# AMENDED AND RESTATED BY-LAWS

# OF

# THE TERRACES OF MORNINGSIDE HILLS

# CONDOMINIUM, INC.

## ARTICLE I

## IDENTITY

These By-Laws are the By-Laws of the Terraces of Morningside Hills Condominium, Inc., a nonstock corporation created under the provisions of the Wisconsin Nonstock Corporation Law, Chapter 181 of the Wisconsin Statutes, which Articles were filed with the Secretary of State of the State of Wisconsin on June 12, 1978, and subsequently recorded in the Office of the Register of Deeds for Waukesha County. The said property is located in the City of Waukesha, Waukesha County, Wisconsin, and has been submitted to the provisions of the Wisconsin Unit Ownership Act by a Declaration of Condominium recorded in the Office of the Register of Deeds of Waukesha County, Wisconsin on the 9th day of June, 1978, as Document No. 1051041. The provisions of these By-Laws are applicable to the property and to the use and occupancy thereof and together with the rules and regulations passed by the Association and in conjunction with the Declaration of Condominium shall apply to govern and control the condominium property identified as Lot 1, Block 3, Morningside Hills, a subdivision, located in the City of Waukesha, Waukesha County, Wisconsin.

## ARTICLE II

## PRINCIPAL OFFICE

The principal office of the condominium and Board of Directors shall be as stated on file with the Wisconsin Department of Financial Institutions.

## ARTICLE III

## FISCAL YEAR

The fiscal year of the corporation shall begin on the first day of January and end on the thirty-first day of December in each year.

## ARTICLE IV

## SEAL

The corporation shall have no seal.

## ARTICLE V

## MEMBERS AND VOTING

SECTION 1. Qualification of Members. The membership shall consist of the unit owners who have record title in their name. A land contract vendee shall be deemed to be an owner. Each condominium unit shall have but one vote on each matter submitted to a vote within the Association, regardless of how many persons are owners of each individual unit.

SECTION 2. Annual Meeting. The Annual meeting of the membership shall be held during the second quarter of each year at the date, time and place (whether physical or virtual) set by the Board of Directors for the purpose of electing directors and for the transaction of such other business as may come before the meeting.

SECTION 3. Special Meetings. Special meetings of the members, for any purpose or purposes, unless otherwise prescribed by statute, may be called by the President or the Board of Directors, and shall be called by the President at the request of 30% of all unit owners entitled to vote.

SECTION 4. Place of Meeting. Meeting of the Association of Unit Owners shall be held at a convenient place, whether physical or virtual, such as may be designated by the Board of Directors.

SECTION 5. Notice of Meetings. The Secretary shall give notice of each annual or special meeting, stating the purpose for which the meeting is called and the time and place (physical or virtual) where it will be held to each Unit owner whose name is recorded in the books of the Association. Notice of the annual meeting shall be given not less than ten (10) days nor more than fifty (50) days before the date of the meeting, either personally, electronically, or by mail, and in the case of a special meeting, not less than forty-eight (48) hours before the time of the meeting, either personally, electronically, or by mail. If mailed, the notice shall be deemed to be delivered when deposited in the United States mail, addressed to the unit owner at his address as it appears in the records of the Association or the address as given to the Secretary for that purpose, with postage prepaid thereon. If emailed, the notice shall be deemed to be delivered upon sending to the email address on file with the Association. Whenever any notice is required to be given to any owner under the Articles of Incorporation or the By-Laws or any provision of law, a waiver thereof signed at any time, whether before or after the time of the meeting, by the owner entitled to such notice, shall be deemed equivalent to the giving of such notice.

SECTION 6. Adjourned Meetings. If any meeting of the Association cannot be organized because a quorum has not attended, the owners who are present, either in person, electronically (remotely, by electronic means), or by proxy, may adjourn the meeting to a time not less than forty-eight (48) hours from the time the original meeting was called.

SECTION 7. Action Without a Meeting by Written Ballot. Any action required or permitted by any provision of the Wisconsin Nonstock Corporation Law, the Declaration, the Articles of Incorporation, or these By-Laws 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 may be delivered to the unit owner by any of the methods set forth in Article V, Section 5 above. 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. Ballots may be delivered to the secretary via email or other electronic means. 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.

SECTION 8. Quorum. Except as otherwise provided, a majority of the unit owners entitled to vote represented in person, electronically (remotely, by electronic means), or by proxy, shall constitute a quorum.

SECTION 9. Proxies. At all meetings of owners, an owner entitled to vote may vote by proxy appointed in writing by the owner or by their duly authorized attorney in fact. Such proxy shall be filed with the Secretary of the Association before or at the time of the meeting, and may be revoked at any time. Proxies may be filed with the Secretary via email or other electronic means. No proxy shall be valid after 180 days from the date of its execution, unless otherwise provided in the proxy.

SECTION 10. Voting. Each unit shall have one (1) vote and except as otherwise provided shall be cast by the unit owner. When a unit is owned by more than one (1) person, is under lease, or there is a land contract vendee, a unit owner shall vote unless there has been designated by a certificate signed by all of the record owners of the unit and filed with the Secretary of the Association, instructing otherwise. If the owners of a unit cannot agree on the designated voter for that unit, such unit shall lose its vote until such certificate shall be filed. If the unit is owned by a corporation, the person entitled to cast the vote for the unit shall be designated be a certificate of appointment signed by a duly authorized officer of the corporation and filed with the Secretary of the Association prior to the voting being cast. Such certificates shall be valid until revoked or until superceded by a subsequent certificate or until a change in the ownership of the unit concerned. A certificate or a proxy designating the person entitled to vote, the vote of a unit may be revoked by the owner thereof at any time. When a person or any other entity owns more than one unit at the time of the vote, that person or entity shall have a vote for each unit owned. Votes may be cast at an owners' meeting either in person, electronically (remotely, by electronic means), or by proxy.

SECTION 11. Majority Vote. Except as otherwise provided herein, or in the Declaration of Condominium, a majority of the votes cast at any meeting at which a quorum is present shall be decisive of any motion or election.

SECTION 12. Order of Business. The order of business at all meetings shall be set and determined by the President or other presiding officer.

ARTICLE VI

BOARD OF DIRECTORS

SECTION 1. Powers and Duties. The Board of Directors shall have the powers and duties as are necessary for the administration of the condominium property, including, but not limited to, the following:

(a) Make all rules and regulations respecting the operation, use and occupancy of the condominium property;

(b) Make and collect assessments from the members of the Association in accordance with the provisions of the Declaration of Condominium and expend the assessments for the maintenance, repair and operation of the general and limited common areas of the condominium property, for insurance and taxes for the common areas and limited common areas, and charges for utility services necessary for the operation of the condominium property or for such other purposes as the Board may determine;

(c) Execute contracts on behalf of the Association, employ necessary personnel, and carry out all functions and purposes necessary for the operation of the condominium property;

(d) Satisfy all liens against the condominium property and pay necessary expenses connected therewith;

(e) Perform such other functions as may be authorized by law.

SECTION 2. Number and Qualification. The affairs of the Association shall be governed by a Board of Directors composed of not less than three (3) persons. Each member of the Board of Directors shall be a Unit Owner or, if a Unit Owner is a partnership, then a general partner of such Unit Owner may be a director and if a Unit Owner or such partner is a corporation, then an officer of such corporation or an agent appointed by the board of directors of such corporation may be a director. If a Unit or Units is/are owned by spouses or domestic partners, the spouses or domestic partners are prohibited from serving as directors at the same time, regardless of the number of Units owned. If a Unit Owner has a delinquent assessment account with the Association, that Unit Owner cannot be elected as a director. If at any time a director becomes delinquent on paying assessments, the director is required to resign from his board position (and any officer position held) unless he brings his account current within ten (10) days' notice from the Board. If a director shall cease to meet such qualifications during his term, he shall thereupon cease to be a director and his place on the Board shall be deemed vacant.

SECTION 3. Election and Term of Office. Directors shall be elected for three (3) year terms and shall hold office until their successors have been elected and hold their first meeting. Directors' terms shall be staggered such that at least 1/3 of the directors' terms shall expire each year.

SECTION 4. Vacancies. Vacancies in the Board of Directors caused by any reason other than the removal of a Director by a vote of the Association shall be filled by the unanimous

vote 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 Association.

SECTION 5. Removal of Directors. At any regular or special owners' meeting duly called, any one or more of the Directors elected by the owners may be removed with or without cause by a Majority Vote of the owners and a successor may then and there be elected to fill the vacancy created.

SECTION 6. Compensation. No compensation shall be paid to any member of the Board of Directors at any time except by affirmative vote of a majority of the unit owners at a meeting called for such purpose.

SECTION 7. Fidelity Bonds. The Board of Directors for the Association shall require that all officers and employees handling or responsible for Association funds shall furnish adequate fidelity bonds. The premiums on such bonds shall be paid for by the Association of Unit Owners protected by such bonds and charged to the Unit Owners in such condominium project.

SECTION 8. Regular Meeting. The Regular annual meeting of the Board of Directors shall be held without other notice than this By-Law immediately after the annual meeting of the membership and each adjourned meeting thereof and at such other time and place as shall be determined, from time to time, by a majority of the Board of Directors. Notice of other regular meetings of the Board of Directors shall be given in the manner provided for in Article V, Section 5. Meetings of the Board of Directors may be held in person, or by video or phone conference.

SECTION 9. Special Meetings. Special meetings of the Board of Directors may be called by the President or a member of the Board of Directors. Notice of special meetings shall be given in the manner provided for in Article V, Section 3, of these By-Laws.

SECTION 10. Waiver of Notice. Before or at any meeting of the Board of Directors, any Director may, in writing, waive notice of the meeting and such waiver shall be deemed equivalent to the giving of such notice.

SECTION 11. Informal Action without Meeting. Any action required or permitted by the Articles of Incorporation or By-Laws to be taken by the Board of Directors at a meeting or by resolution may be taken without a meeting if a consent in writing, setting forth the action so taken, shall be provided by all of the directors then in office.

SECTION 12. Quorum. At all meetings of the Board of Directors, a majority of the Board of Directors shall constitute a quorum for the transaction of business and the acts of the majority of the Directors present at a meeting at which a quorum is present shall be the acts of the Board of Directors. If any meeting of the Board of Directors cannot be organized because of lack of a quorum, the majority of those present may adjourn the meeting from time to time but not less than forty-eight (48) hours from the time the original meeting was called. At any such adjourned meeting, any business which might have been transacted at the meeting as originally called may be transacted without further notice.

SECTION 13. Management of Condominium. The Board of Directors may engage the services of a manager or managing agent, and at the discretion of the Board of Directors, any officer duty set forth in these Bylaws may be delegated to the manager or managing agent.

## ARTICLE VII

## OFFICERS

SECTION 1. Designation. The principal officers of the Association shall be a President, a Vice-President, a Secretary and a Treasurer, all of whom shall be elected by the Board of Directors.

SECTION 2. Election of Officers. Except as provided in Section 3, the officers of the Association shall be elected annually by the Board of Directors at the annual meeting of the Board of Directors. Each officer shall hold office until a successor has been duly elected.

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

SECTION 4. President. The President shall be the chief executive officer of the Association. He shall preside at all meetings of the membership and of the Board of Directors. He shall have all of the general powers and duties which are usually vested in the office of the President of the Association.

SECTION 5. Vice-President. The Vice-President shall perform the duties of the President in the absence of the President or in the event of the President's inability to act. If neither the President nor the Vice-President is able to act, the Board of Directors shall appoint some other member of the Board on an interim basis. The Vice-President shall also perform such other duties as shall from time to time be imposed upon him by the President or the Board of Directors.

SECTION 6. Secretary. The Secretary shall keep the minutes of all meetings of the Board of Directors and the minutes of all meetings of the Association; he shall have charge of the books and papers of the Association and shall, in general, perform all of the duties incident to the office of the Secretary.

SECTION 7. Treasurer. The Treasurer shall have responsibility for the Association funds and shall be responsible for keeping full and accurate accounts of all receipts and disbursements in the books of the Association. The Treasurer shall be responsible for the deposit of all monies and other valuable effects in the name of and to the credit of the Association in such depositories as may from time to time be designated by the Board of Directors.

SECTION 8. Vacancies. In the event that any office of the Association shall become vacant by reason of death, resignation, removal, disqualification or otherwise, the same shall be filled by the Board of Directors for the unexpired portion of the term.

SECTION 9. Compensation. No compensation shall be paid to any officer of the Association except by the affirmative vote of the membership at a meeting called for such purpose.

## ARTICLE VIII

## OPERATION, MAINTENANCE AND REPAIR OF PROPERTY

SECTION 1. Budget. The Board of Directors shall from time to time but at least once each year not later than December 15, adopt a budget for the operation of the Association. The budget shall contain estimates of the cost of operating the Association and shall include all common charges payable by the members to meet the common expenses of the Association for the ensuing year. The common expenses shall relate to the common areas and the limited common areas and shall include, but shall not be limited to, taxes, the maintenance and repair of exterior walls, roofs, pipes, ducts, service and utility areas, parking areas, and the other common areas; the cost of insurance; the cost of management; administration costs and any other expense items inuring to the benefit of all unit owners, including, if necessary, such sums as may be required for improvements, capital expenditures or other operations not included in the above.

SECTION 2. Assessment. The estimate of the charges to be paid during the ensuing year by each unit owner for his share of the common expenses shall be assessed against each unit according to the respective percentages of ownership in the general common areas, as set forth in the Declaration of Condominium. The assessment shall be made and paid at such times as provided for by resolution of the Board of Directors. The assessment shall be as further stated in Paragraph 10B of the Declaration of Condominium.

SECTION 3. Default. In the event that a member of the Association is in default in the payment of any charge or assessment for a period of more than thirty (30) days after such assessment or charge is due, it shall constitute a lien on the unit and the lien shall be signed by an officer or agent and may be filed in the Office of the Clerk of the Circuit Court of Waukesha County. Such assessment shall bear interest at the highest rate provided by law and if no law, then eighteen (18%) percent per annum, as well as any late fees set by the Rules and Regulations, and such failure to make payments shall constitute a default hereunder and the Board of Directors shall take all measures allowed by law to enforce the collection of the unpaid installments. All expenses of such action including attorney fees, shall be the obligation of the defaulting member.

SECTION 4. Depositories. The funds of the Association shall be deposited in a bank or banks or other depositories as from time to time may be designated by the Board of Directors and shall be withdrawn therefrom only upon check or order signed by the officers or directors who shall be from time to time designated by the Board of Directors for that purpose.

## ARTICLE IX

## OBLIGATIONS AND DUTIES OF OWNERS

SECTION 1. Use of Common Areas. No boats, trailers, snowmobiles, recreational vehicles, or trucks larger than a ¾-ton pickup shall be parked in the common areas. No temporary or permanent obstacles shall be erected or placed in this area. No sign of any kind shall be

displayed to the public without the prior written consent of the Association, except as set forth by law. Grilling shall be allowed only in areas designated by the Board of Directors.

SECTION 2. Maintenance and Repair. Every unit owner must promptly and properly perform all maintenance and repair work within his own unit and within his limited common areas appurtenant to his unit and is expressly responsible for the damages and liabilities that may result from his failure to do so. Each unit owner shall reimburse the Association for any expenditures incurred in repairing or replacing any general common area or limited common area in any manner damaged by the unit owner or any occupant, guest or other invitee of his unit. No unit owner shall make any alteration that shall weaken or tend to weaken the structure of his unit, the building or any adjoining unit.

SECTION 3. Right of Entry. Each unit owner grants the right of entry to his unit to any person authorized by the Board of Directors of the Association in the event of an emergency whether the owner is present at the time or not. Each unit owner shall permit repair personnel or other personnel authorized by the Board of Directors to enter his unit for the purpose of performing installations, alterations or repairs, provided that requests for entry are made in advance, and that such entry is at a time convenient to the owner, except in the event of an emergency, in which case entry shall be immediately. Emergency shall mean any situation which may adversely affect the health, safety or welfare of building occupants or potential damage to structure of the building.

SECTION 4. Animals. No unit owner shall house any animal.

SECTION 5. Additional Rules and Regulations. The Board of Directors may from time to time adopt any additional reasonable rules and regulations and they shall be binding upon the unit owners. Copies of such rules shall be distributed to the unit owners. Any violation of the rules and regulations shall constitute a violation of the Declaration and violators shall be subject to penalty.

## ARTICLE X

## PENALTIES FOR VIOLATION

The Board of Directors for the Association of unit owners may prescribe fines and penalties for failure of the condominium owners or residents to comply with the Declaration of Condominium, By-Laws, or rules and regulations which may be promulgated by the Board of Directors. Such fines and penalties shall also become a lien on the unit, the same as an assessment and a personal obligation of the unit owner or owners, jointly and severally, and shall bear interest at the rate of eighteen (18%) percent per annum until paid. Enforcement may be by action at law or by an action to foreclose the lien, and violations may be enjoined. All judgments and actions involving enforcement shall provide for actual attorney fees.

## ARTICLE XI

## AMENDMENTS

SECTION 1. By-Laws. These By-Laws shall not be amended to contradict the Declaration of Condominium. These By-Laws may be amended by affirmative vote of not less than sixty-seven (67%) percent of the members of the Association.

## ARTICLE XII

## MISCELLANEOUS

SECTION 1. Indemnification of Directors and Officers. Every past or present Director or officer of the Association, his heirs and personal representatives, shall be indemnified by the Association for any loss or damage incurred by or imposed upon his as a result of having been or presently being an officer or Director of the Association except as to matters arising from his willful misconduct. The cost incurred by the Association for such indemnification shall be considered a common expense of the Association.

SECTION 2. Subordination. In the event of a conflict between the terms of these By-Laws and the Declaration and any amendments thereto and the Unit Ownership Act, these By-Laws shall be subordinate to the Declaration and Unit Ownership Act, which terms shall be controlling.

SECTION 3. Terraces Management Authority. The title "Management Authority" shall operate as provided in 10G of the Declaration of Condominium and shall be appointed by the Board of Directors as provided therein, and subject to the direction of the Board of Directors shall be in charge of leasing and management and shall be paid as determined by the Board of Directors. The Board of Directors shall make such rules and regulations, not inconsistent, with the Declaration of Condominium for the said Authority, and the office of the said Authority shall be 319 Cheviot Chase, Waukesha, Wisconsin.

SECTION 4. 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.

## ARTICLE XIII

## DEFINITIONS

Where the word "corporation" is used in these By-Laws, it shall mean "Association" and where the word "Association" is used in these By-Laws it shall mean "corporation" and both shall refer to the Association of Unit Owners of the Terraces of Morningside Hills Condominium, Inc.

THE FOREGOING were adopted as the By-Laws of the TERRACES OF MORNINGSIDE HILLS CONDOMINIUM, INC.

These Amended and Restated Bylaws were duly adopted on December 15, 2021.