

BYLAWS

OF

THE VILLAGE COHOUSING COMMUNITY, INC.

Adopted _____, 1999

BYLAWS
OF
THE VILLAGE COHOUSING COMMUNITY, INC.

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BYLAWS
OF
THE VILLAGE COHOUSING COMMUNITY, INC.

Effective as of _____, 1999

ARTICLE I.
NAME AND LOCATION

The name of the Association is The Village Cohousing Community, Inc., hereinafter referred to as the "Association." The principal office of the Association and the mailing address of the Association shall be 1104-A Mound Street, Madison, Wisconsin 53715, but meetings of Unit Owners and Steering Committee members may be held at other places as the Steering Committee members may from time to time designate.

ARTICLE II.
DEFINITIONS

Capitalized terms used herein and not otherwise defined shall have the meanings for such terms set forth in the Declaration of The Village Cohousing Community, A Condominium, recorded in the office of the Dane County, Wisconsin Register of Deeds, as amended from time to time (the "Declaration").

ARTICLE III.
MEETINGS OF UNIT OWNERS

Section 1. MEMBERS: Each Unit Owner shall be a member of the Association.

Section 2. ANNUAL MEETING: The annual meeting of the Unit Owners shall be held on the _____ in _____ in each year, commencing at 7:00 P.M. The purpose of each annual meeting of the Unit Owners shall be for the election of members of the Steering Committee and the transaction of such other business as may come before the meeting. An officer shall report on the activities and financial condition of the Association during the annual meeting. Failure to hold the annual meeting shall not work a forfeiture or dissolution of the Association.

Section 3. MONTHLY MEETINGS: Each month, a meeting of the Unit Owner shall be held on the _____ of the month, commencing at 7:00 p.m. The purpose of each monthly meeting of the Unit Owners shall be such business as may come before the meeting as provided herein.

Section 4. SPECIAL MEETINGS: Special meetings of the Unit Owners may be called at any time by the Steering Committee or by the Facilitator, or upon the written request of Unit Owners who are entitled to at least one-third (1/3) of all of the votes.

Section 5. PLACE OF MEETINGS: Meetings of the Unit Owners shall be held in the dining room of the Common House or at such other suitable place as may be designated by the Steering Committee.

Section 6. NOTICE OF MEETINGS: Notice of meetings must be given in a manner that is fair and reasonable. Generally, these Bylaws shall stand as sufficient notice of each annual meeting and monthly meeting, and no further notice of such meetings need be given as long as the dates, times and places of such meetings are as set forth above.

Written notice of each special meeting of the Unit Owners shall be given by, or at the direction of, the Recordkeeper or a person authorized to call the meeting, by delivering written notice, either personally or by mail, at least ten (10) but not more than fifty (50) days before such meeting to each Unit Owner entitled to Vote thereat as 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 the purpose of the meeting. In lieu of such notice, a notice may be given by publishing the same as a Class 2 notice under Chapter 985 of the Wisconsin Statutes, near the principal office of the Association.

The transactions of any meeting of the Unit Owners, however called and noticed or wherever held, shall be as valid as though had at a meeting duly held after regular call and notice, if a quorum is present and if, either before or after the meeting, a written waiver of notice of the meeting is signed by the Unit Owner or Unit Owners entitled thereto. Such waiver shall contain the same information as would have been required to be included in such notice, except that the time and place of the meeting need not be stated. All such waivers shall be filed with and made a part of the minutes of the meeting.

Section 7. VOTES: There shall be one (1) vote ("Vote") appurtenant to each Unit, which may be cast by the respective Unit Owner. Since the Condominium consists of eighteen (18) Units, there shall be an aggregate of eighteen (18) Votes. When there is more than one Unit Owner of a Unit, the one (1) vote appurtenant to that Unit may be split among such Unit Owners, pro rata in accordance with their ownership interests, provided that all such Unit Owners execute and deliver to the Recordkeeper one written notice specifying their interests. Such notice may be superseded at any time by a subsequent notice so executed and delivered. The Association may, but shall have no obligation to, verify the accuracy of any information contained in any such notice. When there is more than one Unit Owner of a Unit and no such notice has been executed and delivered, any one Unit Owner of the Unit may cast the one (1) vote appurtenant to that Unit and the other Unit Owners of the Unit shall then be deemed to have concurred with any such Vote.

If a Unit Owner is not a natural person, such Unit Owner shall execute and deliver to the Recordkeeper in writing specifying the name of a person who will cast the Vote of that Unit Owner. Such person shall be a partner, member, shareholder, beneficiary or other owner or beneficial owner of that Unit Owner ("Beneficial Owner"), or a director or officer of the Unit Owner. If there is more than one Beneficial Owner of the Unit Owner, the Vote may split among the Beneficial Owners, pro rata in accordance with their ownership interests in the Unit Owner, provided that all such persons execute and deliver to the Recordkeeper one written notice specifying their interests. The notice as described in this subparagraph may be superseded at

any time by a subsequent notice executed and delivered in the same manner. The Association may, but shall have no obligation to, verify the accuracy of any information contained in any such notice. When the Unit Owner is not a natural person and no such notice has been executed and delivered, any person demonstrating apparent authority to act in the name of the Unit Owner of the Unit to the satisfaction of the Recordkeeper may cast the one (1) Vote appurtenant to the Unit owned by that Unit Owner, and the Unit Owner, and its Beneficial Owners, shall then be deemed to have concurred with any such Vote.

A Unit Owner shall be prohibited from voting at a meeting of the Unit Owners if the Association has recorded a statement of condominium lien on the Unit Owner's Unit and the amount necessary to release the lien has not been paid at the time of the meeting.

Section 8. QUORUM: The presence at the meeting of Unit Owners entitled to cast, or of proxies entitled to cast, at least nine (9) Votes shall constitute a quorum for any action except as otherwise provided in the Declaration or these Bylaws. If, however, such quorum shall not be present or represented at any meeting, the Unit Owners entitled to Vote there at shall have the 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.

Section 9. MAJORITY OF UNIT OWNERS: As used in these Bylaws, the term "Majority of Unit Owners" shall mean those Unit Owners having more than fifty percent (50%) of the Votes.

Section 10. CONSENSUS: The business of the meetings of the Unit Owners shall be conducted, and any action to be taken by the Unit Owners shall be, by consensus. Consensus with regard to any given issue is attained when all Unit Owners support the proposal, and when no Unit Owner feels an unacceptable level of conflict, even though all Unit Owners may not be completely satisfied. The Unit Owners may adopt rules and regulations which further describe consensus and implement policies and procedures relative thereto. Notwithstanding the foregoing, however, the Unit Owners may take action on any matter with fifteen (15) Votes, and such action shall be binding upon all Unit Owners.

Section 11. PROXIES: At all meetings of Unit Owners, each Unit Owner may Vote in person or by proxy; provided, however, that the proxy may only be another Unit Owner. All appointments of proxies shall be in writing and filed with the Recordkeeper. Every proxy shall be effective for a maximum period of one hundred eighty (180) days, shall be revocable and shall automatically cease upon conveyance by the Unit Owner of his, her or its Unit. The effective proxies and the manner of their execution, revocation and exercise shall be governed by the laws of the state of Wisconsin.

Section 12. BALLOTS: Any action to be taken at any meeting of the Unit Owners may be taken without a meeting if the Association delivers a written ballot to every Unit Owner entitled to Vote. The written ballot shall set forth each proposed action and provide an opportunity to Vote for or against each proposed action and must state: the number of responses needed to meet the quorum requirements; the percentage of approvals necessary to approve each matter other than the election of members of the Steering Committee; and the time by which the ballot must be received by the Association in order to be counted; and action decided by ballot shall be

valid if the quorum and voting requirements for such action to be considered at a meeting are met.

Section 13. ACTION BY WRITTEN CONSENT: Any action which may be taken at a meeting of the Unit Owners may be taken without a meeting if Unit Owners holding at least fifteen (15) Votes consent in writing to such action. Such action by written consent shall have the same force and effect as the Vote of the Unit Owners at a meeting duly called and held. The action must be evidenced by one or more written consents describing the action taken, signed by the required number of Unit Owners, and delivered to the Association for inclusion in the minutes or filing with the corporate records. All signatures on the written consent shall be dated and, in determining whether the required number of Unit Owners have signed the consent, only those signatures dated after the date of the most recent meeting of Unit Owners may be counted. Written notice of Unit Owner approval shall be given to all Unit Owners who have not signed the written consent. If Unit Owner approval by written consent is less than unanimous, such actions contemplated by such consent will be effective ten days after the aforementioned notice has been given.

Section 14. ORGANIZATION: The Facilitator, or in the absence of the Facilitator, the Substitute Facilitator, or in the absence of both the Facilitator and Substitute Facilitator, a chairperson chosen by a majority of the Unit Owners present, shall act as chair at every meeting of the Unit Owners. The Recordkeeper, or in the absence of the Recordkeeper any person appointed by the chair of the meeting, shall take minutes of the meeting.

Section 15. COMMITTEES: The Unit Owners may authorize, and appoint or remove members (whether or not Unit Owners), of standing and/or temporary committees to consider appropriate matters, make reports to the Unit Owners, and fulfill such other advisory functions as may be designated. The designation of such standing and/or temporary committees, and the members thereof, shall be recorded in the minutes of the Unit Owners.

Section 16. CONFLICTS OF INTEREST: No contract or other transaction between the Association and one or more of the Unit Owners or any other Association, firm, association, or entity in which one or more of its members are directors or officers or has a material financial interest, shall be either void or voidable because of such relationship or interest or because such Unit Owner is present at the meeting of the Unit Owners which authorizes, approves or ratifies such contract or transaction or because his, her or its Votes are counted for such purpose, if (1) the fact of such relationship or interest is disclosed or known to the Unit Owners which authorize, approve or ratify the contract or transaction by a Vote or consent sufficient for the purpose without counting the Votes or consents of such interested Unit Owner; or (2) the contract or transaction is fair and reasonable to the Association. Common or interested Unit Owners may be counted in determining the presence of a quorum at a meeting of the Unit Owners which authorizes, approves or ratifies such contract or transaction.

ARTICLE IV. POWERS AND DUTIES OF UNIT OWNERS

Section 1. POWERS: The Unit Owners shall hold and exercise all powers, duties and authority vested in or delegated to the Association, except to the extent they are required to be vested in

the Steering Committee by Chapters 181 or 703 of the Wisconsin Statutes, the Declaration, other provisions of these Bylaws, or by resolution of the Unit Owners adopted from time to time. The powers and authority of the Unit Owners shall include, without limitation, the power to:

- (a) Adopt, publish and amend on behalf of the Association Rules and Regulations covering the details of the operation and use of the Property and governing the use of the Common Elements and the personal conduct of the Unit Owners and their guests thereon, and to establish penalties for the infraction thereof;
- (b) Employ a manager, an independent contractor, or such other employees as they deem necessary, and to prescribe their duties, provided, however, if entered into before the members of the Steering Committee elected by the Unit Owners under Section 703.10 of the Wisconsin Statutes take office, any management contract or employment contract must provide for termination without cause by the Association or its Steering Committee at any time without penalty upon not more than ninety (90) days' notice. Any agreement for professional management of the Condominium, or other contract providing for services of the Declarant or builder, may not exceed three (3) years and must also provide for termination without cause by the Association or its Steering Committee at any time without penalty upon not more than ninety (90) days' notice (notwithstanding this provision, the Association is committed, to the extent possible and expedient, to self-management of its affairs and those of the Condominium);
- (c) Purchase, lease, or otherwise acquire in the name of the Association, or its designee, corporate or otherwise, own, operate, mortgage, sublease, or sell Units offered for sale or lease, surrendered by a Unit Owner to the Association, or at foreclosure or other judicial sales, and vote the votes appurtenant to or otherwise deal with such, subject to any restrictions contained in the Declaration;
- (d) Organize corporations or other legal entities to act as designees of the Association for any purpose; and
- (e) Grant permits, licenses and easements through or over the Common Elements.

Section 2. DUTIES: It shall be the duty of the Unit Owners to:

- (a) Set the budget for the Association for the following calendar year by November 30 of each year (which shall include an adequate reserve for maintenance, repairs and replacement of those Common Elements that must be replaced on a periodic basis) and fix the amount of the annual assessment against each Unit at least thirty days in advance of each annual assessment period;
- (b) In the event that both the operating and reserve funds prove inadequate to meet the necessary common expenses, levy a further assessment, which shall be charged to each Unit Owner in proportion to his, her or its obligation for assessments as set forth in the Declaration; specially assess the Unit Owner or Owners responsible for the full amount of any lien which is paid by the Association but which is the obligation of such Unit Owner;

- (c) Cause the Common Elements to be maintained;
- (d) Charge, in their discretion, reasonable fees for the use of any recreational facility which may be constructed upon the Common Elements;
- (e) 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 Condominium; and
- (f) Make contracts and incur liabilities in connection with the operation of the Condominium, subject to any restrictions set forth in the Declaration.

ARTICLE V.
STEERING COMMITTEE SELECTION – TERM OF OFFICE

Section 1. NUMBER AND SELECTION: The affairs of the Association shall be managed by a Steering Committee of three (3) or more members who shall take office upon election. Each member of the Steering Committee shall be a Unit Owner. Each Unit Owner which is not a natural person and which is elected as a member of the Steering Committee shall be represented in that capacity by a Beneficial Owner of the Unit Owner selected through the election.

Section 2. ELECTION AND TERM OF OFFICE: Members of the Steering Committee shall be elected initially in accordance with Article III, Section A of the Declaration, and thereafter by Vote of the Unit Owners at the annual meeting of Unit Owners. The term of office of each member of the Steering Committee shall be fixed at three years, except that, at the first election, one-third of the members shall be elected for a one year term, one-third of the members shall be elected for a two year term, and one-third of the members shall be elected for a three year term. Notwithstanding the foregoing, the members who were elected for the one year term and his, her or its successors shall be replaced by the members elected by the Association as provided in Article III, Section A of the Declaration. At the expiration of the term of office of each respective member of the Steering Committee, his, her or its successor shall be elected to serve for a term of three years. Except in the event of death, resignation or removal, each member shall hold office until his, her or its respective successor has been elected by the Unit Owners. Members of the Steering Committee may be reelected upon expiration of their term.

Section 3. RESIGNATION: A member of the Steering Committee may resign at any time by giving written notice to the Recordkeeper, who shall advise the Steering Committee of such resignation. Such resignation shall take effect at the time specified therein or, if no time is specified, then upon receipt of the resignation by the Recordkeeper, and unless otherwise specified therein, acceptance of such resignation shall not be necessary to make it effective.

Section 4. REMOVAL: Any member may be removed from the Steering Committee, with or without cause, by a vote of a Majority of Unit Owners. In the event of death, resignation or removal of a member, his, her or its successor shall be selected by the remaining members of the Steering Committee and shall serve for the unexpired term of his, her or its predecessor.

Section 5. VACANCIES: A vacancy or vacancies in the Steering Committee for any reason, including an increase in the authorized number of members thereof, may be filled by a majority of

the members of the Steering Committee then in office, even though less than a quorum. Each member so elected shall hold office for the unexpired portion of the term such member was elected to fill or until such member's successor is elected and qualified, or until such member's death, resignation or removal.

Section 6. COMPENSATION: No member of the Steering Committee shall receive compensation for any service he or she may render to the Association as such. However, any member may be reimbursed for his, her or its actual cash, out-of-pocket expenses for which receipts can be provided and adequately documented mileage reimbursed at the mileage rate allowed by the Internal Revenue Service incurred in the performance of his, her or its duties.

ARTICLE VI. MEETINGS OF THE MEMBERS OF THE STEERING COMMITTEE

Section 1. ANNUAL MEETING: Annual meetings of the members of the Steering Committee shall be held one (1) time per year without notice immediately after, and at the same place as, the annual meeting of Unit Owners.

Section 2. MONTHLY MEETINGS: Monthly meetings of the members of the Steering Committee shall be held without notice one hour before, and at the same place as, each monthly meeting of the Unit Owners.

Section 3. SPECIAL MEETINGS: Special meetings of the members of the Steering Committee shall be held when called by the Facilitator, or by any two (2) members of the Steering Committee, after receipt by each member of the Steering Committee of not less than seventy-two (72) hours' written notice given personally or by mail. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail, with postage prepaid, addressed to the member at the member's address as it appears on the records of the Association. The notice shall state the time, place and purpose of the meeting.

Section 4. WAIVER OF NOTICE: Any member of the Steering Committee may, at any time, waive notice of any meeting of the Steering Committee in writing, and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a member of the Steering Committee at any meeting of the Steering Committee shall constitute a waiver of notice by him or her of the time and place thereof. If all the members of the Steering Committee are present at any meeting of the Steering Committee, no notice shall be required, and any business may be transacted at such meeting.

Section 5. QUORUM: A majority of the members of the Steering Committee shall constitute a quorum for the transaction of business. If, at any meeting of the Steering Committee, there shall be less than a quorum present, the majority of those present 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.

Section 6. CONSENSUS: The business of the meetings of the members of the Steering Committee shall be conducted, and any action to be taken by its members shall be, by consensus. Consensus with regard to any given issue is attained when all members support the proposal, and

when no member feels an unacceptable level of conflict, even though all members may not be completely satisfied. The members of the Steering Committee may adopt rules of order which further describe consensus and implement policies and procedures relative thereto. Notwithstanding the foregoing, however, every act or decision done or made by a majority of the members of the Steering Committee present at a duly held meeting at which a quorum is present shall be regarded as the act of the Steering Committee.

Section 7. ACTION TAKEN WITHOUT A MEETING: The members of the Steering Committee 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 consent of two-thirds of the members of the Steering Committee, provided that all the members of the Steering Committee are provided with notice of the action. A member will not be liable for any action if such member did not sign the written consent. Any action so approved shall have the same effect as though taken at a meeting of the members of the Steering Committee.

Section 8. METHODS OF CONDUCTING MEETINGS: Members of the Steering Committee may participate in any regular or special meeting or in any meeting of a committee of members by any means of communication by which either all participating members may simultaneously hear each other during the meeting or all communication during the meeting is immediately transmitted to each participating member and each participating member is able to immediately send messages to all other participating members. If a meeting is conducted through the use of one of the foregoing means, all participating members of the Steering Committee must be informed that a meeting is taking place at which official business may be transacted. A member participating in such a meeting is deemed to be present in person at the meeting. If requested by any member, minutes of the meeting shall be prepared and distributed to each member of the Steering Committee.

Section 9. ORGANIZATION: A chairperson chosen by a majority of the members of the Steering Committee present, shall act as chair at each meeting of the members of the Steering Committee. A person appointed by the chair of the meeting shall take minutes of the meeting.

Section 10.COMMITTEES:

(a) Standing or Temporary Advisory Committees Without Steering Committee Authority. The Steering Committee or the Facilitator may authorize, and appoint or remove members of (whether or not members of the Steering Committee), standing and/or temporary committees to consider appropriate matters, make reports to the Steering Committee and/or Facilitator, and fulfill such other advisory functions as may be designated. The designation of such standing and/or temporary committees, and the members thereof, shall be recorded in the minutes of the Steering Committee.

(b) Executive or Other Committees with Limited Steering Committee Authority. The Steering Committee may by appropriate resolution designate one or more committees, each of which shall consist of three or more members of the Steering Committee elected by the Steering Committee, which to the extent provided in said resolutions or in these Bylaws, shall have and may exercise, when the Steering Committee is not in session, the powers of the Steering Committee in the management of the affairs of the Association,

except action with respect to election of officers, filling of vacancies in the Steering Committee, or the formation of or filling of vacancies in committees with limited Steering Committee authority pursuant to this subsection. The Steering Committee may elect one or more of its members as alternate members of any such committee, who may take the place of any absent committee member or members at any meeting of such committee. The designation of such committee or committees and the delegation thereto of authority shall not operate to relieve the Steering Committee or any individual member of any responsibility imposed upon the Steering Committee or any individual member thereof by law.

Section 11. DIRECTOR CONFLICTS OF INTEREST: No contract or other transaction between the Association and one or more of the members of its Steering Committee or any other corporation, firm, association, or entity in which one or more of its members are directors or officers or has a material financial interest, shall be either void or voidable because of such relationship or interest or because such member of the Steering Committee is present at the meeting of the Steering Committee or a committee thereof which authorizes, approves or ratifies such contract or transaction or because his or their votes are counted for such purpose, if (1) the fact of such relationship or interest is disclosed or known to the Steering Committee or committee which authorizes, approves or ratifies the contract or transaction by a vote or consent sufficient for the purpose without counting the votes or consents of such interested member; or (2) the fact of such relationship or interest is disclosed or known to the Unit Owners entitled to Vote and they authorize, approve or ratify such contract or transaction by vote or written consent; or (3) the contract or transaction is fair and reasonable to the Association. Common or interested members of the Steering Committee may be counted in determining the presence of a quorum at a meeting of the Steering Committee or a committee thereof which authorizes, approves or ratifies such contract or transaction.

ARTICLE VII. POWERS AND DUTIES OF THE STEERING COMMITTEE

Section 1. POWERS: The Steering Committee shall have the power to:

- (a) Exercise all powers, duties and authority required to be vested in the Steering Committee by the Unit Owners, other provisions of these Bylaws, the Declaration or Chapters 181 or 703 of the Wisconsin Statutes, except as otherwise provided herein;
- (b) Foreclose the lien against each Unit for which an assessment is not paid within sixty (60) days after due date and/or to bring an action at law against the Unit Owner(s) personally obligated to pay the same; and
- (c) Open bank accounts on behalf of the Association and designate the signatories required therefor.

Section 2. DUTIES: It shall be the duty of the Steering Committee to:

- (a) Cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof to the Unit Owners at the annual meeting of the Unit Owners, or at any

special meeting when such statement is requested in writing by at least three-fourths (3/4) of the Unit Owners who are entitled to Vote;

(b) Supervise all officers, agents and employees of the Association, and see that their duties are properly performed;

(c) Send written notice of each assessment to every Owner subject thereto at least ten 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 Steering Committee 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 or employees having fiscal responsibilities to be bonded, if it deems appropriate or if otherwise required by the provisions of Article XIII hereof;

(g) Maintain a current roster of names and addresses of Unit Owners to which all notices shall be sent, including a list reflecting the name of the person designated to cast the Vote pertaining to each Unit;

(h) Elect the officers of the Association; and

(i) Maintain a current roster of names and addresses of all Mortgagees to which all required or requested Mortgagee notices shall be sent.

Section 3. COHOUSING PRINCIPLES AND CONSENSUS DECISION MAKING: The Steering Committee shall at all times govern consistent with the principles of cohousing and consensus decision making.

[NOTE: THIS SECTION 3 SHOULD BE FLESHED OUT IN LINE WITH THE COMMUNITY'S PHILOSOPHY AND IDEAS.]

ARTICLE VIII. OFFICERS AND THEIR DUTIES

Section 1. ENUMERATION OF OFFICERS: The officers of this Association shall be a Facilitator, a Substitute Facilitator, a Recordkeeper and a Bookkeeper, and such other officers as the Steering Committee may from time to time by resolution create. Each officer shall be a Unit Owner. Each Unit Owner which is not a natural person and which is appointed as an officer shall be represented in that capacity by a Beneficial Owner of the Unit Owner so appointed.

Section 2. APPOINTMENT OF OFFICERS: The appointment of officers shall take place at the meeting of the Steering Committee following each annual meeting of the Unit Owners. Appointment as an officer shall not of itself create contract rights.

Section 3. TERM: The officers of this Association shall be appointed annually by the Steering Committee, and each shall hold office until his, her or its successor is appointed, unless he or she shall sooner resign, or shall be removed, or otherwise disqualified to serve.

Section 4. SPECIAL APPOINTMENTS: The Steering Committee may appoint such other officers as the affairs of the Association may require, each of whom shall hold office for one year and have such authority and perform such duties as the Steering Committee may, from time to time, determine.

Section 5. RESIGNATION AND REMOVAL: Any officer may be removed from office, with or without cause, by the Steering Committee, whenever in their judgment the best interests of the Association will be served thereby. Any officer may resign at any time by giving written notice to the Steering Committee, the Facilitator or the Recordkeeper. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 6. VACANCIES: A vacancy in any office may be filled by appointment by the Steering Committee. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he or she replaces.

Section 7. MULTIPLE OFFICES: The same individual may simultaneously hold more than one office in the Association.

Section 8. DUTIES: The officers shall at all times be subject to the policies, control and direction of the Steering Committee. The duties of the officers shall be as prescribed by these Bylaws and as determined by the Steering Committee, including as follows:

(a) Facilitator. The Facilitator shall preside at all meetings of the Unit Owners; shall see that orders and resolutions of the Steering Committee are carried out; shall, with the specific authority of the Steering Committee in each case, sign all leases, mortgages, deeds and other written instruments and shall co-sign all checks.

(b) Substitute Facilitator. The Substitute Facilitator shall act in the place and stead of the Facilitator in the event of his, her or its absence, inability or refusal to act, and shall exercise and discharge such other duties as may be required of him or her by the Steering Committee.

(c) Recordkeeper. The Recordkeeper shall record and count the Votes and keep the minutes of all meetings and proceedings of the Unit Owners; serve notice of meetings of the Steering Committee and of the Unit Owners; keep appropriate current records showing the Unit Owners together with their addresses; keep appropriate current records showing all Mortgagees together with their addresses; certify and keep at the principal office of the Association the original or a copy of its Articles of Incorporation and

Condominium Instruments, each as amended from time to time, minutes of all meetings of the Unit Owners, Steering Committee and committees of either of the foregoing (including the time, place of holding, whether annual, monthly or special and, if special, how authorized, the notice thereof given, and the names of those present at the meetings); exhibit, and allow copying of, the records of the Association to any Unit Owner at any reasonable time; and shall perform such other duties as required by the Steering Committee.

(d) Bookkeeper. The Bookkeeper shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by resolution of the Unit Owners; shall sign all checks and promissory notes of the Association; keep proper books of account; prepare or cause to be prepared an annual report of the Association books to be made at the completion of each fiscal year; and shall prepare an annual budget and a statement of income and expenditures to be presented to the Unit Owners at its regular annual meeting, and deliver a copy of each to the Unit Owners; and exhibit, and allow copying of, the books of account and related records of the Association to any Unit Owner at any reasonable time.

Section 9. COMPENSATION: The reasonable compensation of the officers, if any, shall be fixed from time to time by the Unit Owners, and no officer shall be prevented from receiving compensation by reason of the fact that such officer is also a member of the Steering Committee.

ARTICLE IX. BOOKS AND RECORDS

Section 1. INSPECTION: The books, records, financial statements and papers of the Association, together with the Condominium's Declaration, Bylaws, and Rules and Regulations, shall at all times, during reasonable business hours, be subject to inspection by any Unit Owner or by Mortgagees. All such documents shall be available for inspection at the principal office of the Association during normal business hours, where copies may be purchased at a reasonable cost.

Section 2. REQUESTS FOR AUDITED STATEMENTS: If the Condominium includes fifty (50) or more Units and if a Mortgagee submits a written request therefor, the Association must provide a statement (audited if necessary to comply with any governmental rules or regulations) for the preceding fiscal year to be available within one hundred twenty (120) days of the Association's fiscal year-end. If the Mortgagee submits a written request therefor, the Association must allow such Mortgagee to have an audited statement prepared at its own expense during any time that the Condominium consists of less than fifty (50) Units.

ARTICLE X. RIGHTS AND OBLIGATIONS OF THE ASSOCIATION

Section 1. THE COMMON ELEMENTS: The Association, subject to the rights of the Owners set forth in the Declaration, shall be responsible for the exclusive management and control of the Common Elements and all improvements thereon (including furnishings and equipment related thereto), and shall keep the same in good, clean, attractive and sanitary condition, order and

repair. The Association shall, without limiting the foregoing, contract and pay for all utility service charges relating to the Common Elements, including, without limitation, water, gas and electricity. If a Unit Owner is ever directly billed for, and pays, any such items relating to the Common Elements, then the Association shall promptly reimburse such Unit Owner for the amount of such charges which related to use on the Common Elements upon evidence of payment by the Unit Owner.

Section 2. SERVICES: Notwithstanding its commitment to self-management to the extent possible and expedient, the Association may obtain and pay for the services of any person or professional management service to manage its affairs, or any part thereof, to the extent it deems advisable, as well as such other personnel as the Association shall determine to be necessary or desirable, whether such personnel are furnished or employed directly by the Association or by any person or entity with whom or which it contracts. The Association may obtain and pay for legal and accounting services necessary or desirable in connection with the operation of the Common Elements or the enforcement of the Condominium Instruments, the Articles of Incorporation or the Rules and Regulations.

Section 3. PERSONAL PROPERTY FOR COMMON USE: The Association may acquire and hold for the use and benefit of all of the Owners tangible and intangible personal property and may dispose of the same by sale or otherwise, and the beneficial interest in any such property shall be deemed to be owned by the Owners in the same proportion and in the same manner as their respective interests in the Common Elements. Such interest shall not be transferable except with the transfer of a Unit. A transfer of a Unit shall transfer to the transferee ownership of the transferor's beneficial interest in such property without any reference thereto. The transfer of title to a Unit under foreclosure shall entitle the purchaser to the interest in such personal property associated with the foreclosed Unit.

Section 4. RULES AND REGULATIONS: As provided above, the Unit Owners may make reasonable Rules and Regulations governing the use of the Units, the Limited Common Elements and the Common Elements, which Rules and Regulations shall be consistent with the rights and duties established in the Condominium Instruments and with the principles of cohousing and consensus decision making.

Section 5. IMPLIED RIGHTS: The Association may exercise any other right or privilege given to it expressly by the Condominium Instruments or by law, and every other right or privilege reasonably to be implied from the existence of any right or privilege given to it or reasonably necessary to effectuate any such right or privilege.

ARTICLE XI. SPECIAL FUNDS

Section 1. OPERATING FUND: The annual operating budget for the Association shall provide for a fund which shall be designated the "operating fund." The operating fund shall be used for all common expenses which occur with greater than annual frequency, such as amounts required for the cost of maintenance of the Common Elements, management services, insurance, common services, administration, materials and supplies.

Section 3. RESERVE FUND: The annual operating budget for the Association shall provide for a fund which shall be designated the “reserve fund.” The reserve fund shall be used for contingencies and periodic expenses such as painting, renovation and/or the replacement of improvements to the Common Elements and those Limited Common Elements the Association is obligated to maintain. In the event the Association incurs extraordinary expenditures not originally included in the annual budget, then such sums as may be required in addition to the operating fund shall be charged against the reserve fund. The reserve fund may be used to discharge mechanics’ liens or other encumbrances levied upon the entire Property, or against each Unit, if resulting from action by the Association, and for the maintenance and repair of any Unit if such maintenance and repair is necessary to protect the Common Elements. The full amount of the cost paid by the Association of any maintenance or repair of a Unit made to protect the Common Elements shall be specially assessed to the Unit Owner responsible therefor.

Section 2. WORKING CAPITAL FUND REQUIRED BY FEDERAL NATIONAL MORTGAGE ASSOCIATION: In addition to the foregoing, pursuant to the requirements Federal National Mortgage Association, there will be established an initial working capital fund by Declarant in an amount equal to two months of estimated installments for the annual assessment for each Unit. However, when Units are sold by Declarant, Declarant may reimburse itself for funds it paid to the Association for an unsold Unit’s share of such amount by using funds collected at closing when the Unit is sold by Declarant. Each Unit Owner shall pay, upon the purchase of his, her or its Unit from the Declarant, an amount equal to twice the monthly installments for the annual assessment for such Unit under the budget then in effect. The Declarant shall deliver such funds so collected to the Steering Committee to provide working capital for the Association. In no event may the Declarant use its contributed amount to defray any of its construction expenses, reserve contributions (except to the extent provided as part of the annual assessment) or construction costs or to make up any budget deficits while it is in control of the Association. Neither the Declarant, any Mortgagee who obtains title to a Unit by foreclosure or deed in lieu thereof, any purchaser at a foreclosure sale, nor any purchaser upon a resale of a Unit, shall be required to pay working capital assessments. The working capital fund may be used for any lawful purpose, as the Unit Owners from time to time shall determine, including, without limitation, defraying shortages in operating funds, initial start-up and organizational costs and the acquisition of initial equipment and supplies. Upon sale of a Unit by an Owner who purchased from the Declarant (and provided that there are no unpaid charges or assessments against such Unit), the amount of fees deposited by such Unit Owner as a contribution to the working capital fund shall be refunded to such Owner at closing.

Section 3. INTEREST: Unit Owners shall have no vested interest in, or be entitled to, withdrawals from the Operating Fund, the Reserve Fund or the Working Capital Fund.

ARTICLE XII. ASSESSMENTS

Section 1. AGREEMENT TO PAY ASSESSMENT: Each Owner of any Unit by the acceptance of a deed or land contract therefor, whether or not it be so expressed in such deed or land contract, shall be deemed to covenant and agree with each other and with the Association to pay to the Association for the purposes provided in the Declaration and these Bylaws, annual assessments, special assessments for capital improvements and assessments for any other matters

as provided herein. Such assessments shall be fixed, established and collected from time to time in the manner provided in this Article.

Section 2. PURPOSE OF ASSESSMENTS: The assessments levied by the Association shall be used to promote the recreation, health, safety and welfare of the residents and for the improvement and maintenance of the Common Elements, and such emergency repairs as the Association may from time to time deem necessary.

Section 3. ANNUAL ASSESSMENT: The Unit Owners shall from time to time, and at least annually, prepare a budget for the Condominium and fix the annual assessment, which may include, but is not limited to, charges for management, trash removal, snow removal, insurance premiums, lawn care, and landscaping maintenance. The budget shall include an adequate reserve for maintenance, repairs and replacement of those Common Elements that must be replaced on a periodic basis, and the amounts assessed for such budget shall be payable in regular installments rather than by special assessments.

Section 4. SPECIAL ASSESSMENT FOR CAPITAL IMPROVEMENTS: In addition to the annual assessments authorized above, the Association may levy, in any assessment year, a special assessment for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of a capital improvement upon any Common Elements, including fixtures and personal property related thereto, provided that, except as provided in Article II, Section G(2) of the Declaration, any such assessment shall have the assent of at least two-thirds (2/3) of the Unit Owners entitled to Vote.

Section 5. OBJECTION TO ASSESSMENT: If, within fifteen (15) days after notice is received by all Owners setting forth the annual assessment for each Unit, a petition is presented to the Steering Committee protesting such charges or the budget upon which they are based, and the petition is signed by a Majority of Unit Owners entitled to Vote with respect to such charges, then the Steering Committee shall notify all Unit Owners of a meeting called for the sole purpose of reviewing such charges or budget. At such meeting, the vote of a Majority of Unit Owners entitled to vote may revise the budget and charges, and such revised budget and corresponding charges shall replace for all purposes the ones previously established, provided, however, that the annual budget and charges may not be revised downward to a point lower than the average total budget for the preceding two (2) years.

Section 6. NOTICE OF MEETINGS: Written notice of any meeting called for the purpose of taking any action authorized under Section 5 shall be sent to all Unit Owners.

Section 7. RATE OF ASSESSMENT: Each Unit shall be assessed and be obligated to pay one-eighteenth (1/18) of the total assessment.

[QUERY: WHETHER ASSESSMENTS SHOULD BE ASSIGNED BASED ON SQUARE FOOTAGE OF EACH UNIT AS A PERCENT OF TOTAL SQUARE FOOTAGE OF ALL UNITS OR ON SOME OTHER BASIS.]

[QUERY: WHETHER, IN SOME INSTANCES, PERSONAL SERVICES PERFORMED AT THE REQUEST OF AND FOR OR ON BEHALF OF THE

**ASSOCIATION OR THE STEERING COMMITTEE CAN BE SUBSTITUTED
FOR ALL OR A PORTION OF ANNUAL OR OTHER ASSESSMENTS, TO
ACCOMMODATE LOWER INCOME UNIT OWNERS.]**

Section 8. DATE OF COMMENCEMENT OF ANNUAL ASSESSMENTS: The Unit Owners shall fix the amount of the annual assessment against each Unit at least thirty (30) days in advance of each annual assessment period, which shall cover the period of [January]_____ 1 through [December]_____ 31. Written notice of the annual assessment shall be sent to every Owner subject thereto at least ten (10) days in advance of the annual assessment period. The annual assessment shall be payable on a monthly basis (one-twelfth each month) in advance on or before the first day of each month. The Association shall, upon demand, and for a reasonable charge, furnish a certificate signed by an officer of the Association setting forth whether the assessments on a specific Unit have been paid.

Section 9. LIEN FOR ASSESSMENTS: All sums assessed to any Unit pursuant to this Article, together with interest thereon as provided herein, shall be secured by a lien on such Unit in favor of the Association. Such lien shall be superior to all other liens and encumbrances on such Unit, except only for:

- (a) liens of general and special taxes;
- (b) all sums unpaid on a first mortgage recorded prior to the making of the assessment;
- (c) mechanic's liens filed prior to the making of such assessment;
- (d) .all sums unpaid on any mortgage loan made under Section 45.80 of the 1989 Wisconsin Statutes; and
- (e) a lien under Sections 292.31(8)(i) or 292.81 of the Wisconsin Statutes.

All other lienors acquiring liens on any Unit shall be deemed to consent that such liens shall be inferior to future liens for assessments, as provided herein, whether or not such consent be specifically set forth in the instruments creating such liens.

To evidence a lien for sums assessed pursuant to this Article, the Association may prepare a written notice of lien setting forth the amount of the assessment, the date due, the amount remaining unpaid, the name of the Owner of the Unit and the legal description of the Unit. Such a notice shall be signed by the Association and may be recorded in the office of the Clerk of the Circuit Court or Register of Deeds of Dane County, Wisconsin. No notice of lien shall be recorded until there is a delinquency in payment of the assessment. Such lien may be enforced by judicial foreclosure by the Association in the same manner in which mortgages on real property may be foreclosed in Wisconsin. In any such foreclosure, the Owner shall be required to pay the costs and expenses of filing the notice of lien and all reasonable attorneys' fees incurred in connection with such foreclosure. All such costs and expenses shall be secured by the lien being foreclosed. The Owner shall also be required to pay to the Association any assessments against the Unit which shall become due during the period of foreclosure. The Association shall have the right and power to bid at the foreclosure sale or other legal sale and to

acquire, hold, convey, lease, rent, encumber, mortgage, use and otherwise deal with the Unit as the Owner thereof.

A release of notice of lien shall be executed by the Association in such form as to be recordable in the Dane County, Wisconsin real estate records, upon payment of all sums secured by the lien which has been made the subject of the recorded notice of lien.

Any encumbrancer holding a lien on a Unit may pay, but shall not be required to pay, any amounts secured by the lien created by this Section, and upon such payment, such encumbrancer shall be subrogated to all rights of the Association with respect to such lien, including priority.

A first mortgagee, upon request, will be entitled to written notification from the Association of any default in the performance by the Unit Owner mortgagor of any obligation under the Declaration, these Bylaws, any Rules and Regulations promulgated hereunder and any other Condominium documents which default is not cured within sixty (60) days. Each Unit Owner expressly authorizes and consents in advance to the giving of such report or reports by the Association to any such encumbrancer.

Section 10.EFFECT OF NONPAYMENT OF ASSESSMENT. REMEDIES OF THE ASSOCIATION: Any assessment not paid within fifteen (15) days after the due date shall bear interest from the due date at the rate of the greater of six percent (6%) in excess of the “prime” rate of interest as published in the Midwest Edition of The Wall Street Journal (or such other indicator as the Association may reasonably choose if the Midwest Edition of The Wall Street Journal no longer publishes such rate) or twelve percent (12%) per annum, provided, however, that if that interest rate shall violate any applicable usury or credit law, rule or regulation, then such interest rate shall automatically be adjusted so as to be the highest rate permitted by such usury or credit law, rule or regulation. Such interest amounts shall be compounded monthly. The Association may bring an action at law against the Owner personally obligated to pay the same, or foreclose the lien against the property. No Owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Common Elements or abandonment of his, her or its Unit. A suit to recover a money judgment for unpaid expenses hereunder shall be maintainable without foreclosing or waiving the lien securing the same. If any assessment of common expenses is delinquent and a notice of condominium lien has been recorded against a Unit, the Association shall suspend the voting rights of the delinquent Unit Owner in accordance with the provisions of Chapter 703 of the Wisconsin Statutes.

Section 11.SUBORDINATION OF THE LIEN TO MORTGAGES: The lien of the assessments provided for herein shall be subordinate to the liens described in this Article XII, Section 9. Sale or transfer of any Unit shall not affect the assessment lien. [Notwithstanding anything herein to the contrary, any first mortgagee who obtains title to any Unit pursuant to the remedies provided in the mortgage, or by foreclosure of the mortgage, is not liable for such Unit’s unpaid dues or charges which accrue prior to the acquisition of title to such Unit by the mortgagee, and such unpaid dues or charges shall be deemed to be common expenses collectible from all of the Owners, excluding the acquirer, his, her or its successors and/or assigns.] No sale or transfer shall relieve such Unit from liability for any assessments thereafter becoming due or from the lien thereof.

ARTICLE XIII.
RIGHTS AND OBLIGATIONS OF UNIT OWNERS

Section 1. OWNER'S RIGHT TO INGRESS AND EGRESS AND SUPPORT: Each Owner shall have the unrestricted right to ingress and egress over, upon and across the Common Elements necessary for access to his, her or its Unit, and such rights shall be appurtenant to and pass with the title to each Unit.

Section 2. USE OF COMMON ELEMENTS: Unit Owners shall not obstruct (or permit to be obstructed) the Common Elements, and shall not keep or store anything on any part of the Common Elements without the prior written consent of the Unit Owners, except as specifically provided herein. Unit Owners shall not alter, attach anything to, construct anything on or remove anything from the Common Elements (or permit any of the foregoing), except upon the prior written consent of the Unit Owners.

Section 3. USE OF LIMITED COMMON ELEMENTS: Every Unit Owner must maintain the Limited Common Elements appurtenant to his, her or its Unit in a clean and safe condition at all times. No objects or structures, other than movable furniture or decorative pieces, potted plants or flowers, or portable barbecue grills, shall be placed on the Limited Common Elements without the prior written consent of the Unit Owners. Every Unit Owner shall have the right to decorate the Limited Common Elements appurtenant to his, her or its Unit in a nonstructural manner provided that decorations which are visible to other Units or to the public shall require the prior written consent of the Unit Owners, except as otherwise permitted by the Rules and Regulations.

Section 4. PROHIBITION OF DAMAGE AND CERTAIN ACTIVITIES: Nothing shall be done or kept in any Unit, on any Limited Common Element or on any Common Element or any part thereof which would increase the rate of insurance on the premises or any part thereof over what the Association, but for such activity, would pay, without the prior written consent of the Unit Owners, nor shall any Unit Owner permit anything to be done or kept in his, her or its Unit or on the Common Elements which would result in the cancellation of insurance on any Unit or on the Common Elements. Nothing shall be done or kept in any Unit or on the Common Elements or any part thereof, which would be in violation of any statute, rule, ordinance, regulation, permit or other validly imposed requirement of any governmental body. No damage to, or waste of, the Common Elements or any part thereof or the disposing or dumping of toxic or hazardous materials of any type on the Property or through the storm or sanitary sewers shall be committed by any Owner or any invitee of any Owner, and each Owner shall indemnify and hold the Association and the other Owners harmless against all loss resulting from any such damage or waste caused by him, her or it or his, her or its invitee, to the Association or other Owners. No noxious, destructive, illegal, immoral, improper or offensive activity shall be carried on in any Unit or on the Limited Common Elements or on the Common Elements or any part thereof; nor shall anything be done therein which may be or may become an annoyance or nuisance to any other Owner or to any other person at any time lawfully residing in a Unit.

Section 5. RULES AND REGULATIONS: No Unit Owner shall violate the Rules and Regulations as adopted from time to time.

Section 6. DELEGATION OF USE: Any Owner may delegate, in accordance with the Condominium Instruments, his, her or its right of enjoyment of the Common Elements and facilities to the members of his, her or its immediate family, to the tenants of his, her or its Unit, or to land contract purchasers of his, her or its Unit who reside on the Property and only to those individuals.

Section 7. RESTRICTIONS ON LEASING OF UNITS: No Unit Owner shall be allowed to lease his, her or its Unit for a period of less than three (3) consecutive months, and Unit Owner must obtain prior written approval from the Unit Owners prior to leasing any Unit. A tenant may not sublease a Unit. All leases and rental agreements must be in writing and must be subject to the requirements of the Condominium Instruments and the Rules and Regulations, and the Association. As provided in Article III (F) of the Declaration, no restrictions shall be placed on the leasing of Units by Declarant until all Units have been sold, except that all leases and rental agreements must be for a period of at least seven (7) consecutive days, shall be in writing, and shall be subject to the requirements of the Condominium Instruments, the Rules and Regulations, and the Association.

Section 8. SEPARATE MORTGAGES OF UNITS: Each Unit Owner shall have the right to mortgage or encumber his, her or its own respective Unit, together with his, her or its respective ownership interest in the Common Elements. No Unit Owner shall have the right or authority to mortgage or otherwise encumber in any manner whatsoever the Property or any part thereof, except his, her or its own Unit, his, her or its interest in the Limited Common Elements appurtenant to such Unit, and his, her or its own respective ownership interest in the Common Elements.

Section 9. SEPARATE REAL ESTATE TAXES: It is intended and understood that real estate taxes, including both general real estate taxes and special assessments, are to be separately taxed to each Unit Owner for his, her or its Unit, the Limited Common Elements and his, her or its corresponding percentage of ownership in the Common Elements, as provided in the Act. In the event that, for any year, such taxes are not separately taxed to each Unit Owner, but are taxed on the Property as a whole, then each Unit Owner shall pay his, her or its proportionate share thereof, the allocation in respect to the Limited Common Elements and the Common Elements to be in accordance with his, her or its respective percentage of ownership interest therein.

Section 10. MAINTENANCE, REPAIRS AND REPLACEMENTS OF UNITS:

(a) All maintenance, repairs and replacements to the Common Elements and the Limited Common Elements (unless necessitated by the negligence, misuse or neglect of a Unit Owner, in which case such expense shall be charged to such Unit Owner), shall be made by the Unit Owners and charged to the Unit Owners as a common expense.

(b) Each Unit Owner shall furnish, at his, her or its own expense, and be responsible for, all decoration, furnishing, housekeeping, maintenance, repairs and replacement of interior surfaces of his, her or its Unit, together with such fixtures and equipment which are located within his, her or its Unit. Each Unit Owner is also responsible for the general cleanliness and presentability of the Limited Common Elements whose use is reserved to the Unit at issue.

(c) No Unit Owner, except as otherwise provided herein or in the Declaration, may make any alteration which would jeopardize the soundness or safety of the Property, reduce the value thereof or impair any easement or hereditament.

(d) In the event that the need for maintenance, repairs or replacement is caused through the willful or negligent act of the Owner, his, her or its household members, guests, or invitees, the cost of such maintenance, repairs or replacement shall be added to and become a part of the assessment to which such Unit is subject.

(e) If any portion of the Common Elements encroaches upon any Unit, or if any Unit encroaches upon any other Unit or upon any portion of the Common Elements as a result of the construction of any Unit or other improvement, or as a result of the settling or shifting of the land or any Unit or other improvement, or if any such encroachment shall occur as a result of the repair, renovation, restoration or replacement of any Unit or other improvement, a valid easement for such encroachment and for the maintenance of the same shall exist so long as such Unit or other improvement shall stand.

Section 11.UTILITIES: Each Unit Owner agrees to be responsible for the furnishing of all utility services to his, her or its Unit, including, without limitation, gas, electricity, water, sewer, cable television (if desired) and telephone (if desired).

[QUERY: WHETHER EACH UNIT OWNER PAYS FOR ALL ENUMERATED UTILITY SERVICES TO HIS, HER OR ITS UNIT OR WHETHER THE ASSOCIATION PAYS FOR SOME OF SUCH UTILITY SERVICES.]

Section 12.EASEMENTS FOR ACCESS:

(a) It may be necessary that, from time to time, certain of the Units may need access to other Units and the basements or attics in other buildings in order to maintain and/or repair certain shared facilities (e.g., utility and telephone lines). Such Unit Owners and their agents may have and are hereby granted access to such other Units, basements and attics upon which those facilities are located, provided that such access shall, except in the case of an emergency, only be provided after giving the Owner of the Unit to which access must be obtained reasonable notice of the need for such access and arranging for a mutually agreeable time for such access. If any damage is caused to the Unit to which access is gained, the Unit Owner who benefited from such access shall, at his, her or its expense, promptly and properly repair or cause to be repaired such damage; and

(b) The Association or its agent may have and is hereby granted access to the Units and the basements and attics in each building for purposes of maintenance, repairs and replacements of Common Elements and Limited Common Elements as provided in Section 10(a) hereof, provided that such access shall only be provided after giving the Owner of the Unit to which access must be obtained reasonable notice of the need for such access and arranging for a mutually agreeable time for such access, except that in the event of an emergency the Association, or its agent, may gain access to any Unit to make the necessary repair without the giving of any notice or the arranging for a mutually agreeable time.

Section 13.COMMON SURPLUSES: All common surpluses shall be placed in the Reserve Fund or shall be used for any other purpose as the Unit Owners decide, including, if they so choose, crediting such surpluses to Unit Owners' assessments for common expenses in proportion to their obligation for assessment.

Section 14.TRANSFER OF MEMBERSHIP: Membership in the Association may not be transferred except in connection with the transfer of a Unit. Upon transfer of a Unit, the selling Unit Owner shall promptly provide written notice to the Association of such transfer, including the name(s) of the new Owner(s), identification of Unit, date of transfer, name and address of Mortgagee(s), if any, and any other information about the transfer which the Association may deem pertinent, and the Association shall make appropriate changes to the membership list and mortgage list effective as of the date of transfer.

ARTICLE XIV. INSURANCE

Section 1. GENERAL AUTHORITY; REQUIREMENTS:

(a) Except for the separate insurance obtained by a Unit Owner as required by Section 5 of this Article, all policies of insurance relating to the Condominium or the Association shall be obtained by the Steering Committee on behalf of the Association. Neither the Steering Committee, the managing agent, if any, nor the Declarant shall be liable for any failure to obtain any coverage required to be obtained by this Article if such coverage shall have been unavailable upon reasonable inquiry and investigation or available only at demonstrably unreasonable cost, and such failure to obtain coverage shall be communicated immediately in writing to the Unit Owners.

(b) Each policy of insurance purchased by the Steering Committee pursuant to this Article shall provide to the fullest extent applicable as follows:

(i) The named insureds under such policies shall be the Association, the Unit Owners, the Declarant, the Steering Committee, the managing agent, if any, and their authorized representatives, including any Insurance Trustee with whom the Association has entered into an Insurance Trust Agreement or any successor to such trustee for the use and benefit of the Owners and who shall have the exclusive right to negotiate recovery for losses, as their interests may appear;

(ii) In no event shall any such insurance be brought into contribution with insurance purchased by individual Unit Owners or their Mortgagees;

(iii) The policies shall be primary, and the insurer waives (a) any right to claim by way of subrogation against the Association, the Steering Committee, the managing agent or the Unit Owners, and their respective agents, employees, invitees and, in the case of the Unit Owners, the members of their households; and (b) any defense based upon coinsurance or upon any invalidity arising from the acts of the insured;

(iv) Such policies shall not be canceled, invalidated or suspended due to the act or omission of any Unit Owner (including any member of his or her household and his, her or its invitees, agents and employees) or of any member, officer or employee of the Steering Committee or the managing agent;

(v) Such policies may not be canceled (including cancellation for nonpayment of premium) or modified in a manner that materially and adversely affects any first Mortgagee's interest without at least thirty (30) days' prior notice to the Steering Committee and the managing agent, and to all first Mortgagees and Unit Owners to whom certificates, subpolicies or endorsements have been issued;

(vi) The insurance on the Condominium will be endorsed to be primary, and any other insurance covering the same loss will be excess; and

(vii) The master policy shall contain a standard mortgagee clause, without contribution, in favor of each Mortgagee, its successors and assigns, to the extent of the portion of the coverage of the master policy allocated to such Unit, which shall provide that the loss, if any, thereunder shall be payable to such Mortgagee and the Unit Owner, as their interests may appear, subject, however, to the loss payment and adjustment provisions in favor of the Steering Committee and the Insurance Trustee set forth in Article II of the Declaration.

(c) Each insurance policy must be written by an insurance carrier that has an acceptable rating from either the A.M. Best Company; Demotech, Inc.; or Standard and Poor's, Inc. These specific requirements are that the insurance company carry a "B/III" or better general policyholder's rating or a "6" or better financial performance index rating in Best's Insurance Reports, an "A" or better general policyholder's rating and a financial size category of "VIII" or better in Bests Insurance Reports - International Edition, an "A" or better rating in Demotech's First Rate/P&C Financial Stability Ratings, a "BBBq" qualified solvency ratio or a "BBB" or better claims-paying ability rating in Standard and Poor's Insurer Solvency Review, or a "AAisi" or better claims-paying ability rating in Standard and Poor's International Confidential Rating Service.

Section 2. PROPERTY AND LIABILITY INSURANCE:

(a) The Steering Committee shall obtain and maintain a master policy of insurance using the Special Causes of Loss Form (CPIO3O or its equivalent) insuring the buildings containing the Units (including all building service equipment and the fixtures installed therein as of the date hereof and all of the Units, specifically the interior walls, interior doors, built-in cabinets and counters, electrical and plumbing conduit pipes and fixtures initially installed by the Association and any fixtures, equipment or other property within a Unit and including common personal property and supplies, but not including carpeting, drapes, wall coverings, fixtures, furniture, furnishings or other personal property supplied or installed by Unit Owners or tenants and also not including land, foundations, excavation and other items normally excluded from coverage), subject, however, to the loss payment and adjustment provisions in favor of the Steering Committee and the Insurance Trustee contained in Article II of the Declaration, and covering the interest of

the Association, the Steering Committee, and all Unit Owners and Mortgagees, as their interests may appear, for 100% replacement cost as determined annually by the Steering Committee. The policies shall also provide for, if applicable, the following:

- (i) Inflation Guard Endorsement, when it can be obtained;
- (ii) Agreed Amount Endorsement (or equivalent);
- (iii) Special Condominium Endorsement;
- (iv) Construction Code Endorsement (such as Demolition Cost Endorsement, Contingent Liability from Operation of Building Laws Endorsement, and an Increased Cost of Construction Endorsement if the condominium is subject to construction code provisions which would become operative and require changes to undamaged portions of the buildings). These endorsements are only necessary if the condominium would be subject to special building codes; and
- (v) Boiler and Machinery Coverage (only if the building is heated with steam boilers or if the Condominium has central heating or cooling) providing that the insurer's minimum liability per accident equals no less than the lesser of Two Million Dollars (\$2,000,000) or the insurable value of the building(s) housing such boiler or machinery. Such policy of physical damage insurance shall also provide or include to the extent obtainable that the insurer will issue to each Unit Owner a certificate or subpolicy specifying the portion of such policy allocated to his, her or its Unit and the percentage interest of such Unit in the Common Elements. The amount of such coverage shall be reviewed annually by the Steering Committee with the assistance of the insurance company affording such coverage and such coverage shall be redetermined when and as the Steering Committee deems advisable.

(b) Unless a higher maximum amount is required by state law, the maximum deductible amount allowable in the coverage required in (a) above, is the lesser of \$10,000 or 1% of the policy face amount; provided, however, that funds to cover the full deductible amount must be included in the Association's operating reserve account and be so designated.

(c) A certificate of insurance or a true and certified copy of the policy or policies obtained pursuant to the requirements of (a) above, all renewals thereof, and any subpolicies or certificates and endorsements issued thereunder, together with proof of payment of premiums shall be delivered by the insurer to any Mortgagee or land contract vendor so requesting the same.

Section 3. LIABILITY INSURANCE: The Steering Committee shall obtain and maintain commercial general liability (CG0001 or its equivalent) in such limits as the Steering Committee from time to time may determine in accordance with this Section, insuring each member of the Steering Committee, the managing agent, if any, the Association, and each Unit Owner against any liability to the public or to the Unit Owners (and their invitees, agents and employees) arising out of, or incident to the ownership and/or use of the Common Elements. Such insurance shall be issued on a comprehensive liability basis and shall contain: (i) libel,

slander, false arrest and other personal injury offenses coverage; (ii) medical payments coverage; (iii) a cross liability endorsement under which the rights of a named insured under the policy shall not be prejudiced with respect to such insured's action against another named insured; (iv) hired and non-owned vehicle coverage; (v) host liquor liability coverage with respect to events sponsored by the Association; (vi) property of others coverage; (vii) property damage coverage; (viii) bailee's liability, if applicable; (ix) contractual liability; and (x) a "severability of interest" endorsement which shall preclude the insurer from denying liability to a Unit Owner because of the negligent acts of the Association, the Steering Committee, the managing agent or of another Unit Owner. The Steering Committee shall review such limits once each year, but in no event shall the limits of insurance be less than: (a) Three Million Dollars (\$3,000,000) General Aggregate Limit (other than Product-Completed Operations), and (b) Three Million Dollars (\$3,000,000) Each Occurrence Limit. Reasonable amounts of umbrella liability insurance in excess of primary limits in the discretion of the Steering Committee also may be obtained.

Section 4. OTHER INSURANCE: The Steering Committee shall obtain and maintain:

(a) Members of the Steering Committee and officers liability coverage and fidelity bond coverage to protect against wrongful and dishonest acts on the part of the officers, members, employees and other agents of the Association, including the managing agent, who either handle or are responsible for handling the funds held or administered by the Association. Fidelity bonds shall (i) name the Association as an obligee; (ii) be written in such amounts as from time to time shall be required by the Federal Home Loan Mortgage Corporation or the Federal National Mortgage Association; (iii) contain waivers of any defense based upon the exclusion for persons who serve without compensation from any definition of "employee" or similar expression; and (iv) include provision for ten (10) days' written notice to the Association and each servicer of any Mortgage owned by the Federal National Mortgage Association before the bond can be canceled or substantially modified;

(b) If the Condominium is located in an area at any time designated as having special flood hazards, a blanket policy of flood insurance in an amount equal to one hundred percent (100%) of the insurable value of all buildings and other insurable property located in the flood hazard area, based upon the then replacement cost, or the maximum coverage available under the National Flood Insurance Administration Program, as amended, whichever is less. Unless a higher deductible amount is required by state law, the maximum deductible amount for such policy is the lesser of \$5,000 or 1% of the policy's face amount; provided, however, that funds to cover the full deductible amount must be included in the Association's operating reserve account and be so designated;

(c) Worker's compensation insurance if and to the extent necessary to meet the requirements of law and if the Association has eligible employees; and

(d) Such other insurance as the Steering Committee may determine, or as may be requested from time to time by a majority of the Votes of the Unit Owners, or as required by the Federal Home Loan Mortgage Corporation, the Federal National Mortgage Association, the Veterans Administration, any other governmental or quasi-governmental

agency insuring or involved in the making or purchasing of Mortgages of any Unit, or by law.

Section 5. SEPARATE INSURANCE: Each Unit Owner shall, at such Owner's expense, obtain insurance for his, her or its own Unit and for his, her or its own benefit and shall obtain insurance coverage upon such Unit Owner's personal property and for such Unit Owner's personal liability as well as upon any permitted betterments and improvements made by such Unit Owner to his, her or its Unit (HO-0006 or its equivalent). Such insurance shall contain personal liability limits of \$300,000 or more. Additionally, such insurance shall contain a standard mortgage clause in favor of any Mortgagee, its successors and assigns, that holds a mortgage or other lien on the Unit, that has been given by the Unit Owner.

ARTICLE XV. ABATEMENT AND ENJOINING OF VIOLATIONS

The Association and all Unit Owners shall be governed and shall comply with the provisions of Chapters 181 and 703 of the Wisconsin Statutes (the "Acts"), the Declaration, the Articles of Incorporation, these Bylaws and the Rules and Regulations, as any of the same may be amended from time to time. A default by a Unit Owner shall entitle the Association or an aggrieved Unit Owner to maintain a right of action against the offending party. The violation of any Rule or Regulation adopted by the Unit Owners, or the breach of any Condominium Instrument or the Articles of Incorporation, shall give the Steering Committee the right, in addition to any other rights set forth in these Bylaws and in the Rules and Regulations: (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(s), any structure, thing or condition that may exist therein contrary to the intent and meaning of the provisions hereof, and the Steering Committee (nor any of them) shall not thereby be deemed guilty in any manner of the trespass; or (b) to enjoin, abate or remedy such thing or condition by appropriate legal proceedings. Notwithstanding the foregoing, judicial proceedings must be instituted before any items of construction can be altered or demolished. In the event of any breach by any Unit Owner, as outlined above, the costs, including, without limitation, reasonable attorneys' fees, which the Association incurs in enforcing any provision of any Condominium Instrument, Rules and Regulations, or Articles of Incorporation shall be deemed an additional assessment against the Unit Owner who has committed the breach, and any failure of the Unit Owner to timely pay such amount shall entitle the Association to enforce all of its rights and remedies.

ARTICLE XVI. PAYMENT OF ASSESSMENTS

No Unit Owner shall be permitted to convey, mortgage, pledge, hypothecate, sell or lease his, her or its Unit unless and until he or she shall have paid in full to the Steering Committee all then due but unpaid common charges theretofore assessed by the Association or Steering Committee against his, her or its Unit and until he, she or it shall have satisfied all unpaid liens against such Unit, except permitted mortgages.

ARTICLE XVII. CONFLICTS

These Bylaws are set forth to comply with the requirements of the Acts. In case there is any conflict between the provisions of these Bylaws, the Acts, the Declaration, the Plat or the Articles of Incorporation, the following shall apply:

- (a) The provisions of the Acts control over the provisions of the Bylaws, the Declaration, the Plat and the Articles;
- (b) The provisions of the Declaration control over the provisions of the Plat;
- (c) The provisions of the Declaration and the Plat control over the provisions of the Bylaws and the Articles; and
- (d) The provisions of the Articles control over the provisions of the Bylaws.

ARTICLE XVIII. AMENDMENTS

These Bylaws may be amended by affirmative vote of at least sixty-seven percent (67%) of the Unit Owners entitled to Vote at a regular or special meeting of the Unit Owners, except that consent of Mortgagees shall also be required to the extent provided in Article XIX, Section 2, below. Notwithstanding the foregoing, the Declarant may amend these Bylaws without any other consents, approvals or Votes if such amendment is required to comply with the requirements of the Federal Home Loan Mortgage Corporation, the Federal National Mortgage Association, the Veterans Administration or any other governmental or quasi-governmental agency insuring or involved in the making or purchasing of and Mortgages.

ARTICLE XIX. MISCELLANEOUS

Section 1. NO MERGER: In accordance with Title 38, Section 36.4360(3) of the Code of Federal Regulations (or any successor or like provision), if at any time any Units are financed by the Veterans Administration, the Condominium regime may not be amended or merged with a successor condominium regime without the prior written approval of the Secretary of Veterans Affairs of the Veterans' Administration.

Section 2. CONSENT OF FIRST MORTGAGEES:

- (a) Subject to the provisions of paragraphs (b) and (c) of this Section, in accordance with Section 42.3(d) of the Sellers' and Servicers' Guide of the Federal Home Loan Mortgage Corporation in effect as of the date of recordation of the Declaration, except as provided by law in the case of condemnation or substantial loss to Units and/or the Common Elements and except if any more restrictive voting requirement is contained in the Act, in the Declaration or in these Bylaws, unless at least two-thirds of the Mortgagees (based upon one vote for each Mortgage owned) and two-thirds of Unit Owners other than the Declarant have given their prior written consent, the Association and Steering Committee shall not be entitled to:

- (i) by act or omission, seek to abandon or terminate the Condominium regime;
- (ii) change the pro rata interest or obligations of any Unit for the purpose of (1) levying assessments or charges or allocating distributions of hazard insurance proceeds or condemnation awards, or (2) determining the pro rata share of ownership of each Unit in the Common Elements;
- (iii) partition or subdivide any Unit;
- (iv) by act or omission, seek to abandon, partition, subdivide, encumber, sell or transfer the Common Elements (the granting of easements for public utilities or other public purposes consistent with the intended use of the Common Elements shall not be deemed a transfer within the meaning of this clause); or
- (v) use hazard insurance proceeds for losses to any property of the Condominium (whether to Units or to Common Elements) for other than the repair, replacement or reconstruction of such property.

(b) Federal National Mortgage Association Compliance. Subject to the provisions of paragraphs (a) and (c) of this Section, in accordance with Section 601.03 of the Selling Guide of the Federal National Mortgage Association in effect as of the date of recordation of the Declaration, unless at least fifty-one percent (51%) (or such greater percentage of Mortgage holders as is required in the Declaration) of “Eligible Mortgagees” (as the term “Eligible Mortgagee” is defined below) have given their prior written consent, no amendment to the Declaration, these Bylaws or the Rules and Regulations shall be adopted that would affect any provision thereof relating to any of the following matters:

- (i) voting rights;
- (ii) increases in assessments that raise the previously assessed amount by more than twenty-five percent (25%), liens for assessments or priority of assessment liens;
- (iii) reserves for maintenance, repair and replacement of the Units and the Common Elements;
- (iv) responsibility for maintenance and repair of the Units and the Common Elements;
- (v) the reallocation of percentage interests or Common Elements or Limited Common Elements, or rights related to the use of the Common Elements;
- (vi) redefinition of any Unit boundaries;
- (vii) the convertibility of any Unit into Common Elements or of any Common Elements into a Unit;

- (viii) any expansion or contraction of the Condominium, or any addition, annexation or withdrawal of any property to or from the Condominium;
- (ix) hazard or fidelity insurance requirements;
- (x) imposition of any restrictions on the leasing of Units;
- (xi) the imposition of any restrictions on the right of any Unit Owner to sell or transfer his, her or its Unit;
- (xii) a decision by the Association, if it consists of fifty (50) or more Units, to establish self-management if professional management had been required previously by the Bylaws or by an Eligible Mortgagee;
- (xiii) the restoration or repair of all or any part of the Condominium (after a hazard damage or partial condemnation) in a manner other than the manner set forth in these Bylaws and the Declaration;
- (xiv) any action to terminate the Condominium regime after an occurrence of substantial destruction or condemnation of the Condominium; or
- (xv) any provision of the Declaration, these Bylaws or the Rules and Regulations which expressly benefit Mortgagees, insurers or guarantors.

In addition to and not in limitation of the foregoing, the Condominium regime shall not be terminated for any reason other than an occurrence of substantial destruction or condemnation of the Condominium, and no action in furtherance of such termination shall be taken or considered by Unit Owners, unless Eligible Mortgages representing at least sixty-seven percent (67%) of the votes of the Units subject to Mortgages have given their prior written consent. As used in paragraph (b) above, the term "Eligible Mortgagee" means any Mortgagee requesting the Association to notify such Mortgagee of any proposed action under the provisions of Section 601.02 of the Selling Guide of the Federal National Mortgage Association, as amended from time to time, requiring the prior written consent of a specified percentage of eligible mortgage holders.

Approval of any Eligible Mortgagee shall be assumed if such Eligible Mortgagee fails to submit a response to any written proposal for an amendment within thirty (30) days after it receives proper notice of the proposal provided the notice was delivered by certified or registered mail, with a return receipt requested.

(c) Application and Effect. The provisions of this Article XIX shall supersede any inconsistent provision or provisions of the Declaration, these Bylaws or the Rules and Regulations other than the amendment provisions of the second sentence of Article XVIII of these Bylaws and the last sentence of Article XI of the Declaration.

ARTICLE XX. FISCAL YEAR

The fiscal year of the Association shall be the annual period beginning _____
1 and ending _____ 31, or such other fiscal year as the Unit Owners may, from time to time,
designate.

ARTICLE XXI.
CORPORATE SEAL

The Association shall not have a corporate seal.

ARTICLE XXII.
CONSTRUCTION

Any matter not specifically set forth herein or in the Declaration shall be governed by the Acts.

ARTICLE XXIII.
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 XXIV
INSTRUMENTS; BANK ACCOUNTS; CHECKS AND DRAFTS; LOANS; SECURITIES

a. EXECUTION OF INSTRUMENTS: Except as in these Bylaws otherwise provided, the Steering Committee may authorize any officer or officers, agent or agents, to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Association, and such authorization may be general or confined to specific instances. Except as so authorized, or as in these Bylaws otherwise expressly provided, no officer, agent, or employee shall have any power or authority to bind the Association by any contract or engagement or to pledge its credit or to render it liable for any purpose in any amount.

b. BANK ACCOUNTS: The Steering Committee from time to time may authorize the opening and keeping of general and/or special bank accounts with such banks, trust companies or other depositaries as may be selected by the Steering Committee or by any officer or officers, agent or agents of the Association to whom such power may be delegated from time to time by the Steering Committee. The Steering Committee may make such rules and regulations with respect to said bank accounts, not inconsistent with the provisions of these bylaws as the Steering Committee may deem expedient.

c. CHECKS AND DRAFTS: All checks, drafts or other orders for the payment of money, notes, acceptances, or other evidences of indebtedness issued in the name of the Association, shall be signed by such officer or officers, agent or agents, of the Association, and in such manner, as shall be determined from time to time by resolution of the Steering Committee. Endorsements for deposit to the credit of the Association in

any of its duly authorized depositaries may be made without counter-signature, by the President or any Vice-President, or the Treasurer or any Assistant Treasurer, or by any other officer or agent of the Association to whom the Steering Committee, by resolution, shall have delegated such power, or by hand-stamped impression in the name of the Association.

d. Loans. No loans shall be contracted on behalf of the Association and no evidence of indebtedness shall be issued in its name unless authorized by or under the authority of a resolution of the Steering Committee. Such authority may be general or confined to specific instances. No loans may be made to any officer or Director of the Association, directly or indirectly, except that reasonable advances of reimbursable expenses may be made in the discretion of the President or, in the case of the President, as determined by the Steering Committee.

e. Sale of Securities. The Steering Committee may authorize and empower any officer or officers to sell, assign, pledge or hypothecate any and all shares of stocks, bonds or securities, or interest in stocks, bonds or securities, owned or held by the Association at any time, including without limitation because of enumeration, deposit certificates for stock and warrants or rights which entitle the holder thereof to subscribe for shares of stock, and to make and execute to the purchaser or purchasers, pledgee or pledgees, on behalf and in the name of the Association, any assignment of bonds or stock certificates representing shares of stock owned or held by the Association, and any deposit certificates for stock, and any certificates representing any rights to subscribe for shares of stock. However, the Association shall not offer or sell any securities in violation of any State or Federal securities law registration or other requirement.

2.

Miscellaneous

a. Fiscal Year. The fiscal year of the Association shall end on such date as shall be established by the Steering Committee.

b. Corporate Seal. The seal of the Association, if one is adopted by the Steering Committee of the Association, shall contain the name of the Association and the word "Wisconsin."

3.

Indemnification

a. Mandatory Indemnification. The Association shall, to the fullest extent permitted or required by the Statute, indemnify each Director and Officer against any and all Liabilities, and advance any and all reasonable Expenses as incurred by a Director or

Officer, arising out of or in connection with any Proceeding to which such Director or Officer is a Party because he or she is a Director or Officer of the Association. [The Association shall indemnify its employees and authorized agents, acting within the scope of their duties as such, to the same extent as Directors or Officers hereunder.] The rights to indemnification granted hereunder shall not be deemed exclusive of any other rights to indemnification against Liabilities or the advancement of Expenses to which such person may be entitled under any written agreement, board resolution, vote of members, the Statute or otherwise. The Association may, but shall not be required to, supplement the right to indemnification against Liability and advancement of Expenses under this Section 1 by the purchase of insurance on behalf of any one or more of such persons, whether or not the Association would be obligated to indemnify such person under this Section 1. The term “Statute,” as used in this Article, shall mean Sections 181.0871 through 181.0883 of the Wisconsin Nonstock Association Law and all amendments thereto which permit or require the Association to provide broader indemnification rights than prior to the amendment. All other capitalized terms used in this Article and not otherwise defined herein shall have the meaning set forth in Section 181.0871 of the Statute.

b. Private Foundation Limitation. Notwithstanding the foregoing, at any time when the Association is or becomes a “private foundation” within the meaning of Section 509(a) of the Internal Revenue Code of 1986, as amended, or Section 181.0320 of the Wisconsin Statutes, the following limitation shall apply: No indemnification will be permitted to the extent such indemnification would constitute an act of “self-dealing” or is otherwise subject to excise taxes under Chapter 42 of the United States Internal Revenue Code of 1986, as amended, or is prohibited under Section 181.0320 of the Wisconsin Statutes or any similar successor provision thereto.

c. Limited Liability of Volunteers. Each individual (other than an employee of the Association) who provides services to or on behalf of the Association without compensation (“Volunteer”) shall be immune from liability to any person for damages, settlements, fees, fines, penalties or other monetary liabilities arising from any act or omission as a Volunteer, to the fullest extent provided by Section 181.0670 of the Wisconsin Nonstock Association Law or any similar successor provision thereto. For purposes of this section, it shall be conclusively presumed that any Volunteer who is licensed, certified, permitted or registered under state law and who is performing services to or on behalf of the Association without compensation is not acting within the scope of his or her professional practice under such license, certificate, permit or registration, unless otherwise expressly indicated to the Association in writing.

4.

Amendment

These Bylaws may be amended in the following manner: [Insert amendment provisions]. **[Amendments may be made by either the member or the Directors or could require the approval of both.]**

[If the Articles of InAssociation so provided, the following provision should be included in the Bylaws.]

5.

Permitted Distributions

The Association may make a distribution to another Association if:

- (a) The distribution is made in accordance with the stated purpose(s) of the Association;
- (b) After the distribution, the Association is able to pay its debts as they become due in the usual course of its activities;
- (c) After the distribution, the Association's total assets would equal at least the sum of its total liabilities; and
- (d) The Association to which the distribution is being made may not distribute any part of its income to members, directors or officers and is exempt from taxation under Section 501 of the Internal Revenue Code.