors		B-10
	Section 1	Appointment and Election of Initial Board of Directors	
	Section 2	Number and Qualification of Directors	
	Section 3	Election and Term of Office	
	Section 4	Removal	B-11
	Section 5	Vacancies	
	Section 6	Annual Meeting and Notice	
	Section 7	Regular Meetings and Notice	
	Section 8	Special Meetings	
	Section 9	Quorum	
	Section 10	Waiver of Notice	B-12
	Section 11	Action Taken Without a Meeting	
	Section 12	Compensation	
	Section 13	Bonds	
	Section 14	Powers and Duties of the Board of Directors	
	Section 15	Duties	B-13
Article VII	Officers and Their Duties		B-14
Article VIII	Committees		B-16
Article IX	Liability and Indemnity of Directors and Officers		B-16
	Section 1	Liability	
	Section 2	Indemnity	
Article X	Books and Records		B-16

Article XI	Assessments	B-17
Article XII	Abatement and Enjoining of Violations	B-17
Article XIII	Sale of Units	B-17
	Section 1 Sales	
	Section 2 Approval of Purchase	B-18
	Section 3 Financing of Purchase of Units by Association	
	Section 4 Waiver of Right of Partition with Respect to Units Acquired by Association	
	Section 5 Payment of Assessments	
	Section 6 Notification of Conveyance	
Article XIV	Conflicts	B-18
Article XV	Amendments	B-19
Article XVI	Fiscal Year	B-19
Article XVII	Transfer Fee	B-19
Article XVIII	Miscellaneous	B-19

BY-LAWS
OF
EDGEWATER EAST CONDOMINIUMS OF HARTFORD OWNER'S ASSOCIATION, INC.

ARTICLE I
GENERAL PURPOSE, NAME AND LOCATION

Section 1. PURPOSE: Pursuant to the Declaration of Condominium for EDGEWATER EAST CONDOMINIUMS OF HARTFORD recorded as Document No. 1037838 in the Office of the Register of Deeds, in and for Washington County, Wisconsin and any amendments thereto (hereinafter the "Declaration"), the following terms, conditions and provisions are adopted as the By-Laws (hereinafter the "By-Laws") of the Association of Unit Owners for EDGEWATER EAST CONDOMINIUMS OF HARTFORD (hereinafter the "Association") which shall govern the administration of all real estate and improvements subjected to the condominium form of use and ownership (hereinafter the "Subject Property") in accordance with the Declaration and the Condominium Ownership Act for the State of Wisconsin (hereinafter the "Act") as may be amended from time to time.

Section 2. NAME AND LOCATION: The name of the Association shall be EDGEWATER EAST CONDOMINIUMS OF HARTFORD OWNER'S ASSOCIATION, INC., hereafter referred to as the "Association". The principal office of the Association and the mailing address of the Association shall be 126 E. Prospect, Hartford, Wisconsin, 53027. Meetings of Members and Directors may be held at other places within the State of Wisconsin and as may be determined from time to time.

Section 3. PERSONS SUBJECT TO BY-LAWS: These By-Laws shall govern and bind all Unit Owners, joint Owners, mortgagees and other encumbrancers and their respective heirs, personal representatives, successors, assigns, and lessees, as well as all other persons occupying or having any legal or equitable interest in the Subject Property in any way whatsoever and all licensees and shall be deemed covenants running with the land.

ARTICLE II
DEFINITIONS

Section 1. ASSOCIATION: Shall mean and refer to EDGEWATER EAST CONDOMINIUMS OF HARTFORD OWNER'S ASSOCIATION, INC., a corporation organized pursuant to Chapter 181 Wis. Stats., its successors and assigns.

Section 2. COMMON ELEMENTS: Shall mean and refer, unless otherwise provided in the Declaration or amendments thereto, to the common areas and facilities consisting of the land and the entire premises described in the Condominium Plat, excepting the Units and excepting and subject to any structures built or improvements installed by or for public utilities.

Section 3. DECLARANT: Shall mean and refer to JPS LIMITED, LLC, a Wisconsin limited liability company. Declarant may also be referred to as Developer.

Section 4. DECLARATION: Shall mean and refer to the Declaration of Condominium Ownership applicable to the Subject Property to be recorded in the office of the Register of Deeds for Washington County, Wisconsin, and any supplements or amendments thereto as provided in said Declaration.

Section 5. MEMBER: Shall mean and refer to those persons entitled to membership as provided in the Declaration.

Section 6. REFERENCE TO DECLARATION: The terms defined or referred to in the Declaration are hereby adopted for these By-Laws (and any amendments hereto); and all terms defined by the Act are also adopted for these By-Laws except as modified, inconsistent with or otherwise defined by the Declaration or these By-Laws.

Section 7. SUBJECT PROPERTY: Shall mean and refer to that certain real property described in the Declaration of Condominium Ownership, and any supplements thereto or amendments thereof.

Section 8. UNIT: Shall mean and refer to any Unit shown upon the recorded Condominium Plat.

Section 9. UNIT OWNER shall refer to and mean the record owner of a Unit and the percentage interest in the Common Elements associated with said Unit. If there is more than one record owner, the record owner shall be deemed to be collectively referred to as the Unit Owner.

ARTICLE III **ASSOCIATION MEMBERSHIP**

Section 1. MEMBERSHIP. Every Owner of a Unit shall be entitled and required to be a member of the Association and shall remain a member of the Association until such time as ownership of such Unit ceases, for any reason, at which time membership shall automatically cease. If title to a Unit is held by more than one person, each of such persons shall be Members. An Owner of more than one Unit shall be entitled to one membership for each such Unit owned. Each such membership shall be appurtenant to the Unit upon which it is based and shall be transferred automatically by conveyance of that Unit. No person or entity other than an Owner of a Unit or Declarant may be a Member of the Association, and membership in the Association may not be transferred except in connection with the transfer of title to a Unit; provided, however, that the rights of voting may be assigned to a Mortgagee as further security for a loan secured by a mortgage on a Unit.

ARTICLE IV **VOTING AND MEETING**

Section 1. VOTING The Association shall have two (2) classes of voting members and the rights and qualifications of the Members are as follows:

(a) Class A Members:

- (i) Defined. Class A Members shall be all Unit Owners, with the initial exception of Declarant, and each Owner shall have one (1) vote for each Unit owned.
- (ii) One Membership per Unit. One (1) Class A Membership (evidenced by a Certificate of Membership in the Association, if issued) and one (1) vote shall exist for each Unit, excepting those Units owned by Declarant. An Owner shall be entitled to one (1) vote for each Unit owned, and there shall be only one vote in the Association pertaining to each Unit. If more than one person holds an interest in any Unit, the vote for such Unit shall be exercised as they, among themselves, determine, but in no event shall more than one vote be cast. There shall be no splitting of a single vote and factional votes shall not be cast. If only one of multiple owners of a unit is present at a meeting of the Association, the owner present is entitled to cast the vote allocated to that Unit. If more than one of the multiple owners is present, and any one of them purports to cast the vote allocated to that unit on any issue without protest being made promptly by any of the other owners of such unit to the person presiding over the meeting, it shall be conclusively presumed that such voting owner had the authority to cast the vote. In the event of such a protest, if such dispute is not resolved by the multiple owners prior to the vote being completed, they shall not be entitled to cast a vote.

(iii) Membership Roster.

- (1.) Every Unit shall furnish the Association with name, Unit number and current mailing address and name of the person designated to vote said Unit interest. Each Unit Owner shall be responsible for furnishing to the Secretary the information necessary for the Association to maintain an up-to-date Membership Roster, without the necessity of any inquiry or request being made by the Secretary. In the event a Unit Owner's mailing address should be changed, the Unit Owner shall notify the Association, in writing, of such change. No Unit Owner may vote at meetings of the Association until such information is furnished. The Association shall maintain a current Membership Roster showing the Unit Owners of each Unit, mailing addresses and the person so designated being entitled to cast a vote in person or by proxy and the name and address of any person, firm or entity from which the Association has received proper notice of demand for notice of meetings.
- (2.) A Designee may be appointed by joint Owners of a Unit to vote and receive notices on behalf of the joint Owners and the Association shall at all times be entitled to rely upon the authority of such Designee; and all joint Owners shall be bound by the Designee's vote and other actions. The appointment of such a Designee shall be made by written notice signed by each of the joint Owners and delivered to the Secretary of the Association stating the name, address and telephone number of such Designee and that the Designee is thereby appointed to vote and receive all notices on behalf of all joint Owners of the Unit. The authority of such a Designee may be revoked or a new Designee appointed at any

time by written notice delivered to the Secretary signed by all joint Owners. A designation may be changed by notice, in writing, to the Secretary of the Association signed by a majority of the persons having ownership interest in the unit.

- (3.) Pursuant to Sec. 703.10(4), Wis. Stats., in the event the Association files a Statement of Condominium Lien on a Unit for failure to pay assessments or other expenses, the Unit Owner or Owners and their Designee shall be prohibited from voting at any membership meeting unless and until the amount necessary to release said lien has been paid at the time of said membership meeting.
- (iv) Transfer of Membership. Each membership shall be appurtenant to the Unit upon which it is based and shall be transferred automatically upon conveyance of that Unit. Membership in the Association may not be transferred, except in connection with the transfer of a Unit. Upon transfer of a Unit, the Association shall, as soon as possible thereafter, be given written notice of such transfer including the name and current mailing address of the new owner or owners, identification of the Unit, date of transfer, name of the person designated to vote, and any other information about the transfer which the Association may deem pertinent and the Association shall make appropriate changes to the Membership Roster effective as of the date of said transfer.
- (v) All notices required to be given to a Unit Owner shall be deemed to have been duly given:
 - (1.) At the time of personal delivery to the Unit Owner or one of the joint Owners or the Designee of joint Owners; or
 - (2.) 72 hours after mailing within the State of Wisconsin by regular or certified mail to the Unit Owner's or Designee's mailing address shown in the Membership List.
- (b) Class B Members:
 - (i) Defined. Class B Members shall be the Declarant which shall be entitled to one (1) membership and two (2) votes for each Unit owned or to be created by Declarant, (up to 48 votes). Each Class B membership shall cease and be converted to a Class A membership upon transfer by Declarant of the Unit to which said Class B membership appertains.
 - (ii) Rights of Declarant. Declarant shall be entitled to two (2) votes for each Unit owned or to be built and shall have the right, at Declarant's option, to exercise any and all powers and responsibility otherwise assigned by the Declaration, the Act or the By-Laws to the Association or its officers and Declarant shall have sufficient votes to constitute a majority of votes until Declarant's Units are sold; provided, further, that, pursuant to Sec. 703.15(c), Wis. Stats., Declarant's control shall cease the earlier of (a) ten (10) years in the case of an expandable condominium; (b) three (3) years from the date the first Unit is conveyed to any

person other than Declarant or (c) thirty (30) days after the conveyance of 75% of the common element interest to purchasers. Notwithstanding the foregoing, if there is another Unit Owner other than Declarant, the Declaration may not be amended to increase the scope or period of Declarant's control. Each owner of a condominium Unit in the condominium shall be deemed by acceptance of any deed to any unit to agree, approve and consent to the right of Declarant to so control the Association.

ARTICLE V

MEETING OF MEMBERS

Section 1. ANNUAL MEETING: The first annual meeting of the Members shall be held prior to the conveyance of twenty-five percent (25%) of the Common Element interest to purchasers, but in no event less than within one (1) year from the date of recording of the Declaration, and each subsequent annual meeting of Members shall be held on such date as may be determined each year by the Board of Directors, provided such date shall be a date within thirty (30) days prior to the anniversary date of the first annual meeting. The purpose of each annual meeting of the Members shall be for the election of Directors and the transaction of such other business as may come before the meeting.

Section 2. SPECIAL MEETING: Special meeting of the Members shall be held whenever called by the Board of Directors or by the President and such meeting must be called by said officer and Board of Directors upon receipt of a written request signed by Members who are entitled to vote twenty-five percent (25%) of all of the votes, with such request specifying the purpose of such meeting.

Section 3. PLACE OF MEETING: Meetings of the Unit Owners shall be held at the principal office of the property or at such other suitable place convenient to the Owners as may be designated by the Board of Directors.

Section 4. NOTICE OF MEETINGS: Written notice of each meeting of the Members shall be given by, or at the direction of, the Secretary or other person authorized to call a meeting, by delivering written notice, either personally or by mail at least ten (10) days before such meeting to each voting Member entitled to vote thereat, last appearing on the books of the Association for the purpose of notice. Such notice shall specify the place, day and hour of the meeting, and, in the case of a special meeting, the purpose of the meeting. In lieu of such notice, waivers may be accepted from all Unit Owners.

Section 5. QUORUM: The presence at the meeting, in person or by proxy, of twenty-five percent (25%) of the Units entitled to cast votes shall constitute a quorum for any action except as otherwise provided in the Declaration or these By-Laws. If, however, such quorum shall not be present or represented at any meeting, the Members entitled to vote thereat shall have power to adjourn the meeting from time to time without notice other than announcement at the meeting, until a quorum as aforesaid shall be present or be represented. If a quorum is present at such an adjourned meeting, any business may be transacted which might have been transacted at the meeting as originally noticed.

Section 6. PROXIES: All proxies shall be in writing and filed with and delivered to the Association pursuant to the Declaration. Every proxy shall be effective for a maximum period of one hundred eighty (180) days (unless granted to a Mortgagee), shall be revocable and shall automatically cease upon conveyance by the Member of said Member's unit.

Section 7. MAJORITY OF UNIT OWNERS: As used in these By-Laws the term "majority of Unit Owners" shall mean those Unit Owners having more than fifty percent (50%) of the total authorized votes of all Unit Owners present in person or by proxy and voting at any meeting of the Unit Owners. The act of a majority of the votes at any meeting at which a quorum is present shall be the act of the Association, unless a greater percentage is required under the Act, the Declaration, or these By-Laws.

Section 8. ORDER OF BUSINESS: The order of business at all meetings of the Unit Owners shall be as follows:

- (a) Roll call.
- (b) Proof of notice of meeting or waiver of notice.
- (c) Reading of minutes of preceding meeting.
- (d) Reports of officers.
- (e) Report of committees.
- (f) Election of Directors (when applicable).
- (g) Unfinished business.
- (h) New business.

Section 9. PARLIAMENTARY PROCEDURE: Except where inconsistent with these By-Laws, meetings of the Association shall be conducted in accordance with the latest revised edition of "Roberts Rules of Order".

Section 10. DECLARANT'S CONTROL: Except as provided in ARTICLE VI, Section 1, below, Declarant, or a person or persons authorized by it may appoint and remove the officers of the Association and exercise powers and responsibilities of the Association; provided, however, that such control shall cease the earlier of three (3) years from the date the first Unit is conveyed to a purchaser other than Declarant or thirty (30) days after the conveyance of 75% of the common element interest to purchasers.

Section 11. RIGHTS OF DECLARANT PRIOR TO TRANSFER: As long as the Declarant shall own any Unit except for a Unit which Declarant is using as a office, Declarant may use the Common Elements and facilities and any unsold Units on such condominium property as may facilitate the completion and sale of all Units contemplated thereon, including, but not limited to, in connection therewith, maintaining a sales office, maintaining a model unit, showing of property and erecting and maintaining signs of the Common Area.

Section 12. MISCELLANEOUS: The President of the Association, or the Vice-President in the President's absence, shall preside at the meetings of the Association, the Secretary of the Association shall keep the minute book for recording the resolutions of the Association and shall count the votes at meetings of the Association.

ARTICLE VI
BOARD OF DIRECTORS

Section 1. APPOINTMENT AND ELECTION OF INITIAL BOARD OF DIRECTORS: The affairs of this Association shall be managed by a Board of Directors. Such Board shall be created and its member appointed or elected, as the case may be, as follows:

- (a) The initial Board of Directors shall consist of three (3) persons, appoint by Declarant, who need not be members of the Association, to serve until control of the Association passes to the Unit Owners pursuant to terms of the Declaration.
- (b) Notwithstanding the foregoing and pursuant to Sec. 703.14(2)(c)2, prior to the conveyance twenty-five percent (25%) of the Common Element interest to purchasers, an Association meeting shall be held and the Unit Owners other than Declarant shall elect at least twenty-five percent (25%) of the Board of Directors. Prior to the conveyance of fifty percent (50%) of the Common Element interest to purchasers, an Association meeting shall be held and the Unit Owners other than Declarant shall elect at least one-third (1/3) of the Board of Directors. For purposes of the foregoing, the calculation of percentage of Common Element interest conveyed to purchasers shall be based on the percentage of undivided interest conveyed to purchasers shall be based on the percentage of undivided interest appertaining to each unit, including but not limited to any and all units not yet annexed to the project which Declarant has the right to annex pursuant to the Declaration.

Section 2. NUMBER AND QUALIFICATION OF DIRECTORS. After control of the Association passes to the Unit Owners pursuant to terms of the Declaration, the Board of Directors shall consist of three (3) persons. The Directors shall be to be classified with respect to the terms for which they severally hold office as set forth in Paragraph 3 of this Article VI. Not more than one member of the Board of Directors may be a person who is not a member of the Association. In the event that any member of the Association is not a natural person, the appointee of such member of the Association may be a member of the Board of Directors, and such appointee shall not constitute a non-member for purposes of the foregoing provision.

Section 3. ELECTION AND TERM OF OFFICE: (a) At the first annual meeting of the Association after Association control passes to the Unit Owners, the members shall elect three (3) directors to the classified with respect to the terms for which they hold office by dividing them into three (3) classes as follows:

- (i) One Director whose term will expire at the first annual meeting of the Association after said Director's election, or at such time as said Director's successor is duly elected and qualified (Class "A" Director). ↖
- (ii) One Director whose term will expire at the second annual meeting of the Association after said Director's election, or at such time as said Director's successor is duly elected and qualified (Class "B" Director). ↘

- (iii) One Director whose term will expire at the third annual meeting of the Association after said Director's election, or at such time as said Director's successor is duly elected and qualified (Class "C" Director). ml
- (b) The successors to the class of directors whose terms expire as set forth above shall be elected to hold office for a term of three (3) years or until their successors are duly elected and qualified, or until any of said Directors shall have been removed in the manner hereinafter provided, so that the term of one class of Directors shall expire in each year.
- (c) Any person interested in serving on the Board of Directors must notify the Board of Directors, in writing, of their interest at least thirty days prior to the annual meeting. The list of nominees shall be mailed with the notice of the annual meeting and the election shall be held at such annual meeting.

Section 4. REMOVAL: At any meeting of the membership, or at any special meeting of the membership called for that purpose, any one or more of the Directors may be removed with or without cause by a majority of the votes of the membership present or represented at such meeting, provided a quorum is in attendance, and a successor may then and there be elected to fill the vacancy thus created.

Section 5. VACANCIES. Vacancies on the Board of Directors caused by any reason other than the removal of a Director by a vote of the members shall be filled by a vote of the majority of the remaining Directors, even though they may constitute less than a quorum, and each person so elected shall be a Director until a successor is elected at the next annual meeting of the members at which that class of Directors is to be elected.

Section 6. ANNUAL MEETING AND NOTICE: An annual meeting of the Board of Directors shall be held immediately after, and at the same place as, the annual meeting of the members, for the purpose of election of officers and transacting such business as may come before the meeting. Notice of the regular annual meeting of the Board of Directors shall not be required.

Section 7. REGULAR MEETINGS AND NOTICE: The Board of Directors may provide by resolution for regular or periodic meetings of the Board, to be held at a fixed time and place, and upon the passage of any such resolution, such meetings shall be held at the stated time and place without the necessity of notice other than such resolution. Regular meetings may further be called by the President or by any two Directors upon not less than 7 days written notice to each Directors, given personally or by mail or facsimile transmission

Section 8. SPECIAL MEETINGS: Special meetings of the Board of Directors shall be held when called by the President or Secretary of the Association, or by two (2) Directors, after not less than seventy-two (72) hours notice to each Director, such notice shall be given personally or by mail, which notice shall state the time, place and purpose of such meeting.

Section 9. QUORUM: A majority of the Directors shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the Directors present at a duly held meeting at which a quorum is present shall be regarded as the act of the Board. If there is less than a quorum present at any meeting of the Board, no business shall be transacted; however, the majority of those present may adjourn the meeting from time to time

without further notice if such adjourned meeting (at which a quorum is present) is held within ten (10) business days after the meeting originally scheduled. If a quorum is present at an adjourned meeting, any business may be transacted which might have been transacted at the meeting as originally noticed or scheduled.

Section 10. WAIVER OF NOTICE: Any Member of the Board of Directors may, at any time, waive notice of any meeting of the Board of Directors in writing, and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a Member of the Board of Directors at any meeting of the Board shall constitute a waiver of notice by said Director of the time and place thereof. If all the Members of the Board of Directors are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

Section 11. ACTION TAKEN WITHOUT A MEETING: The Directors shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the written approval of all the Directors. Any action so approved shall have the same effect as though taken at a meeting of the Directors.

Section 12. COMPENSATION: No Director shall receive compensation for any service said Director may render to the Association as such. However, any Director may be reimbursed for said Director's actual expenses incurred in the performance of said Director's duties.

Section 13. BONDS: The Board of Directors may require that some or all officers and/or employees of the Association handling or responsible for Association's funds shall furnish adequate fidelity bonds. The premiums on any such bonds shall be paid for by the Association.

Section 14. POWERS AND DUTIES OF THE BOARD OF DIRECTORS: In addition to other powers as shall be necessary for the administration of the affairs of the Association and is allowed by the Act, the Declaration, the Articles of Incorporation and these By-Laws, the Directors shall have the power to:

- (a) Adopt budgets for revenues, expenditures and reserves and levy and collect assessments for common expenses from Unit Owners;
- (b) Employ and dismiss employees and agents;
- (c) Adopt and publish rules and regulations governing the use of the Common Elements and facilities, and the personal conduct of the Members and their guests thereon, and to establish penalties for the infraction thereof;
- (d) Exercise for the Association all powers, duties and authority vested in or delegated to this Association and not reserved by Declarant prior to transfer of control of the affairs of the Association to the Association and not reserved to the Membership by other provisions of these By-Laws or the Declaration;
- (e) Employ a manager, an independent contractor, or such other employees as they deem necessary, and to prescribe their duties;

- (f) Sue on behalf of all Unit Owners;
- (g) Foreclose the lien against property for which assessments are not paid within thirty (30) days after due date or to bring an action at law against the Owner personally obligated to pay the same;
- (h) Adopt and amend rules and regulations covering the details of the operation and use of the property;
- (i) Open bank accounts on behalf of the property and to designate the signatories required therefor;
- (j) Purchase, lease, or otherwise acquire in the name of the Association, or its agent, corporate or otherwise, on behalf of all Unit Owners, Units offered for sale or lease or surrendered by the Owners to the Association;
- (k) Purchase Units at foreclosure or other judicial sales in the name of the Association, or its agent, corporate or otherwise, on behalf of all Unit Owners;
- (l) Sell, lease, mortgage, vote the votes appurtenant to (other than for the election of Directors), or otherwise dealing with Units acquired by the Association;
- (m) Organize corporations to act as agents of the Association in acquiring title to or leasing of Units on behalf of all Unit Owners.
- (n) Create any committees to assist in the management and operation of the Association. The number of members on any committee created shall be determined by the Board of Directors at the time of the creation of said committee.
- (o) Borrow money and acquire and convey property on behalf of the Association, provided, however, that any single Association loan, acquisition, or conveyance, involving the sum of \$10,000.00 or more, shall first be approved by majority vote of the membership at an annual or special meeting called for such purpose.

Section 15. DUTIES: In addition to other duties as shall be required by the Act, the Declaration and these By-Laws for the administration of the affairs of the Association, it shall be the duty of the Board of Directors to:

- (a) Cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof to the Members at the Annual Meeting of the Members, or at any special meeting when such statement is requested in writing by fifty (50%) of the Members who are entitled to vote;
- (b) Supervise all officers, agents and employees of this Association, and to see that their duties are properly performed;
- (c) As provided in the Declaration, to:

- (1) Fix the amount of the annual assessment against each Unit at least thirty (30) days in advance of each annual assessment period;
- (2) Send written notice of each assessment to every Owner subject thereto at least ten (10) days in advance of each annual assessment period.
- (d) Issue, upon demand by any person, a certificate setting forth whether or not any assessment has been paid. A reasonable charge may be made by the Board for the issuance of these certificates. If a certificate states an assessment has been paid, such certificate shall be conclusive evidence of such payment;
- (e) Procure and maintain adequate liability and hazard and other insurance on property owned by the Association;
- (f) Cause all officers, members of Board and employees having fiscal responsibilities to be bonded, as it may deem appropriate;
- (g) Cause the Common Elements to be maintained;
- (h) Charge, in its discretion, reasonable fees for the use of any recreational facility which may be constructed upon the Common Elements;
- (i) Suspend the voting rights of an Owner upon the recording of a statement of condominium lien on the Owner's Unit. Such suspension of voting rights shall continue until the amount necessary to release the lien has been paid in full.
- (j) Grant easements through or over Common Elements;
- (k) Grant or withhold approval of any action by a Unit Owner or other person which would change the exterior appearance of a Unit or any other portion of the Property;
- (l) Make contracts and incur liabilities in connection with the operation of the Property;
- (m) Maintain a current Membership Roster containing the names and addresses of Unit Owners and other parties of notice to which all notices shall be sent;
- (n) Deny the right to vote at an Association meeting to an Unit Owner who shall not have furnished to the Association the Unit Owner's name and current mailing address.

ARTICLE VII

OFFICERS AND THEIR DUTIES

At the time of the establishment of the Owner's Association, there shall be no Officers. The Board of Directors may,

at their discretion and pursuant to law, elect Officers of the Corporation. Said officers and their duties shall be as follows:

- (a) The principal officers of the Association shall be a President, Vice-President, Secretary and Treasurer, to be elected annual by the Board of Directors, and such other officers as the Board of Directors may from time to time be resolution create. At any meeting of the Board of Directors at which a quorum is present, and upon the affirmative vote of a majority of the members of the Board of Directors in attendance at such meeting, any officer may be removed, either with or without cause, and said Director's successor elected. Any two or more offices, except a combination of the offices of President and Secretary and a combination of the offices of President and Vice-President, may be held by the same person.
- (b) **President.** The President shall be selected from among the members of the Board of Directors and shall be the Chief Executive Officer of the Association. The President shall preside at all meetings of the Association and of the Board of Directors and shall have the general powers and duties to sign, together with any officer designated by the Board, any contracts, checks, drafts or other instruments on behalf of the Association in accordance with the provisions herein. The President shall perform such other duties and have such other authority as may be delegated by the Board of Directors.
- (c) **Vice-President.** The Vice-President shall take the place of the President and perform the President's duties whenever the President shall be absent or unable to act. If both the President and Vice-President are unable to act, the Board of Directors shall appoint some other member of the Board to act on an interim basis. The Vice-President shall also perform such other duties as shall, from time to time, be imposed upon the Vice-President by the Board of Directors.
- (d) **Secretary.** The Secretary shall (i) keep the minutes of all meetings of the Board of Directors and of the Association; (ii) have charge of the Association's books and records, and (iii) in general, perform all duties incident to the office of the Secretary. The Secretary shall be responsible for maintaining the Membership Roster and, if so required by the Board, the issuance of membership certificates for the Association.
- (e) **Treasurer.** The Treasurer shall have responsibility for the Association's funds and shall be responsible for keeping full and accurate accounts of all receipts and disbursements and financial records and books of account on behalf of the Association. The Treasurer shall be responsible for the deposit of all monies and all valuable effects in the name, and to the credit, of the Association in such depositories as may from time to time be designated by the Board of Directors. The Treasurer shall also be responsible for the billing and collection of all common and special charges and assessment made by the Association. The Treasurer shall count votes at meetings of the Association.

ARTICLE VIII

COMMITTEES

Declarant may appoint an Architectural Control Committee, as provided in the Declaration. In addition, the Board of Directors may appoint other committees as deemed appropriate in carrying out its purpose, including but not limited to, a Nominating Committee for the election of Members to the Board of Directors and officers of the Association.

ARTICLE IX

LIABILITY AND INDEMNITY OF DIRECTORS AND OFFICERS

Section 1. **LIABILITY.** No person shall be liable to the Association for any loss or damage suffered by it on account of any action taken or omitted to be taken by said Director as a Director or officer of the Association, if such person (a) exercised and used the same degree of care and skill as prudent man would have exercised or used under the circumstances in the conduct of said persons own affairs, or (b) took or omitted to take such action in reliance upon advice of counsel for the Association or upon statements made or information furnished by officers or employees of the Association which said person had reasonable grounds to believe to be true. The foregoing shall not be exclusive of other rights and defenses to which said person may be entitled as a matter of law. The Board of Directors may provide Directors' and officers' liability insurance in such amounts and such coverage as may be determined by the Board of Directors to be necessary or advisable from time to time, and the premiums on any such insurance shall be a common expense of the Association.

Section 2. **INDEMNITY:** Every person who is or was a Director or an officer of the Association (together with the heirs, executors and administrators of such person) shall be indemnified by the Association against all loss, costs, damages and expenses (including reasonable attorneys' fees) asserted against, incurred by or imposed upon said Director in connection with or resulting from any claim action, suit or proceeding, including criminal proceedings, to which said Director is made, threatened to be made a party by reason of said Director being or having been such Director or officer, except as to matters as to which said Director shall be finally adjudged in such action, suit or proceeding to be liable for gross negligence or willful misconduct. In the event of a settlement, indemnification shall be provided only in connection with such matters covered by the settlement as to which the Association is advised by counsel that the person to be indemnified has not been guilty of gross negligence or willful misconduct in the performance of said Director's duty as such Director or officer in relation to the matter involved. The Association, by its Board of Directors, may indemnify in like manner, or with any limitations, taken or not taken in said Director's capacity as such employee. The foregoing rights of indemnification shall be in addition to all rights to which officers, Directors or employees may be entitled as a matter of law.

ARTICLE X

BOOKS AND RECORDS

The books, records and papers of the Association shall at all times, during reasonable business hours, be subject to inspection by any Members or any Mortgagee. The Declaration, Articles of Incorporation and the By-Laws

as well as annual reports of the Association shall be available for inspection by any Member or any Mortgagee at the principal office of the Association. Copies may be purchased at a reasonable cost.

ARTICLE XI **ASSESSMENTS**

As more fully provided in the Declaration, each Unit Owner is obligated to pay to the Association annual and special assessments which are secured by a continuing lien upon the property against which the assessment is made. Any assessments, or installments thereof, which are not paid when due shall be delinquent. If the assessment is not paid within ten (10) days after the due date, the assessment shall bear interest from the date of delinquency at a rate of interest which is two percent higher than the rate prescribed by the Wis. Stats. to be collected upon execution upon judgments. (In lieu of charging such interest the Board may, from time to time, fix a reasonable late fee, not to exceed one month's interest, for each month or fraction thereof that such assessment is delinquent), and the Association may bring an action at law against the Owner personally obligated to pay the same or foreclose the lien against the property, and interest, costs and reasonable attorneys' fees of any such action shall be added to the amount of such assessment. No Owner may waive or otherwise escape liability for the assessments provided for therein by non-use of the Common Elements or abandonment of said Unit Owner's Unit. A suit to recover a money judgment for unpaid assessments hereunder may be maintainable without foreclosing or waiving the lien securing the same. If any installment of any annual assessment becomes delinquent, the privilege of paying such assessments in installments shall be terminated, the entire annual assessment for the remainder of the fiscal year shall be considered at once, without further notice, due and payable and shall be considered delinquent. If the delinquent installment is of a special assessment, the entire special assessment, shall be considered at once, without further notice, due and payable and shall be considered delinquent.

ARTICLE XII **ABATEMENT AND ENJOINING OF VIOLATIONS**

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

ARTICLE XIII **SALE OF UNITS**

Section 1. SALES: No Unit Owner may sell said Owner's Unit or any interest therein except by complying with the provisions of this section. A Unit Owner's sale of said Unit Owner's Unit shall include the sale of: (a) the undivided interest in the Common Elements and facilities appurtenant thereto; (b) the interest of such Unit Owner in any Units

theretofore acquired by the Association, or its agent, on behalf of all Unit Owners, or the interest of the Unit Owner in the proceeds of the sale or lease thereof, if any; and (c) the interest of such Unit Owner in any other assets of the Property, hereinafter collectively called the "appurtenant interest".

Section 2. APPROVAL OF PURCHASE: The Association may not purchase a Unit without first obtaining the approval of the majority of Unit Owners present in person or by proxy, at a special meeting called for that purpose.

Section 3. FINANCING OF PURCHASE OF UNITS BY ASSOCIATION: Acquisition of Units by the Association, or its agent, on behalf of all Unit Owners, may be made from the working capital and common charges in the hands of the Board of Directors, or if such funds are insufficient the Board of Directors may levy an assessment against each Unit Owner in proportion to said Unit Owner's ownership in the Common Elements and facilities, as a common charge, which assessment shall be enforceable in the same manner as provided herein. Alternatively, the Association may borrow money to finance the acquisition of such Unit; provided, however, that no financing may be secured by an encumbrance or hypothecation of any property other than the Unit to be acquired by the Association.

Section 4. WAIVER OF RIGHT OF PARTITION WITH RESPECT TO UNITS ACQUIRED BY ASSOCIATION: In the event that a Unit shall be acquired by the Association or its agent on behalf of all Unit Owners as tenants-in-common all such Unit Owners shall be deemed to have waived all rights of partition with respect to such Unit.

Section 5. PAYMENT OF ASSESSMENTS: No Unit Owner shall be permitted to convey, mortgage, pledge, hypothecate, sell or lease said Unit Owner's Unit unless and until said Unit Owner shall have paid in full to the Association all unpaid common and special charges theretofore assessed by the Board of Directors against said Unit Owner's Unit and until said Unit Owner shall have satisfied all unpaid liens against such Unit, except permitted mortgages.

Section 6. NOTIFICATION OF CONVEYANCE: Within five (5) days after a sale, transfer or conveyance (by land contract, mortgage or otherwise) of any legal or equitable interest in a Unit, the purchaser or mortgagee shall deliver notice to the Association stating: (a) the date of the conveyance; (b) the Unit; (c) the purchaser's or mortgagee's name and mailing address; and (d) the name and address of the Designee of such purchaser, if any; and (e) any other information as may be required under the Condominium Documents or as may be reasonably requested by the Board.

ARTICLE XIV

CONFLICTS

These By-Laws are set forth to comply with the requirements of the Wisconsin Condominium Unit Ownership Act. In case there is any conflict between the provisions of these By-Laws, the Act, the Declaration, the Plat or the Articles, the following shall apply:

- (a) The provisions of the Act control over the provisions of the Declaration, the Plat, and the By-Laws;

- (b) The provision of the Declaration control over the provisions of the Plat, the By-Laws and the Articles;
- (c) The provisions of the Plat control over the provisions of the By-Laws and the Articles;
- (d) The provisions of the Articles control over the provisions of these By-Laws.

ARTICLE XV **AMENDMENTS**

These By-Laws may be amended, altered or replaced by an instrument (i) signed by Declarant alone at any time prior to the conveyance of twenty-five (25%) percent of the Units, provided, however, that such amendment shall not substantially alter any of the rights or obligations of the Owners and/or Members and (ii) thereafter, at any meeting of the members, called for such purpose, in the manner required by law at the time of the Amendment. As of the date of the formation of the Association, Sec. 703.10(5), Wis. Stats., provides that the By-Laws may be amended by the affirmative vote of Unit Owners having sixty-seven percent (67%) or more of the votes in the Association.

Notwithstanding the foregoing, no amendment, repeal or alteration of these By-Laws shall alter or abrogate the rights of Declarant as contained in these By-Laws.

ARTICLE XVI **FISCAL YEAR**

The fiscal year of the corporation shall be the annual periods beginning January 1st and ending December 31st, or such other fiscal year as the Board of Directors may, from time to time, designate.

ARTICLE XVII **TRANSFER FEE**

The Condominium Association may charge a reasonable fee to a Unit Owner upon the sale of a Unit. This fee may be determined from time to time by the Board of Directors of the condominium Association as a part of the rules and regulations. The transfer fee shall not be charge on initial sales by the Developer.

ARTICLE XVIII **MISCELLANEOUS**

Section 1. CORPORATE SEAL: The Association shall not have a seal; and where a seal is required, there may be a notation thereon to the effect that the Association has no seal.

Section 2. NUMBER AND GENDER: Whenever used herein, unless the context shall otherwise provide, the singular number shall include the plural, the plural shall include the singular, and the use of any gender shall include all genders.