

**BY-LAWS FOR
PINE MEADOWS CONDOMINIUM
OWNERS' ASSOCIATION, INC.**

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**BY-LAWS
OF
PINE MEADOWS CONDOMINIUM
OWNERS' ASSOCIATION, INC.**

**ARTICLE I
Name and Purpose**

Pursuant to the Articles of Incorporation of Pine Meadows Condominium Owners' Association, Inc. and the Condominium Declaration for Pine Meadows Condominium recorded in the Office of the Register of Deeds for Sawyer County, Wisconsin (hereinafter, "Declaration"), the following are adopted as the By-laws of Pine Meadows Condominium Owners' Association, Inc. (hereinafter sometimes referred to as the "Association"), which is a non-profit, non-stock corporation formed and organized to serve as an association of the Unit Owners who own real estate and improvements (hereinafter, the "Property") under the condominium form of ownership, as provided in Chapter 703 of the Wisconsin Statutes ("Condominium Ownership Act") and subject to the terms and conditions of the Declaration.

These By-laws shall be deemed covenants running with the land and shall be binding on the unit owners, their heirs, administrators, Personal Representatives, successors and assigns.

**ARTICLE II
Members, Voting and Meetings**

2.1 Members. The rights and qualifications of the members are as follows:

- a. Defined. Members of the Association shall be all unit owners of the Pine Meadows Condominium and members shall have one vote for each unit owned. Every unit owner, upon acquiring title to a unit under the terms of the Declaration, shall automatically become a member of the Association and shall remain a member thereof until such time as his ownership of such unit ceases for any reason, at which time his membership in the Association shall automatically cease.
- b. One Membership and Vote Per Unit. One membership and one vote shall exist for each unit. If title to a unit is held by more than one person, the membership related to that unit shall be shared by such owners in the same proportionate interests and by the same type of tenancy in which the title to the unit is held. The vote pertaining to the unit may be shared pro rata among the owners, but unanimous agreement is conclusively presumed if any one of them purports to cast the one vote without protest being made promptly by any of the others to the person presiding over the meeting or until any one of the multiple owners files a statement with the Secretary stating that thereafter votes must be cast pro rata.

- c. Membership List. The Association shall maintain a current Membership List showing the membership pertaining to each unit and the address to which notice of meetings of the Association shall be sent. Only the persons shown in the Membership List shall be entitled to cast a vote in person or by proxy.
- d. 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 address of the new owner, identification of unit, date of transfer and any other information about the transfer which the Association may deem pertinent and the Association shall make appropriate changes to the Membership List effective as of the date of transfer.

2.2 Act by Majority. The act of a majority of the votes of the Association present in person or by proxy at any meeting at which a quorum is present shall be the act of the Association, unless provided otherwise under the Condominium Ownership Act.

2.3 Annual Meeting. The annual meeting of the members shall be held at 7:00 p.m. on the second Thursday in October of each year, or at such other time and date within thirty (30) days or after said date as may be fixed by or under the authority of the Board of Directors, for the purpose of electing directors and for the transaction of such other business as may come before the meeting. If the election of directors shall not be held on the day designated herein, or fixed as herein provided, for any annual meeting of the members, or at any adjournment thereof, the Board of Directors shall cause the election to be held at a special meeting of the members as soon thereafter as conveniently may be.

2.4 Special Meeting. 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 or by the person designated in the written request of members representing one-third (1/3) or more of all votes entitled to be cast.

2.5 Place of Meeting. The Board of Directors may designate any place, within Sawyer County, Wisconsin, as the place of meeting for any annual meeting or for any special meeting called by the Board of Directors. If no designation is made, or if a special meeting be otherwise called, the place of meeting shall be the principal business office of the Association in Sawyer County, Wisconsin or such other suitable place in Sawyer County, Wisconsin as may be designated by the person calling such meeting, but any meeting may be adjourned to reconvene at any place designated by the vote of a majority of the votes represented thereat.

2.6 Notice to Meeting. Written notice stating the place, day and hour of the meeting and, in case of a special meeting, the purposes for which the meeting is called, shall be delivered not

less than ten (10) days (unless a longer period is required by law or the Articles of Incorporation) nor more than sixty (60) days before the date of the meeting, either personally or by first class mail, by or at the direction of the President, the Secretary or other officer or persons calling the meeting, to each member of record entitled to vote at such meeting. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail, addressed to the member at his address as it appears on the books of the Association, with postage prepaid thereon.

2.7 Fixing of Record Date. For the purpose of determining members entitled to notice of or to vote at any meeting of members or any adjournment thereof, or in order to make a determination of Members for any other proper purpose, the Board of Directors may provide that the Membership List shall be closed for a stated period, but not to exceed, in any case, seventy (70) days. In lieu of closing the Membership List, the Board of Directors may fix in advance a date as the record date for any such determination of members, such date in any case to be not more than seventy (70) days and, in case of a meeting of members, not less than ten (10) days prior to the date on which the particular actions requiring such determination of members is to be taken. If the Membership List is not closed and no record date is fixed for the determination of members entitled to notice of or to vote at a meeting of members, the close of business on the business day preceding the day on which notice of the meeting is mailed shall be the record date for such determination of members. When a determination of members entitled to vote at any meeting of members has been made, as provided in this section, such determination shall be applied to any adjournment thereof.

2.8 Voting Records. The officer having charge of the Membership List of the Association shall, before each meeting of members, make a complete record of the members entitled to vote at such meeting, or any adjournment thereof. Such record shall be produced and kept open at the time and place of the meeting and shall be subject to the inspection of any member during the whole time of the meeting for the purposes of the meeting. Failure to comply with the requirements of this section shall not affect the validity of any action taken at such meeting.

2.9 Quorum. A majority of the votes entitled to vote, represented in person or by proxy, shall constitute a quorum at a meeting of members. Though less than a quorum of the votes are represented at a meeting, a majority of the votes so represented may adjourn the meeting from time to time without further notice. At such adjourned meeting at which a quorum shall be present, or represented, any business may be transacted which might have been transacted at the meeting as originally notified.

2.10 Conduct of Meetings. The President, and in his absence, a Vice-President, and in their absence, any person chosen by the members present, shall call the meeting of the members to order and shall act as chairman of the meeting, and the Secretary of the corporation shall act as secretary of all meetings of the members, but in the absence of the Secretary, the presiding officer may appoint any other person to act as secretary of the meeting.

2.11 Proxies. At all meetings of the members, a member entitled to vote may vote in person or by proxy appointed in writing by the member or by his duly authorized attorney in fact. Such proxy shall be filed with the Secretary of the Association before, or at the time of, the meeting. Unless otherwise provided in the proxy, a proxy may be revoked at any time before it is voted, either

by written notice filed with the Secretary or the acting secretary of the meeting, or by oral notice given by the member to the presiding officer during the meeting. The presence of a member who has filed his proxy shall not, of itself, constitute a revocation. A proxy shall be valid only for the particular meeting(s) or time period designated therein. No proxy shall be valid after eleven (11) months after the date of its execution, unless otherwise provided in the proxy. The Board of Directors shall have the power and authority to make rules establishing presumptions as to the validity and sufficiencies of proxies.

ARTICLE III Board of Directors

3.1 Initial Board of Directors.

- a. The initial Board of Directors shall consist of three (3) persons, appointed by Declarant, who need not be members of the Association, to serve until control of the Association passes to the unit owners, pursuant to the terms of the Declaration. An initial director shall hold office until the election of his successor.
- b. Notwithstanding the foregoing, prior to the conveyance of 25% of the common element interest in the Condominium to the purchasers, an Association meeting shall be held and unit owners other than Declarant shall elect at least 25% of the Board of Directors. Prior to the conveyance of 50% of the common element interest in the Condominium 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. The Declarant shall designate the initial director, or directors, whose term shall expire in order that the unit owners may elect a replacement director, or directors, as provided above.

3.2 Number and Qualifications of Directors. After control of the Association passes to the unit owners pursuant to the terms of the Declaration, the Board of Directors shall consist of five (5) persons, to be classified with respect to the terms for which they hold office as set forth in paragraph 3.4 below. Each member of the Board of Directors shall be a member of the Association, or in the event that such member of the Association is not a natural person, the appointee of such member of the Association.

3.3 Powers and Duties of the Board of Directors. The affairs of the Association, including management and operation of the condominium property, shall be governed by the Board of Directors. All powers and duties as shall be necessary for the administration of the affairs of the Association shall be exercised by the Board of Directors. Such powers and duties shall be exercised in accordance with the provisions of the Declaration, the Articles of Incorporation and these By-laws.

3.4 Election and Term of Directors. Not later than forty-five (45) days after expiration of the Declarant's control, a special meeting of the members shall be held to elect directors. The term of all then serving directors shall expire upon the election of their successors. At the special meeting, the members shall elect five (5) directors to be classified with respect to the terms for which they hold office by dividing them into three (3) classes, as follows:

- (a) One (1) director whose term will expire at the next annual meeting of the Association after his election.
- (b) Two (2) directors whose term will expire at the second annual meeting of the Association after their election.
- (c) Two (2) directors whose term will expire at the third annual meeting of the Association after their election.

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, so the term of one class of directors shall expire in each year.

3.5 Vacancies on Board. 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.

3.6 Removal of Directors. At any duly called regular or special meeting of the members, any one or more of the directors may be removed with or without cause by a majority of the votes of the members present or represented at such meeting, providing a quorum is in attendance, and a successor may then and there be elected to fill the vacancy thus created.

3.7 Regular Meetings. A regular meeting of the Board of Directors shall be held without other notice than this By-law immediately after the annual meeting of members, and each adjourned session thereof. The place of such regular meeting shall be the same place as the place of the meeting of members which precedes it, or such other suitable place as may be announced at such meeting of members. The Board of Directors may provide, by resolution, the time and place, within Sawyer County, Wisconsin, for the holding of additional regular meetings without other notice than such resolution.

3.8 Special Meeting. Special meetings of the Board of Directors may be called by the President or by two (2) directors. The person or persons calling the special meeting shall state the purpose for which the meeting is called and may designate any place within Sawyer County, Wisconsin as the place of meeting. If no designation is made, the place of meeting shall be the principal business office of the Association in Sawyer County, Wisconsin. The business to be conducted at the special meeting shall be limited to the purpose stated in the call of the meeting. Notice of the special meeting shall be given as provided below.

3.9 Notice; Waiver. Meetings of the Board of Directors shall be preceded by written notice of the date, time and place (and purpose, in the case of a special meeting) of the meeting given not less than 72 hours prior thereto (unless otherwise provided in or pursuant to Section 3.7). Notice may be communicated in person, by telegraph, teletype, facsimile or other form of wire or wireless communication, or by mail or private carrier. Such notice shall be addressed to the director at his address as it appears on the books of the Association or at such other address as such director shall have designated in writing filed with the Association and is effective at the earliest of the following: (a) when received, (b) if mailed, when deposited in the United States mail so addressed, with postage thereon prepaid, (c) if sent by private carrier, when deposited with the private carrier so addressed, with delivery fees thereon prepaid, or (d) if sent by telegraph, teletype, facsimile or other form of wire or wireless communication, when transmission of the notice to the director's business or such other address as the director shall have designated in writing filed with the Association is completed. A director may waive any notice required by the Wisconsin statutes, the articles of incorporation or by-laws before or after the date and time stated in the notice. The waiver shall be in writing (unless notice is waived as a result of a director's attendance at or participation in a meeting), signed by the director entitled to the notice and retained by the Association. A director's attendance at, or participation in, a meeting waives any required notice to him or her of the meeting, unless the director at the beginning of the meeting, or promptly upon his arrival, objects to holding the meeting or transacting business at the meeting and does not thereafter vote for or assent to action taken at the meeting.

3.10 Quorum. Except as otherwise provided by law or by the articles of incorporation or these By-laws, a majority of the number of directors as provided in these By-laws shall constitute a quorum for the transaction of business at any meeting of the Board of Directors, but a majority of the directors present (though less than such quorum) may adjourn the meeting from time to time without further notice. At any such adjourned meeting at which a quorum is present, any business which might have been transacted at the meeting as originally called may be transacted.

3.11 Manner of Acting. The affirmative vote of a majority of the directors present at a meeting at which a quorum is present shall be the act of the Board of Directors, unless the vote of a greater number of directors is required by law or by the articles of incorporation or these By-laws.

3.12 Conduct of Meetings. The President, and in the President's absence a Vice-President, and in their absence, any director chosen by the directors present, shall call meetings of the Board of Directors to order and shall act as chairperson of the meeting. The Secretary of the corporation shall act as secretary of all meetings of the Board of Directors, but in the absence of the Secretary, the presiding officer may appoint any director or other person present to act as secretary of the meeting. If requested by any director, minutes of any regular or special meeting shall be prepared and distributed to each director.

3.13 Compensation. No director of the Association shall receive any fee or other compensation for services rendered to the Association, except by specific resolution of the membership.

3.14 Presumption of Assent. A director of the Association who is present at a meeting of the Board of Directors or a committee thereof of which he is a member, at which action on any Association matter is taken, shall be presumed to have assented to the action taken, unless his dissent shall be entered in the minutes of the meeting, or unless he shall file his written dissent to such action with the person acting as the secretary of the meeting before the adjournment thereof, or shall forward such dissent by registered mail to the Secretary immediately after the adjournment of the meeting. Such right to assent shall not apply to a director who voted in favor of such action.

3.15 Action Without Meeting. Unless the articles of incorporation or by-laws provide otherwise, action required or permitted by the articles of incorporation, by-laws or any provision of law to be taken at a Board of Directors meeting may be taken without a meeting if the action is taken by all members of the Board. The action shall be evidenced by one or more written consents describing the action taken, signed by each director and retained by the Association. Action taken without a meeting under this section is effective when the last director signs the consent, unless the consent specifies a different effective date.

ARTICLE IV

Officers

4.1 Designation, Election and Removal. The principal officers of the Association shall be a President, Vice-President, Secretary and Treasurer, to be appointed annually by the Board of Directors. Such other officers and assistant officers as may be deemed necessary may be appointed by the Board of Directors. Any two (2) 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.

4.2 Appointment and Term of Office. The officers to be appointed by the Board of Directors shall be appointed annually by the Board of Directors at the first meeting of the Board of Directors held after each annual meeting of the members. If officers are not chosen at such meeting, they shall be chosen as soon thereafter as shall be convenient. Each officer shall hold office until his successor shall have been duly appointed or until his prior death, resignation or removal.

4.3 Removal. Any officer or agent appointed by the Board of Directors may be removed at any time, with or without cause and notwithstanding contract rights, if any, of the officer removed. The appointment of any officer does not itself create contract rights.

4.4 Vacancies. A vacancy in any office because of death, resignation, removal, disqualification or otherwise, shall be filled by the Board of Directors for the unexpired portion of the term.

4.5 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. He shall preside at all meetings of the Association and of the Board of Directors and shall, with the Treasurer, count votes at meetings of the Association. He shall have all the general powers and duties which are usually vested in the office of the President including, but not limited to, the power to sign, together with

any other 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 duties and have such authority as are delegated by the Board of Directors.

4.6 Vice-President. The Vice-President shall take the place of the President and perform his duties whenever the President shall be absent or unable to act. If both the President and the Vice-President are unable to act, the Board of Directors shall appoint some other member of the Board to do so on an interim basis. The Vice-President shall also perform such other duties and exercise such authority as shall, from time to time, be delegated or assigned him by the Board of Directors.

4.7 Secretary. The Secretary shall: (a) keep any minutes of the meetings of the members and of the Board of Directors that may be prepared in one or more books provided for that purpose; (b) keep records of actions taken by the members or the board of directors without a meeting; (c) keep a record of the Association's members in a form that permits preparation of a list of the names and addresses of all members; (d) see that all notices are duly given in accordance with the provisions of these By-laws or as required by law; (e) be custodian of the corporate records; (f) keep or arrange for the keeping of a register of the post office address of each member which shall be furnished to the Secretary by each member; and (g) in general, perform all duties incident to the office of Secretary and have such other duties and exercise such authority as from time to time may be delegated or assigned to him by the President or by the Board of Directors.

4.8 Treasurer. The Treasurer shall have responsibility for the Association's funds and shall be responsible for keeping full and accurate records of all receipts and disbursements and financial records and books of account on behalf of the Association. He 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 assessments made by the Association. The Treasurer, with the President, shall count votes at meetings of the Association.

4.9 Compensation. No officer of the Association shall receive any fee or other compensation for services rendered to the Association except by specific resolution of the membership.

4.10 Liability of Directors and Officers. 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 him as a director or officer of the Association, if such person (a) exercised and used the same degree of care and skill as a prudent man would have exercised or taken under the circumstances in the conduct of his 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 he had reasonable grounds to believe to be true. The foregoing shall not be exclusive of other rights and defenses to which he may be entitled as a matter of law. The Board of Directors may provide directors' and officers' liability insurance in such amounts and with such coverage as may coverage as may be determined by the Board of Directors to be necessary or advisable from time to time.

ARTICLE V
Declarant Control

5.1 Declarant as Owner. Until conveyed by the Declarant, the Declarant shall be treated as the owner of each unit (whether then constructed or not) for purposes of membership and voting.

5.2 Declarant Control. Notwithstanding any other provisions contained in these By-laws, Declarant, its successors and assigns, shall have the right, at its option, to appoint and remove the members of the Board of Directors and officers of the Association (subject to the provisions of Section 3.1b.) and to amend the By-laws or rules and regulations of the Association until the earlier of: (a) Three (3) years after the first sale of a unit in the Condominium by the Declarant, (b) thirty (30) days after the conveyance by Declarant to purchasers of 75% of the common element interest in the Condominium, or (c) until such earlier time as may be determined by Declarant, subject, in each case, to provisions of the Condominium Ownership Act of Wisconsin. Each owner of a condominium in Pine Meadows 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 VI
Operation of the Property

6.1 The Association. The Association, acting through the Board of Directors, shall be responsible for administration, maintenance, management and operation of the condominium property, in accordance with the Condominium Ownership Act, the Declaration, the Articles of Incorporation and these By-laws. The Association, by resolution of the Board of Directors, shall have full power and authority to borrow money and acquire and convey property on behalf of the Association, provided that any single Association loan, acquisition, conveyance or mortgage involving the sum of \$20,000.00 or more, shall first be approved by the membership at an annual or special meeting called for such purpose. The Association may, to the extent it deems advisable, contract for management services or a managing agent with respect to the administration and operation of the condominium.

6.2 Rules and Regulations. The Association, through the Board of Directors, shall from time to time adopt rules and regulations governing the operation, maintenance and use of the units and the common elements and facilities by the unit owners and occupants. Such rules and regulations of the Association shall not be inconsistent with the terms of the Declaration or the contracts, documents and easements referred to in the Declaration, and shall be designed to prevent unreasonable interference with the use of the respective units and the common elements and facilities by persons entitled thereto. The Association members, their lessees or guests, and any occupants of the units shall conform to and abide by all such rules and regulations. A violation of any such rules or regulations shall constitute a violation of the Declaration. The Association, through its Board of Directors, shall designate such means of enforcement thereof as it deems necessary and appropriate. The rules and regulations may be adopted, altered and amended or repealed by either the members of the Association or the Board of Directors, in each case by an affirmative vote of 67% or more of votes present or represented at a meeting at which a quorum is in attendance, provided

that no rule or regulation adopted by the members shall be amended or repealed by the Board of Directors if the rule or regulation so adopted so provides.

6.3 Common Expenses. The Board of Directors shall determine the common expenses of the Association, and shall prepare an annual operating budget for the Association in order to determine the amount of the assessments payable by each unit to meet the estimated common expenses of the Association for the ensuing year. The amounts required by such budget shall be assessed against, and allocated in equal shares among the units which are then subject to assessment. The assessments shall be made on an annual basis; however, the assessment shall be pro-rated and be due and payable monthly. The first monthly payment for a fiscal year shall be due on the first day of the fiscal year. If not paid on or before the due date, an assessment shall bear a late fee of twenty dollars (\$20.00) and the total amount due shall bear interest at the rate of 12% per annum until paid in full. If delinquent for more than thirty (30) days, the Association may accelerate the annual assessment remaining unpaid with respect to such delinquent unit for purposes of collection by the Association. In the event the annual budget and assessments are not determined prior to the beginning of a fiscal year of the Association, the assessment for the prior year shall remain in effect until revised by the Board of Directors.

Notwithstanding the above, the Board of Directors may choose to assess the units for all or part of the cost of providing water and sewer service to the units based upon each unit's usage of such service. The assessment for water and sewer may be made at such intervals as determined by the Board of Directors.

6.4 Operating Budget. The annual operating budget shall provide for two (2) funds, one of which shall be designated the "operation fund" and the other the "reserve fund." The operating fund shall be used for all common expenses which occur annually or more frequently, such as amounts required for the cost of maintenance and repair of the common elements, management services, insurance, common services and utilities, administration, materials and supplies. The reserve fund shall be used for contingencies and periodic expenses such as painting or renovation. In the event the Association incurs extraordinary expenditures not originally included in the annual budget, then such monies as may be required in addition to the operating fund may be charged against the reserve fund. In the event that both funds prove inadequate to meet the necessary common expenses, or at the discretion of the Board of Directors, the directors may levy further assessment(s) against the unit owners to be paid at such time as provided by the directors.

The reserve fund may also be used to discharge mechanic's liens or other encumbrances levied against the entire property or against each unit. The unit owner or owners responsible for any lien which is paid by the Association, but which is not the obligation of the Association, shall be specially assessed for the full amount thereof. The directors may also use the reserve fund for the maintenance and repair of any unit if such maintenance and repair, although the obligation of the unit owner, is necessary to protect the common property. The full amount of the cost of any such maintenance or repair shall be specially assessed to the unit owner responsible therefor.

The annual budget shall be prepared and determined by October 1st of each calendar year. The Board of Directors shall advise all members of the Association, in writing, of the amount of

common assessments payable on behalf of each unit by the date of the annual members' meeting, and shall furnish copies of the budget on which such common assessments are based to each member.

If, within fifteen (15) days after the annual membership meeting, a petition is presented to the Board of Directors protesting such assessments, or the budget upon which they are based, and the petition is signed by members representing more than 50% of the units subject to such assessments, then the directors shall notify all members of a meeting called for the sole purpose of reviewing such assessments or budget. At such meeting, the vote of members representing more than 50% of the units subject to such assessment may revise the budget and assessments, and such revised budget and corresponding assessments shall replace for all purposes the ones previously established; provided, however, that the annual budget and assessments may not be revised downward to an amount lower than the average total actual expenses of the Association for the preceding two (2) years and provided further, that if a budget and assessment was not established and made for either of the two (2) preceding years, then the budget and assessments may not be revised downward.

6.5 Default and Liens. All assessments, until paid, together with interest and actual costs of collections, constitute a lien on the units on which they are assessed and on the undivided interest in the common elements appurtenant thereto. If a member of the Association is in default in payment of any charges or assessments for a period of more than thirty (30) days, the Board of Directors, in the name of the Association, may file the Statement of Condominium Lien therefor and bring suit for and on behalf of the Association, as representative of all members, to enforce collection of such delinquencies or to foreclose the lien therefor, as provided by law, and there shall be added to the amount due the costs of collection and interest, together with attorney fees. The Statement of Condominium Lien may be signed and verified on behalf of the Association by any officer of the Association. The owners of a unit against which a Statement of Condominium Lien has been filed shall not be entitled to vote at Association meetings until the lien has been paid in full.

6.6 First Assessment. A unit shall first become liable to assessment upon the first day of the month next following the first to occur of the following: the conveyance of the unit from the Declarant to a purchaser or the rental of the unit by the Declarant. The unit owner and the unit shall be liable for the monthly installments of any existing unit assessment which becomes due after the date the unit is first subject to assessment. Such monthly installments shall be calculated based upon the monthly installments due from a unit which was subject to assessment for the entire calendar year. The Declarant and the units owned by it shall not be subject to assessment, except as stated above; however, the operating budget shall include the amounts the Board of Directors anticipates the Declarant will voluntarily contribute toward the operating budget.

The common surplus shall be credited in equal shares to the assessment for common expenses of those unit owners who are then subject to assessment.

6.7 Insurance. The insurance coverage of the Association for insured losses shall extend to cover all buildings and building components and mechanical systems, interior and exterior,

including all built-in cabinetry, built-in appliances and attached floor covering, subject only to the provisions of Article 15 of the Declaration which excludes personal property and betterments.

Unit owners have responsibilities for maintenance, repair and replacement of certain building components as set forth in Section 11.1 of the Declaration and 7.1 of the By-laws. These provisions and responsibilities are not intended to exclude such components from coverage by insurance in the event of an insurable loss, and such components shall be covered in event of loss to the extent of the Association's insurance policy coverage.

For insurance purposes, built-in microwaves, dishwashers and disposals shall be treated as a part of the building and shall be covered by the Association's insurance in event of a loss covered under the Association's insurance policy. Repairs to such appliances or replacement thereof due to normal wear and tear and depreciation or other similar reasons are the responsibility of each unit owner. All other appliances are not covered under the Association's insurance and it shall be the responsibility of the individual unit owners to insure such appliances under their own insurance policy.

ARTICLE VII

Repairs and Maintenance

7.1 Individual Units. Each unit owner, at his sole expense, shall be responsible for keeping the interior of his unit, its windows, doors and all of its equipment, fixtures and appurtenances in good order, condition and repair, and in a clean and sanitary condition, and shall be responsible for interior decorating, painting and varnishing which may, at any time, be necessary to maintain the good appearance and condition of his unit. Without in any way limiting the foregoing, in addition to decorating and keeping the interior of the unit in good repair, each unit owner shall be responsible for the maintenance, repair or replacement of the following, whether interior or exterior; any doors or windows (including washing and replacement of broken glass), screens and screening, sheetrock and wall coverings, floors, floor coverings, cabinetry and trim, plumbing and plumbing fixtures, fireplaces, heating and air conditioning equipment (including compressor and associated equipment), electrical wiring and components (including fans, light fixtures, doorbells, garage door openers and keypad), kitchen and laundry appliances and equipment (including dishwashers and disposals), and other equipment which may be in, or connect with, the unit or the limited common elements appurtenant to the unit.

7.2 Common Elements and Facilities. The Association shall be responsible for the management and control of the common elements and facilities and shall cause the same to be maintained, repaired and kept in good, clean, attractive and sanitary condition, order and repair. Without in any way limiting the foregoing, the Association shall be responsible, at Association expense (unless necessitated by the negligence or misuse of a unit owner, in which case such expense shall be charged and specially assessed to such unit owner), for accomplishment of the following specific items of maintenance and repair with respect to common elements:

- A. All painting, repairing, restoration, maintenance and decorating of building exteriors, walls and roofs, including decks and porches.

- B. General repair, maintenance, repair or replacement of exterior fixtures, including gutters and downspouts.
- C. Lawn care, including landscaping, fertilizing, watering, weed control, tree pruning, grass cutting, edging and trimming, as required.
- D. Care and maintenance of recreational facilities and amenities on the property.
- E. Maintenance, repair, replacement or restoration of streets and walks and drives which are a part of the Condominium property, and sidewalks, driveways, parking areas and vehicle storage areas.
- F. Repair and maintenance of exterior lights and associated equipment.
- G. Snow and ice removal and salting of walks and drives.
- H. If the Association chooses to do so, the installation, maintenance, expansion and replacement of a water and sewer system to service the units and common elements and facilities.
- I. Provision, maintenance and storage of equipment and materials required to accomplish the foregoing.

7.3 Association Services. The Association may provide any service or maintenance requested by a unit owner or owners with respect to individual units that the Association is able and willing to provide or perform, and shall specially assess such requesting owner or owners therefor.

ARTICLE VIII

Duties and Obligations of Unit Owners

8.1 Rules and Regulations. The units and the common elements and facilities hereinafter in this paragraph sometimes collectively referred to as "commons" shall be occupied and used in accordance with the Declaration, the Articles of Incorporation, these By-laws and rules and regulations of the Association, including the following:

- (a) Use. No unit owner shall occupy or use his unit, or permit the same or any part thereof to be occupied, or used for any purpose other than as a private residence. No trade or business shall be conducted on the condominium property or from any unit.
- (b) Occupancy. No unit, whether owner occupied or tenant occupied, shall be occupied by more than four (4) persons ("person" defined in this provision as adults or children) per unit, nor more than two (2) persons per bedroom within the unit. This provision shall be enforceable without regard to the age, sex or relationship of the occupants.

- (c) Leasing. Units in Pine Meadows Condominium may be made available for use by persons other than unit owners, or leased, but only upon the following conditions: All tenancies shall have a written lease. All leases shall be for a minimum term of three (3) months. Unit owners shall promptly file with the Board of Directors a copy of such lease. Each lease shall contain and incorporate sections of the By-laws of Pine Meadows Condominium Owners' Association, Inc., as the Board of Directors may require to which the Lessees shall specifically acknowledge and agree to in writing. Owners of the unit shall keep the Association, or its agent, informed in writing (and updated as necessary) of the names and phone numbers of all unit occupants. Leases for an initial term of more than twelve (12) months shall be approved by the Board of Directors prior to execution of the lease. The Board of Directors may refuse to allow renewal of leases and tenancies where condominium rules and regulations have been repeatedly violated by Lessees or guests. Guests of occupants of units other than owners shall not be entitled to use of any of the common element grounds and facilities.

The Association is hereby expressly deemed to be a third party beneficiary of any such lease; any violation of the Declaration, By-laws or rules and regulations shall be deemed a default under such lease entitling the Association to exercise any and all remedies under the lease or available at law or equity, regardless of the owner's action or inaction in response to such default. The foregoing provisions to the contrary notwithstanding, a unit may be occupied for a period of less than thirty (30) days by an employee or guest of a corporate unit owner, provided the occupant is not in violation of any other provision of the Declaration, By-laws or rules and regulations. In such instances, the occupant of the unit shall be deemed to be the corporate owner.

- (d) Animals and Pets. No animals, livestock, birds, reptiles or insects of any kind shall be raised, bred or kept on the property, excepting (1) small fish normally found in a home aquarium, (2) domesticated caged birds (3) domesticated dogs and cats, provided that the adult weight of any dog or cat cannot reasonably be anticipated to exceed twenty (20) pounds. If a unit owner (or purchaser) has a dog or cat the weight of which exceeds twenty (20) pounds at the time of purchase of the unit, the unit owner or purchaser may petition the Board of Directors for a waiver to allow the pet for the remainder of its life. The Board of Directors may approve or disapprove the keeping of said pet, or approve with conditions. After the pet dies, the approval shall expire. The number of bird(s), dog(s) and/or cat(s) combined shall not exceed two (2) per unit. Whenever outside the unit, dogs or cats shall be under leash and shall be under leash when walked or exercised on the Condominium grounds. Pets are not permitted to be left unattended or caged, staked or tied when outdoors. Guests of unit owners or of unit tenants shall not bring any dogs, cats or other pets upon the common elements of the Condominium. No pet shall be permitted which causes excessive noise, is

a nuisance, causes a disturbance or creates a concern for safety (as may be determined by the Board of Directors). Unit owners are responsible for any and all damage from, and the immediate cleaning and removal of any waste from his or her animal, or the animal of any occupant of his unit, their guests or invitees.

- (e) Parking. No motor vehicle, boat, camper, trailer, recreation vehicle or other vehicle of any sort may be parked on the lawns, walks, common elements or limited common elements, except as noted herein. Motor vehicles of the unit occupants may be parked in the garage of the unit or **in the outdoor parking spaces assigned to the unit.** Motor vehicles shall be parked within the garage overnight whenever practical and shall not be left outside for more than four (4) hours at a time. Garage doors are to be closed when not exiting, entering or cleaning the garage or vehicle. Occupants of a unit shall keep garage stalls available for motor vehicle storage, except that if occupant(s) of a unit have space within their garage for their motor vehicles, they may use the additional room for other uses, including storage, trailers or boats. If all garage spaces within the unit are filled, occupants may park guest motor vehicles in the outdoor **parking space assigned to the unit.** Guest parking shall be only on a temporary basis, and for not longer than a two (2) week period for any vehicle. Incidental service or delivery vehicles are allowed to park temporarily in the parking spaces for the unit they are servicing.

Motor vehicle shall be defined as automobiles, light trucks and motorcycles for personal use that are licensed for highway use and in operable condition.

- (f) Motorized Vehicles. The operation of any and all snowmobiles, motorbikes and any other motorized vehicles is prohibited upon common elements of walks of the Condominium, excepting motorized wheelchairs and other equipment for handicapped may be operated on the walks, and lawn mowing and yard-care equipment when used for intended purposes.
- (g) Use and Obstructions. Common elements, walks, drives and entrances shall not be obstructed, littered, defaced or misused in any manner. Walks, drives and entrances to individual units shall not be obstructed, littered, defaced or used for any purpose other than ingress to and egress from the units. No bicycles, tricycles, scooters, carriages, carts or similar vehicles or toys or other personal articles shall be allowed to stand in any of the common areas.
- (h) Increase of Insurance Rates. Nothing shall be done or kept in any unit, or in the common elements, which will increase the rate of insurance on the common elements, without the prior consent of the Association. No unit owner shall permit anything to be done or kept in his unit, or in the common elements, which will result in the cancellation of insurance on any unit or any

part of the common elements, or which would be in violation of any law or ordinance. No waste will be committed in the common elements.

- (i) Window Treatments. No awnings or other projections shall be attached to the outside walls of the building. Draperies or blinds shall be hung in all unit windows visible from other Pine Meadows Condominium units. The liners or surfaces visible from the exterior of the unit of all window coverings are to be off-white, beige or neutral in color, so that the buildings present a uniform exterior appearance.
- (j) Deck. Only appropriate outdoor furniture and barbeque grills may be stored on decks. Drying or hanging items on any deck is prohibited.
- (k) Radio or Television Antennas or Dishes. No radio or television antennas or dishes shall be installed on the exterior of the building, except with the prior written permission of the Association.
- (l) Signs. No signs, advertisements, notices or other lettering of any kind shall be displayed to the public view on or from any unit or the common elements, excepting reasonable signs showing a unit "for sale" or "for rent" without the prior consent of the Association.
- (m) Noxious Activity. No noxious or offensive activity shall be carried on in any unit or in the common elements, nor shall anything be done therein which may be or become an annoyance or nuisance to others, or otherwise interfere with the rights, comfort and convenience of other occupants or be injurious to the reputation of the Condominium.
- (n) Alteration, Construction or Removal. Nothing shall be altered, placed on, constructed in or removed from the common elements and facilities, except upon the written consent of the Association.
- (o) Enforcement. The foregoing rules and regulations and other rules and regulations adopted by the Association shall be enforced by such means as the Association deems necessary and appropriate, including recourse to civil authorities, court action, if necessary, and monetary fines of not less than \$50.00 per violation to be charged and assessed against the owner of a unit who violates, or whose guests or unit occupants violate, such rules and regulations. Such fines shall be charged and assessed against the subject unit and may be enforced and collected as an assessment for common expenses, including the foreclosure of a lien therefor.
- (p) Declarant's Use. The Declarant's use of the units owned by it and the common elements shall not be restricted by these rules and regulations.

- (q) Unit Owner. A unit owner may be a natural person or a legal entity (such as a corporation or limited liability company).

ARTICLE IX General

- 9.1 Fiscal Year. The fiscal year of the Corporation shall begin on the first day of January and end on the last day of December in each year. The Board of Directors may from time to time designate a different fiscal year.
- 9.2 Address. The mailing address of the Association shall be N7240 - 810th Street, Elk Mound, Wisconsin 54739. The Board of Directors may from time to time designate a different mailing address.
- 9.3 Seal. The Board of Directors may provide a corporate seal which shall be circular in form and shall have inscribed thereon the name of the corporation and the words "Corporate Seal, Wisconsin."

ARTICLE X Amendments

- 10.1 By Members. These By-laws may be altered, amended or repealed and new By-laws may be adopted by the members at any meeting called for such purpose, by the affirmative vote of unit owners having 67% or more of the votes in the Association.
- 10.2 Rights of Declarant. No amendment of these By-laws shall alter or abrogate the rights of Declarant as contained in these By-laws.
- 10.3 Rights of Unit Owner. No amendment to these By-laws shall discriminate against a unit owner or a unit unless the unit owner so affected shall consent.

ARTICLE XI Miscellaneous

- 11.1 Record of Ownership. Every unit owner shall promptly cause to be duly recorded or filed of record the deed, assignment or other conveyance to him of such unit or other evidence of his title thereto, and shall file any lease with and present such other evidence of his title to the Board of Directors and the Secretary shall maintain all such information in the Membership List of the Association.
- 11.2 Mortgages. Any unit owner who mortgages his unit, or any interest therein, shall notify the Board of Directors of the name and address of his mortgagee, and also of any release of such mortgage, and the Secretary shall maintain all such information in the Membership List of the Association.

- 11.3 Statement of Assessments. The Board of Directors or Treasurer of the Association, at the request of any mortgagee or any prospective purchaser of any unit or interest therein, shall provide a statement to such person as to the amount of any assessments against such unit then due and unpaid, within ten (10) business days after such request is received.
- 11.4 Indemnity of Officers and Directors. 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 attorney fees) asserted against, incurred by or imposed upon him in connection with, or resulting from, any claim, action, suit or proceeding, including criminal proceedings, to which he is made or threatened to be made a party by reason of his being, or having been, such director or officer, except as to matters as to which he shall be finally adjudged in such action, suit or proceedings 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 his 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, any employee or former employee of the Association with respect to any action taken, or not taken, in his 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.

All liability, loss, damage, costs and expense incurred or suffered by the Association by reason arising out of, or in connection with, the foregoing indemnification provisions shall be treated and handled by the Association as common expenses; provided, however, that nothing in this Article XI contained shall be deemed to obligate the Association to indemnify any member or owner of a condominium unit who is, or has been, an employee, director or officer of the Association with respect to any duties or obligations assumed or liabilities incurred by him under, and by virtue of, the Declaration, Wisconsin's Condominium Ownership Act, the Articles and By-laws of the Association, as a member of the Association or owner of a condominium unit.

- 11.5 Liability of Directors and Officers. 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 him as a director or officer of the Association if such person (a) exercised and used the same degree of care and skill as a prudent man would have exercised or used under the circumstances, in the conduct of his 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 he had reasonable grounds to believe to be true. The foregoing shall not be exclusive of other rights and defenses to which he may be entitled as a

matter of law. The Board of Directors may provide directors' and officers' liability insurance in such amounts, and with such coverage, as may be determined by the Board of Directors to be necessary from time to time.

- 11.6 Subordination. These By-laws are subordinate and subject to all provisions of the Declaration and any amendments thereto and the Condominium Ownership Act under the laws of the State of Wisconsin, which shall control in case of any conflict. All terms herein (except where clearly repugnant to the context) shall have the same meanings as in the Declaration or said Condominium Ownership Act.
- 11.7 Interpretation. In case any provision of these By-laws shall be held invalid, such invalidity shall not render invalid any other provision hereof which can be given effect. Nothing in these By-laws shall be deemed or construed to authorize the Association or the Board of Directors to conduct or engage in any active business for profit on behalf of any or all of the unit owners.
- 11.8 Parliamentary Rules. The then current Roberts' Rules of Order shall govern the conduct of Association meetings and Board of Directors meetings when not in conflict with the Wisconsin Statutes, the Articles of Incorporation, the Declaration or these By-laws.

- End of By-Laws -