

BYLAWS OF COMMUNITY OF BISHOPS BAY HOME OWNERS ASSOCIATION, INC.

The Community of Bishops Bay Home Owners Association, Inc., a non-stock, non-profit corporation organized and existing under the laws of the State of Wisconsin (the "Association"), hereby adopts the following bylaws (the "Bylaws"). These Bylaws shall be binding upon the Owners and their heirs, successors and assigns as owners of the Lots, and shall govern the use, occupancy, operation and administration of the Association.

ARTICLE I OFFICES

1.1 Principal and Business Offices. The Association may have such principal and other business offices, within Dane County, State of Wisconsin, as the Association's board of directors (the "Board") may designate or as the business of the Association may require from time to time.

1.2 Registered Office. The Association shall maintain a registered agent in the State of Wisconsin whose address may be, but need not be, identical with the principal office of the Association. The identity and address of the registered agent of the Association may be changed from time to time by resolution of the Board and the filing of a statement with the State of Wisconsin pursuant to the relevant provisions of Chapter 181 of the Wisconsin Statutes ("Chapter 181").

ARTICLE II PURPOSE

2.1 General. The purpose of the Association shall be, subject to Section 2.2, to engage in any lawful activity within the purposes for which corporations may be organized under Chapter 181.

2.2 Non-Profit Status. No part of the net earnings of the Association may inure (other than by acquiring, constructing, or providing management, maintenance and care of Association property, and other than by a rebate of excess membership dues, fees or assessments) to the benefit of any member or individual. Following the Association's winding up of its affairs and upon its liquidation, no member of the Association shall receive any distribution of assets of the Association greater than the amount originally paid to the Association with respect to such member's membership interest. Furthermore, following the wind-up of the Association's affairs, any excess

assets of the Association (other than a rebate of excess membership dues, fees or assessments) shall, at the time of the Association's liquidation, be distributed to a religious, scientific, educational, benevolent or other corporation or association that is organized and conducted not for pecuniary profit.

ARTICLE III DEFINITIONS

3.1 Declaration. The term "Declaration" shall mean the Declaration of Protective Covenants for Community of Bishops Bay dated December 12, 2012 and recorded as Document No. 4942536. The Declaration, as amended from time to time, shall be deemed incorporated herein by reference.

3.2 Other Terms. All other terms that are capitalized but not defined in these Bylaws, but that are defined in the Declaration, shall have the meanings assigned to those terms by the Declaration.

ARTICLE IV MEMBERS

4.1 Membership; Voting Rights. Membership qualifications and voting rights in the Association shall be as set forth in Section 6.01 of the Declaration.

4.2 Multiple Owners of a Lot. If a Lot is owned by two or more members (the "Owning Members"), then the vote or the votes to be exercised for such Lot shall be exercised as the Owning Members, among themselves, determine, but in no event shall more votes be cast with respect to any Lot than the number of votes assigned to such Lot under this Section. No designation of a single member to cast any vote appertaining to a Lot owned by multiple Owning Members shall be effective until written notice of such designation signed by all of the Owning Members of such Lot (the "Designation") has been received by the secretary of the Association prior to the casting of such vote. If any member is so designated, then only that member shall be entitled to cast such vote in person or by proxy. A Designation may be limited in time or may be changed by notice in writing to the secretary of the Association signed by all Owning Members of such Lot. If no Designation is in effect, then, if any Lot is owned by multiple Owning Members, unanimous agreement shall be conclusively presumed if any one of them purports to cast the votes allocated to that Lot without protest being made by any of the other Owning Members to the officer presiding at the meeting. If such protest is made, then the vote appurtenant to such Lot shall not be cast at such meeting until all of the

Owning Members have delivered to the Association's secretary a Designation meeting the requirements of this Section 4.2.

4.3 Delinquent General and Special Charges. If any Lot is delinquent in the payment of any charges or assessments described in Article VIII of the Declaration, the exercise of the vote appurtenant to such Lot may, at the Board's discretion (or, in the case of any action to be taken under Article VII by Owners of Lots within a Neighborhood, at the Neighborhood Committee's discretion), be suspended until such time as the delinquent charges are paid.

4.4 Violation. If a member violates any terms or conditions of the Declaration, the Association's articles of incorporation (the "Articles"), these Bylaws or the Rules the Board may, by the vote of two-thirds of the members of the Board of Directors (or, in the case of any action to be taken under Article VII by Owners of Lots within a Neighborhood, at the Neighborhood Committee's discretion), suspend such member's voting rights. The Board shall have the authority to establish policies and procedures relating to the suspension of memberships and the reinstatement of suspended memberships.

4.5 Transferability of Membership. Membership in the Association is appurtenant to and shall not be separated from ownership of any Lot.

4.6 Termination of Membership. Membership shall be terminated only upon (a) death of a member or (b) conveyance by a member of fee simple title or a land contract purchaser's interest in any Lot that is subject to assessment.

4.7 Annual Meeting of Members. The annual meeting of the members shall be held on the third Saturday in January of each year, beginning with the calendar year succeeding the expiration of the period of Developer control under Section 6.02 of the Declaration. Such meeting shall be for the purpose of electing members of each Neighborhood Committee and for the transaction of such other business as may come before the meeting. Failure to hold an annual meeting at the designated time shall not cause a forfeiture or dissolution of the Association.

4.8 Special Meetings of Members. Special meetings of the members of the Association may be called by the President, the Board, or by members having one-tenth of the votes entitled to be cast at such meeting. In the case of any action to be taken under Article VII by Owners of Lots within a Neighborhood, special meetings may be called by the Lot Owners holding one-tenth of the votes entitled to be cast at such meeting.

4.9 Notice of Members' Meetings. Written notice stating the place, day and hour of the meeting and, in case of a special meeting, the purpose or purposes for

which the meeting is called, shall be communicated or sent not less than ten nor more than 50 days before the date of the meeting, unless a different time is provided in Chapter 181, the Articles of Incorporation or these Bylaws. The notice shall be delivered either personally or by mail, by or at the direction of the President, the Secretary, or other officer or person calling the meeting, to each member entitled to vote at such meeting. If mailed, such notice shall be deemed delivered when deposited in the United States mail addressed to the member at the member's address as it appears on the records of the Association, with postage thereon prepaid. Notice may also be given by publishing a class 2 notice, under Chapter 985 of the Wisconsin Statutes, in any newspaper in general circulation in Dane County, Wisconsin.

4.10 Quorum. Members holding one-fifth of the votes entitled to be cast, present in person or represented by proxy, shall constitute a quorum at a meeting of members. In the case of any action to be taken under Article VII by Owners of Lots within a Neighborhood, Lot Owners holding one-fifth of the votes entitled to be cast, present in person or represented by proxy, shall constitute a quorum at such meeting.

4.11 Manner of Acting. The act of a majority of the votes entitled to be cast by members present in person or represented by proxy at a meeting at which a quorum is present shall be the act of the members, unless a greater proportion is required by the Articles of Incorporation, Chapter 181 or these Bylaws.

4.12 Conduct of Meetings.

(a) At all meetings of the Association, the President of the Association, or in his or her absence, any member chosen by a majority of the members present, shall call each meeting of the members to order and shall act as the chairperson of such meeting. The chairperson may appoint any member to act as secretary of the meeting.

(b) At all meetings of the Owners of Lots within a Neighborhood to take any action under Article VII, the President of the Neighborhood Association, or in his or her absence, any member chosen by a majority of the Lot Owners present, shall call each meeting of the Owners to order and shall act as the chairperson of such meeting. The chairperson may appoint any member to act as secretary of the meeting.

4.13 Consent Without Meeting.

(a) By Written Consent. Any action required or permitted by the Articles of Incorporation, these Bylaws, or any provision of law to be taken by the members at a meeting, or by the Owners of Lots within a

Neighborhood at a meeting, may be taken without a meeting if a consent in writing setting forth the actions so taken is signed by all the members or by all of the Owners of Lots within a Neighborhood, respectively.

(b) By Ballot. Any action required or permitted by the Articles of Incorporation, these Bylaws, or any provision of law to be taken by the members at a meeting, or by the Owners of Lots within a Neighborhood, may be taken without a meeting if the Association or the Neighborhood's Neighborhood Committee, respectively, delivers a written ballot to every Owner entitled to vote on the matter. The written ballot shall set forth each proposed action, shall provide an opportunity to vote for or against each proposed action, and shall be accompanied by a notice stating the number of responses needed to meet the quorum requirements, the percentage of approvals necessary to approve each matter other than election of directors and the time by which the ballot must be received by the secretary of the Association in order to be counted. Approval of any action by written ballot shall be valid only when the number of votes cast by ballot equals or exceeds the quorum required at a meeting authorizing the action, and the number of approvals equals or exceeds the number of votes that would be required to approve the matter at a meeting at which the total number of votes cast was the same as the number of votes cast by ballot. Once received by the secretary of the Association, a written ballot may not be revoked.

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

4.15 Order of Business. The order of business at all meetings of Owners (whether of the entire Association or of the Owners of Lots within a Neighborhood) shall be as follows:

- (a) Calling the meeting to order.
- (b) Calling the roll of Owners and certifying the proxies.
- (c) Proof of notice of meeting or waiver of notice.
- (d) Reading and disposal of any unapproved minutes.
- (e) Reports of officers.
- (f) Reports of committees (if appropriate).

- (g) Dividing the members by Neighborhood to conduct the election of Neighborhood Committee members (if appropriate).
- (h) Unfinished business.
- (i) New business.
- (j) Adjournment.

ARTICLE V BOARD OF DIRECTORS

5.1 Number. Through the period of Developer control of the Association under Section 6.02 of the Declaration, the business and affairs of the Association shall be governed by a Board consisting of three persons. After expiration of such period of Developer control, the number of directors shall be equal to the number of Neighborhoods then existing under the Declaration.

5.2 Tenure and Qualification. During the period of Developer control of the Association under Section 6.02 of the Declaration, Developer shall have the sole right to appoint all directors. After expiration of such period, each president of a Neighborhood Committee shall automatically be a director for as long as such person holds the office of president of such Neighborhood Committee. A director may resign at any time by filing his or her written resignation with the Secretary of the Association, provided, however, that any director who holds office due to such person's status as president of a Neighborhood Committee may submit his or her resignation as director only if such person simultaneously resigns as president of such Neighborhood Committee.

5.3 Annual Meeting. The annual meeting of the Board shall be held without other notice than this bylaw immediately after the annual meeting of members. Such meeting shall be for the purpose of electing officers of the Association and to conduct such other business as may come before the meeting.

5.4 Regular Meetings. The Board may provide, by resolution, the time and place for the holding of regular meetings without other notice than such resolution.

5.5 Special Meetings. Special meetings of the Board may be called by or at the request of the President, Vice President or any two directors. The President, Vice President or any two directors calling any special meeting of the Board may fix any place as the place for holding any special meeting of the Board, and if no other

place is fixed the place of meeting shall be the principal business office of the Association in Dane County, Wisconsin.

5.6 Notice; Waiver. Notice of special meetings of the Board shall be given by telephone or by written notice delivered personally or by mail or telegram to each director at his or her business address or at such other address as such director shall have designated in a writing filed with the Secretary. Notice in the case of telephone, personal delivery or telegram shall be given not less than 48 hours prior to the time of the meeting. If mailed, such notice shall be delivered at least 96 hours prior to the meeting and shall be deemed to be delivered when deposited in the United States mail so addressed, with postage thereon prepaid. Whenever any notice whatever is required to be given to any director of the Association under the Articles of Incorporation or Bylaws or any provision of law, a waiver thereof in writing, signed at anytime, whether before or after the time of meeting, by the director entitled to such notice, shall be deemed equivalent to the giving of such notice. The attendance of a director at a meeting shall constitute a waiver of notice of such meeting, except where a director attends because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any annual or special meeting of the Board need be specified in the notice or waiver of notice of such meeting.

5.7 Quorum. Except as otherwise provided by law, by the Articles of Incorporation or these Bylaws, a majority of the number of directors shall constitute a quorum for the transaction of business at any meeting of the Board. A majority of directors present (though less than a quorum) may adjourn the meeting from time to time without further notice.

5.8 Manner of Acting. The act of the majority of the directors present at a meeting at which a quorum is present shall be the act of the Board, unless the act of a greater number is required by law or by the Articles of Incorporation or these Bylaws.

5.9 Conduct of Meeting; Order of Business. The President, and in the President's absence, any director chosen by the directors present, shall call a meeting of the Board to order and shall act as the chairperson of such meeting. The chairperson may appoint any director or other person to act as secretary of the meeting. The order of business at all meetings of the Board of Directors shall be as follows:

- (a) Calling the meeting to order.
- (b) Proof of notice of meeting or waiver of notice.

- (c) Reading and disposal of any unapproved minutes.
- (d) Reports of officers.
- (e) Reports of committees (if appropriate).
- (f) Election of officers (if appropriate).
- (g) Unfinished business.
- (h) New business.
- (i) Adjournment.

5.10 Vacancies. Any vacancy occurring in the Board shall be filled until the next succeeding annual election of directors by the affirmative vote of a majority of the directors in office, even though less than a quorum.

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

5.12 Unanimous Consent Without Meeting. Any action required or permitted by the Articles of Incorporation or Bylaws or any provision of law to be taken by the Board at a meeting or by resolution may be taken without a meeting if a consent in writing setting forth the actions so taken, is signed by all the directors then in office.

5.13 Telephonic and Electronic Meetings. Any action required or permitted by the Articles of Incorporation or Bylaws or any provision of law to be taken by the Board at a meeting may be taken through the use of any means of communication by which (a) all participating directors can simultaneously hear each other during the meeting or (b) all communication during the meeting is immediately transmitted to each participating director and each participating director is able to immediately send messages to all other participating directors.

5.14 Powers. All of the powers and duties of the Association under the Declaration, the Articles, these Bylaws, and the Wisconsin Nonstock Corporation

Law shall be exercised by the Board of Directors except those powers and duties specifically given to or required of the Neighborhood Committees, the Committee or the members. The powers and duties of the Board of Directors include, without limitation, the power or duty to:

- (a) Adopt budgets for revenues, expenditures and reserves.
- (b) Levy and collect assessments and charges and disburse funds in payment of the Association's expenses.
- (c) Manage, maintain, repair, replace, improve, operate and regulate the Community-Wide Common Areas and the Neighborhood Common Areas.
- (d) Grant easements, licenses and rights-of-way through or over the Community-Wide Common Areas and the Neighborhood Common Areas.
- (e) Hire and supervise any property manager or agent, security manager or agent, other manager or agent, employee, attorney, accountant or any other independent contractor whose services the Board of Directors determines are necessary or appropriate.
- (f) Sue on behalf of the Association.
- (g) Make contracts and incur liabilities.
- (h) Purchase, take, receive, rent or otherwise acquire and hold any interest in real or personal property, including any Lot.
- (i) Sell, convey, mortgage, encumber, lease, exchange, transfer or otherwise dispose of any interest in real or personal property, including any Lot.
- (j) Receive any income derived from payments, fees or charges for the use, rental or operation of the Community-Wide Common Areas, the Neighborhood Common Areas and any property owned or leased by the Association.
- (k) Insure the Community-Wide Common Areas, the Neighborhood Common Areas and any property owned or leased by the Association against loss by fire and other casualty and the Association and Unit Owners against public liability as provided in the Declaration and purchase such other insurance as the Board of Directors may deem advisable.

(l) Keep all of the books and records and prepare accurate reports of all transactions of the Association.

(m) Appoint committees to carry out any tasks which the Board of Directors deems necessary or appropriate.

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

(o) Maintain such reserve funds for the operation, maintenance, repair and replacement of the Community-Wide Common Areas, the Neighborhood Common Areas and any property owned or leased by the Association, for contingencies and for making up any deficit for any prior year as the Board of Directors may deem proper or as may be required by law.

5.15 Manager. The Board of Directors may hire a manager or managing agent at a compensation rate established by the Board to perform such duties and services as the Board of Directors shall authorize.

ARTICLE VI OFFICERS

6.1 Number and Qualifications. The officers of the Association shall consist of a President, a Vice President, a Secretary and a Treasurer and such other officers as may be determined by the Board. Any two or more offices may be held by the same person, except for the offices of President and Secretary, or President and Vice President.

6.2 Election and Term of Office. During the period of Developer control of the Association under Section 6.02 of the Declaration, Developer shall have the sole right to appoint all directors. After expiration of such period, the officers of the Association shall be elected by a majority vote of the directors contemporaneously with the adoption of these Bylaws or as soon thereafter as practicable. Successor officers shall be elected by a majority vote of the directors at each annual meeting of the Board. Officers shall hold office until their successors are duly elected and qualified. An officer may serve consecutive terms in the same office.

6.3 Resignation or Removal. Any officer may resign at any time by filing a written resignation with the Secretary of the Association. Officers may be

removed by the Board whenever in its judgment the best interests of the Association will be served thereby.

6.4 Vacancies. A vacancy in any office, by resignation or for any other reason, shall be filled by the Board for the unexpired portion of the term.

6.5 President. The President shall be the chief executive officer of the Association and, subject to the control of the Board, shall in general supervise and control all of the business and affairs of the Association. He or she shall have authority, subject to such rules as may be prescribed by the Board, to appoint such agents and employees of the Corporation as he or she deems necessary, to prescribe their powers, duties and compensation, and to delegate authority to them. Such agents and employees shall hold office at the discretion of the President. He or she shall have authority to sign, execute and acknowledge, on behalf of the Association, all deeds, mortgages, bonds, contracts, leases, reports and all other documents or instruments necessary or proper to be executed in the course of the Association's regular business, or which is authorized by the Board; and, except as otherwise provided by law or the Board, he or she may authorize the Vice President or any other officer or agent of the Association to sign, execute and acknowledge such documents or instruments in his or her place and stead. In general, the President shall perform all duties incidental to the office of chief executive officer and such other duties as may be prescribed from time to time by the Board.

6.6 Vice President. In the absence of the President or in the event of his or her death, inability to act or refusal to act, or in the event for any reason it is impracticable for him or her to act personally, the Vice President shall perform the duties of the President, and when so acting, shall have all the powers of and be subject to all the restrictions upon the President. The Vice President shall perform such other duties and have such authority as from time to time may be delegated or assigned to him or her by the President or by the Board. The execution of any document or instrument of the Association by the Vice President shall be conclusive evidence, as to third parties, of his or her authority to act in the stead of the President.

6.7 Secretary. The Secretary shall: (a) keep the minutes of the meetings of the members and of the Board in one or more books provided for that purpose; (b) see that all notices are duly given in accordance with the provisions of these Bylaws or as required by law; (c) be custodian of the Association's corporate records; (d) keep or arrange for the keeping of a register of the post office address of each member (which address shall be furnished to the Secretary by such member); and (e) in general, perform all duties incidental to the office of Secretary and have such other duties and exercise such authority as from time to time may be delegated or assigned to him or her by the President or by the Board.

6.8 Treasurer. The Treasurer shall: (a) have charge and custody of and be responsible for all funds of the Association; (b) receive and give receipts for monies due and payable to the Association from any source whatsoever, and deposit all such monies in the name of the Association in such banks, trust companies or other depositories as may be selected by the Association; and (c) in general, perform all of the duties incident to the office of Treasurer and have such other duties and exercise such other authority as from time to time may be delegated or assigned to him or her by the President or by the Board. If required by the Board, the Treasurer shall give a bond for the faithful discharge of his duties in such sum and with such surety or sureties as the Board shall determine.

6.9 Assistants and Acting Officers. The Board shall have the power to appoint any person to act as assistant to any officer, or as agent for the Association in his or her stead, or to perform the duties of such officer whenever for any reason it is impracticable for such officer to act personally, and such assistant or acting officer or other agent so appointed by the board of directors shall have the power to perform all the duties of the office to which he or she is so appointed to be assistant, or as to which he or she is so appointed to act, except as such power may be otherwise defined or restricted by the Board.

6.10 Fidelity Bonds. The Board of Directors may require that any officers, agents or employees of the Association handling or responsible for Association funds shall furnish adequate fidelity bonds. The premiums of such bonds shall be paid by the Association.

ARTICLE VII NEIGHBORHOOD COMMITTEES

7.1 Powers. Each Neighborhood Committee shall have all powers, duties and obligations as may be provided to it in the Declaration, Articles, and Bylaws.

7.2 Owners' Powers.

(b) Membership and Term of Office. Not later than forty-five (45) days after the expiration of the period of Developer control of the Association under Section 6.02 of the Declaration, the Owners of all Lots within each Neighborhood shall elect all three (3) members to serve on such Neighborhood's Neighborhood Committee. Such members shall take office upon such election and shall serve until the next annual meeting of the Association. Thereafter, each member of each Neighborhood Committee shall take office at the annual meeting of the Association and shall serve for a term of one (1) year or until his or her successor shall be elected.

(c) Election of Neighborhood Committee Members. One (1) month prior to each annual meeting of the Association, the secretary of the Association shall mail to all Owners a notice setting a deadline for nomination of persons to serve as members of each Neighborhood Committee. All nominations shall be mailed to the secretary. Each Owner must obtain the prior consent of any person they nominate and may nominate themselves. Only Owners whose Lot is within a Neighborhood shall be entitled to vote upon the election of such Neighborhood's Neighborhood Committee. If the number of nominees equals the number of Neighborhood Committee members to be elected, the nominees shall automatically become the new Neighborhood Committee members to take office at the annual meeting. If the number of nominees is fewer than the number of Neighborhood Committee members to be elected, the secretary shall solicit further nominees by mail. If the number of nominees exceeds the number of Neighborhood Committee members to be elected, the secretary shall conduct an election by written ballot with all written ballots due prior to the deadline set by the secretary. Each Lot within a Neighborhood shall have one vote. The persons receiving the largest number of votes shall be elected as members of the Neighborhood Committee and shall take office at the annual meeting.

(d) Vacancy and Replacement. If the office of any Neighborhood Committee member becomes vacant because of death, resignation, disqualification or removal from office, such vacancy shall be filled by vote of a majority of the remaining Neighborhood Committee members at a special meeting of the Neighborhood Committee held for that purpose promptly after the occurrence of such vacancy, even though the Neighborhood Committee members present may constitute less than a quorum, and each person so elected shall be a member of the Neighborhood Committee for the remainder of the term of the member who left office or until a successor is elected in accordance with these Bylaws.

(e) Removal. Any member of any Neighborhood Committee may be removed from the Neighborhood, with or without cause, by a majority vote of the Owners of Lots within such Neighborhood, acting in accordance with Sections 4.7 through 4.15.

(f) Voting. All actions taken by each Neighborhood Committee shall be approved by a majority of the members of the Neighborhood Committee either at a duly called meeting or by written consent. Any member of a Neighborhood Committee may call a meeting upon at least three (3) days' prior written notice delivered or mailed to each other member. Such notice shall specify the place, day and hour of the meeting.

7.3 Actions by Neighborhood Committees.

(a) **Annual Meeting.** The annual meeting of each Neighborhood Committee shall be held without other notice than this bylaw immediately after the annual meeting of the members of the Association under Section 4.7. Such meeting shall be for the purpose of electing the President of the Neighborhood Committee and a Secretary of the Neighborhood Committee and to conduct such other business as may come before the Neighborhood Committee. The President of the Neighborhood Committee shall preside at meetings of the Neighborhood Committee and shall serve on the Association's Board of Directors. The Secretary of the Neighborhood Committee shall take minutes of each Neighborhood Committee meeting.

(b) **Regular Meetings.** Each Neighborhood Committee may provide, by resolution, the time and place for the holding of regular meetings without other notice than such resolution.

(c) **Special Meetings.** Special meetings of each Neighborhood Committee may be called by or at the request of the President or any two members of the Committee. The President or any two members of the Neighborhood Committee calling any special meeting of the Neighborhood Committee may fix any place as the place for holding any special meeting of the Neighborhood Committee, and if no other place is fixed the place of meeting shall be the principal business office of the Association in Dane County, Wisconsin.

(d) **Notice; Waiver.** Notice of special meetings of each Neighborhood Committee shall be given by telephone or by written notice delivered personally or by mail or telegram to each director at his or her business address or at such other address as such director shall have designated in a writing filed with the Secretary. Notice in the case of telephone, personal delivery or telegram shall be given not less than 48 hours prior to the time of the meeting. If mailed, such notice shall be delivered at least 96 hours prior to the meeting and shall be deemed to be delivered when deposited in the United States mail so addressed, with postage thereon prepaid. Whenever any notice whatever is required to be given to any member of the Neighborhood Committee or any provision of law, a waiver thereof in writing, signed at any time, whether before or after the time of meeting, by member entitled to such notice, shall be deemed equivalent to the giving of such notice. The attendance of a Neighborhood Committee member at a meeting shall constitute a waiver of notice of such meeting, except where a director attends because the meeting is not lawfully called or convened.

Neither the business to be transacted at, nor the purpose of, any annual or special meeting of the Neighborhood Committee need be specified in the notice or waiver of notice of such meeting.

(e) Quorum. A majority of the number of Neighborhood Committee members shall constitute a quorum for the transaction of business at any meeting of a Neighborhood Committee. A majority of Neighborhood Committee members present (though less than a quorum) may adjourn the meeting from time to time without further notice.

(f) Manner of Acting. The act of the majority of Neighborhood Committee members present at a meeting at which a quorum is present shall be the act of Neighborhood Committee members.

(g) Conduct of Meeting; Order of Business. The Neighborhood Committee President, and in the President's absence, any Neighborhood Committee member chosen by the Neighborhood Committee members present, shall call a meeting of the Neighborhood Committee to order and shall act as the chairperson of such meeting. The chairperson may appoint any director or other person to act as secretary of the meeting. The order of business at all meetings of the Neighborhood Committee shall be as follows:

- (i) Calling the meeting to order.
- (ii) Proof of notice of meeting or waiver of notice.
- (iii) Reading and disposal of any unapproved minutes.
- (iv) Report of the Neighborhood Committee President.
- (v) Reports of committees (if appropriate).
- (vi) Election of the Neighborhood Committee president (if appropriate).
- (vii) Unfinished business.
- (viii) New business.
- (ix) Adjournment.

(h) Vacancies. Any vacancy occurring in the Neighborhood Committee shall be filled until the next succeeding annual election of

Neighborhood Committee members by the affirmative vote of a majority of the Neighborhood Committee members then in office.

(i) Presumption of Assent. A Neighborhood Committee member who is present at a meeting of the Neighborhood Committee at which action on any matter is taken shall be presumed to have assented to the action taken unless his or her dissent is entered in the minutes of the meeting or unless he or she files his or her written dissent to such action with the Neighborhood Committee's secretary before the adjournment thereof or shall forward such dissent by registered mail to the Secretary of the Neighborhood Committee immediately after the adjournment of the meeting. Such right to dissent shall not apply to a Neighborhood Committee member who voted in favor of such action.

(j) Unanimous Consent Without Meeting. Any action required or permitted by the Articles of Incorporation or Bylaws or any provision of law to be taken by the Neighborhood Committee at a meeting or by resolution may be taken without a meeting if a consent in writing setting forth the actions so taken, is signed by all the Neighborhood Committee members then in office.

(k) Telephonic and Electronic Meetings. Any action required or permitted by the Articles of Incorporation or Bylaws or any provision of law to be taken by the Neighborhood Committee at a meeting may be taken through the use of any means of communication by which (a) all participating Neighborhood Committee members can simultaneously hear each other during the meeting or (b) all communication during the meeting is immediately transmitted to each participating Neighborhood Committee member and each participating Neighborhood Committee member is able to immediately send messages to all other participating Neighborhood Committee members in office, even though less than a quorum.

ARTICLE VIII INDEMNIFICATION

8.1 General Scope and Definitions.

(a) The rights of directors and officers of the Association provided in this Article shall extend to the fullest extent permitted by the

Wisconsin Nonstock Corporation Law and other applicable laws as in effect from time to time.

(b) For purposes of this Article, "director or officer" means a natural person (i) who is or was a director or officer of the Association, (ii) who is or was a member of the Design Review Committee described in Section 3.01(a) of the Declaration, (iii) who is or was a member of any Neighborhood Committee, or (iv) who is or was the member of any committee created by the Board under Section 5.14(m). Unless the context requires otherwise, "director or officer" shall also mean the estate and personal representative of a director or officer.

(c) For purposes of this Article, "proceeding" means any threatened, pending or completed civil, criminal, administrative or investigative action, suit, arbitration or other proceeding, whether formal or informal, which involves foreign, federal, state or local law (including federal or state securities laws) and which is brought by or in the right of the Association or by any other person.

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

8.2 Mandatory Indemnification.

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

(b) In cases not included under Section 8.2(a), the Association shall indemnify any director or officer against expenses actually and reasonably incurred by the director or officer in a proceeding to which the director or officer was a party because he or she is or was a director or officer, unless liability was incurred because the director or officer

breached or failed to perform a duty he or she owed to the Association and the breach or failure to perform constituted any of the following: (i) a willful failure to deal fairly with the Association or its members in connection with a matter in which the director or officer had a material conflict of interest; (ii) a violation of criminal law, unless the director or officer had reasonable cause to believe his or her conduct was lawful or no reasonable cause to believe his or her conduct was unlawful; (iii) a transaction from which the director or officer derived an improper personal profit or benefit; or (iv) willful misconduct. The termination of a proceeding by judgment, order, settlement or conviction, or upon a plea of no contest or an equivalent plea, does not, by itself, create a presumption that indemnification of the director or officer is not required under this subsection.

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

(d) To the extent indemnification is required under this Article VIII, the Association has purchased or is required under Section 8.10 to purchase insurance on behalf of the indemnified person and the insurance policy includes a provision obligating the insurer to defend such person, the Association shall be obligated to extend such defense. To the extent possible under such insurance policy, the defense shall be extended with counsel reasonably acceptable to the indemnified person. The Association shall keep the indemnified person advised of the status of the claim and the defense thereof and shall consider in good faith the recommendations made by the indemnified person with respect thereto.

8.3 Determination of Right to Indemnification. Unless otherwise provided by written agreement between the director or officer and the Association, the director or officer seeking indemnification under Section 8.2 shall make a written request for indemnification which shall designate one of the following means for determining his or her right to indemnification: (a) by a majority vote of a quorum of the Board of Directors or a committee of directors consisting of directors not at the time parties to the same or related proceedings; (b) by independent legal counsel selected by a quorum of the Board of Directors or its committee in the manner prescribed in Section 8.3(a) or, if unable to obtain such a quorum or committee, by a majority vote of the full Board of Directors, including directors who are parties to the same or related proceedings; (c) by arbitration; or (d) by an affirmative vote of a majority of the Unit Owners entitled to vote; provided, however, that Unit Owners who are at the time parties to the same or

related proceedings, whether as plaintiffs or defendants or in any other capacity, may not vote in making the determination. Any determination under this Section shall be made pursuant to procedures consistent with the Wisconsin Nonstock Corporation Law unless otherwise agreed by the Association and the person seeking indemnification. Such determination shall be completed, and eligible expenses, if any, shall be paid to the person requesting indemnification hereunder within sixty (60) days of the Association's receipt of the written request required hereunder.

8.4 Allowance of Expenses as Incurred. Within thirty (30) days after a written request by a director or officer who is a party to a proceeding because he or she is or was a director or officer, the Association shall pay or reimburse his or her reasonable expenses as incurred if the director or officer provides the Association with all of the following: (a) a written affirmation of his or her good faith belief that he or she has not breached or failed to perform his or her duties to the Association; and (b) a written undertaking, executed personally or on his or her behalf, to repay the allowance and, if required by the Association, to pay reasonable interest on the allowance to the extent that it is ultimately determined under Section 8.3 that indemnification under Section 8.2 is not required and indemnification is otherwise not ordered by a court. The undertaking under this Section shall be an unlimited general obligation of the director or officer and may be accepted without reference to his or her ability to repay the allowance. The undertaking may be secured or unsecured.

8.5 Partial Indemnification. If it is determined pursuant to Section 8.3 that a director or officer is entitled to indemnification as to some claims, issues or matters in connection with any proceeding, but not as to other claims, issues or matters, the person or persons making such determination shall reasonably determine and indemnify the director or officer for those expenses which are the result of claims, issues or matters that are a proper subject for indemnification hereunder in light of all of the circumstances. If it is determined pursuant to Section 8.3 that certain expenses (other than liabilities) incurred by a director or officer are for any reason unreasonable in amount in light of all the circumstances, the person or persons making such determination shall authorize the indemnification of the director or officer for only such amounts as he or she or they shall deem reasonable.

8.6 Indemnification of Employees and Agents. The Board of Directors, may, in its sole discretion, provide indemnification and/or defense and/or allowance of expenses in advance of a final determination of any proceeding to an employee or agent of the Association who is not a director or officer in connection with any proceeding in which the employee or agent was a defendant because of his or her actions as an employee or agent of the Association; provided, however,

that prior to such indemnification, defense or allowance of expenses, the Board of Directors shall first determine that the employee or agent acted in good faith and in a manner he or she reasonably believed to be in, and not opposed to, the best interests of Association.

8.7 Limited Liability of Directors and Officers.

(a) Except as provided in Sections 8.7(b) and (c), a director or officer is not liable to the Association, its members or creditors, or any person for damages, settlements, fees, fines, penalties or other monetary liabilities arising from a breach of, or failure to perform, any duty resulting solely from his or her status as a director or officer.

(b) Except as provided in Section 8.7(c), this Section 8.7 does not apply to any of the following: (i) a civil or criminal proceeding brought by or on behalf of any governmental unit, authority or agency; (ii) a proceeding brought by any person for a violation of state or federal law where the proceeding is brought pursuant to an express private right of action created by state or federal statute; or (iii) the liability of a director under Wisconsin Statutes Sections 181.0832 and 181.0833.

(c) Section 8.2(b)(i) and (ii) do not apply to a proceeding brought by a governmental unit, authority or agency in its capacity as a private party or contractor.

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

8.9 Nonexclusivity of Rights. The rights to indemnification, defense and advancement of expenses provided for in this Article shall not be deemed exclusive of any other rights to which those seeking indemnification, defense or advancement of expenses may be entitled under any agreement authorized by the Board of Directors, any of the Bylaws, any vote of the members or disinterested directors or otherwise, both as to action in his or her official capacity and as to action in another capacity while holding such office. Notwithstanding the foregoing, the Association may not indemnify a director or officer, or permit a director or officer to retain any allowance of expenses, pursuant to any such additional rights unless it is determined by or on behalf of the Association that the director or officer did not breach or fail to perform a duty he or she owes to the

Association which constitutes conduct under Section 8.2(b). A director or officer who is a party to the same or related proceeding for which indemnification, defense or an allowance of expenses is sought may not participate in a determination under this Section.

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

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

8.12 Amendment. No amendment or repeal of this Article shall be effective to reduce the obligations of the Association under this Article with respect to any proceeding based upon occurrences which take place prior to such amendment or repeal.

ARTICLE IX CONTRACTS AND FINANCIAL MATTERS

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

9.2 Contracts. The Board may authorize any officer or officers, agent or agents, to enter into any contract or execute or deliver any instrument in the name of and on behalf of the Association, and such authorization may be general or confined to specific instances. No contract or other transaction between the Association and one or more of its directors or any other corporation, firm, association, or entity in which one or more of its directors or officers are financially interested, shall be either void or voidable because of such relationship or interest or because such director or

directors are present at the meeting of the Board or a committee thereof which authorizes, approves or ratifies the contract or transaction, if: (a) the fact of such relationship or interest is disclosed or known to the Board 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 directors; or (b) the fact of such relationship or interest is disclosed or known to the members, which authorize, approve or ratify such contract or transaction; or (c) the contract or transaction is fair and reasonable to the Association. Common or interested directors may be counted in determining the presence of a quorum at a meeting of the Board which authorizes, approves or ratifies such contract or transactions, but such interested directors shall abstain from any vote to authorize, approve or ratify such contract or transaction.

9.3 Loans. No indebtedness for borrowed money shall be contracted on behalf of the Association and no evidence of such indebtedness shall be issued in its name unless authorized by or under the authority of a resolution of the Board of Directors. Such authorization may be general or confined to specific instances.

9.4 Checks, Drafts, Etc. All checks, drafts or other orders for the payment of money, notes or other evidence of indebtedness issued in the name of the Association shall be signed by any officer of the Association or an agent of the Association duly appointed for the purpose, or by such greater number of officers and agents as the Board may from time to time require.

9.5 Deposits. All funds of the Association not otherwise employed shall be deposited from time to time to the credit of the Association in such banks, trust companies or other depositories as may be selected by or under the authority of a resolution of the Board.

9.6 Budget; General Assessments. Prior to November 15 of each year, the Board shall prepare and adopt an annual budget for the Association to take effect during the next fiscal year. Based on the duly adopted annual operating budget, the Board of Directors shall levy General Assessments and Neighborhood annual charges against the Owners in accordance with Section 8.01 and 8.02 of the Declaration. On or before December 1 of each year, the secretary shall mail or deliver a copy of the annual operating budget and a statement of assessment for the next twelve (12) months to each Owner. General Assessments and Neighborhood charges shall be payable to the Association in twelve (12) equal installments which shall be due monthly in advance on the first day of each month. Such installments shall be mailed or delivered to the principal office of the Association and shall be deemed paid on the date of mailing or on the date of delivery, as the case may be.

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

ARTICLE X AMENDMENTS

10.1 By Members. These Bylaws may be altered, amended or repealed and new Bylaws may be adopted by the members if such amendment or other change in the Bylaws is adopted by affirmative vote of not less than three-fourths of the votes of all members present or represented at an annual or special meeting of the members at which a quorum is in attendance; provided, however, that if the Developer is a member of the Association at the time of the amendment, such amendment, in order to be effective, must receive the affirmative vote of the Developer.

10.2 By Directors. The Bylaws may be altered, amended or repealed and new Bylaws may be adopted by the Board if (a) such amendment or other change in the Bylaws is adopted by affirmative vote of a majority of the number of directors present at or participating in any meeting at which a quorum is in attendance and (b) if Developer is a member of the Association at the time of the amendment or other change in the Bylaws, such amendment or other change is consented to by the Developer. Notwithstanding the foregoing, no Bylaw adopted by the members shall be amended or repealed by the Board unless such authority is conferred by the members on the Board.

ARTICLE XI CORPORATE SEAL

The Association shall not have a corporate seal.

ARTICLE XII CONSTRUCTION

Should any provision of these Bylaws conflict with any provision of the Declaration, the Declaration shall, to the extent consistent with Chapter 181, prevail.

FIRST AMENDMENT TO BYLAWS

RE: Annual Meeting & Number of Directors

THIS FIRST AMENDMENT TO BYLAWS FOR BISHOPS BAY HOME OWNERS ASSOCIATION, INC. (the "Association") is made as of the 20th day of March, 2018 (this "Amendment"), by the undersigned Unit Owners.

RECITALS:

- A. The Association has adopted bylaws (the "Bylaws").
- B. The undersigned members of the Board of Directors of the Association desire to amend the Bylaws in accordance with the terms of this Amendment.
- C. Section 10.2 of the Bylaws authorizes amendments of the Bylaws with the assent of a majority of the number of members of the Board of Directors of the Association present at or participating in any meeting at which a quorum of such members are present and upon execution of The Community of Bishops Bay LLC.

NOW, THEREFORE, the undersigned, being the directors holding at least a majority of the votes in the Board of Directors of the Association and with the assent of The Community of Bishops Bay LLC, hereby agree, pursuant to Article X of the Bylaws, that the Bylaws shall be, and the same hereby are, amended in the following manner.

- 1. Section 4.7 is hereby amended to change the date of the annual meeting of the members from the third Saturday in January of each year to a date set by the Board which shall occur between March 1 and May 15 each year, as stated in a timely notice as required in Section 4.9 of the Bylaws. Further, the annual meeting of the members is intended for the members of the Association and not a public meeting. The Board shall have the right to exclude non-members in attendance other than agents or counsel of members.
- 2. Section 5.1 is hereby amended to increase the number of members of the Board from "three" to "four," until expiration of the period of Developer control.

3. Any capitalized terms referenced in this Amendment that are defined in the Bylaws but are not defined in this Amendment shall have the definitions assigned to such terms as set forth in the Bylaws.

4. This Amendment may be executed in counterparts.

5. Except as modified hereby, all remaining terms and conditions of the Declaration shall remain in full force and effect and are hereby ratified.

[Execution Page Follows]

EXECUTION PAGE FOR DEVELOPER

IN WITNESS WHEREOF, the undersigned have executed and delivered this First Amendment to Bylaws dated as of first set forth above.


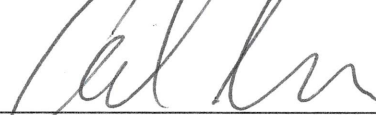

THE COMMUNITY OF BISHOPS BAY LLC,
a Wisconsin limited liability company

By: 

Terrence R. Wall, President 

EXECUTION PAGE FOR MEMBERS OF BOARD

IN WITNESS WHEREOF, the undersigned have executed and delivered this Amendment to Bylaws dated as of the date first set forth above.


Print Name: Terrence R. Wall 
Print Name: Adam Nonn
Print Name: Aaron Kamnetz

SECOND AMENDMENT TO BYLAWS

RE: Annual Meeting

THIS SECOND AMENDMENT TO BYLAWS FOR BISHOPS BAY HOME OWNERS ASSOCIATION, INC. (the "Association") is made as of the 9th day of October, 2023 (this "Amendment"), by the undersigned Board of Directors and Developer pursuant to the Bylaws.

RECITALS:

- A. The Association has adopted bylaws (the "Bylaws").
- B. The Bylaws were amended on March 20, 2018 (the "First Amendment")
- C. The undersigned members of the Board of Directors of the Association desire to amend the Bylaws in accordance with the terms of this Amendment.
- D. Section 10.2 of the Bylaws authorizes amendments of the Bylaws with the assent of a majority of the number of members of the Board of Directors of the Association present at or participating in any meeting at which a quorum of such members are present and upon execution of The Community of Bishops Bay LLC.

NOW, THEREFORE, the undersigned, being the directors holding at least a majority of the votes in the Board of Directors of the Association and with the assent of The Community of Bishops Bay LLC, hereby agree, pursuant to Article X of the Bylaws, that the Bylaws shall be, and the same hereby are, amended in the following manner.

- 1. Annual Meeting Date. Section 1 of the First Amendment is hereby modified whereby the reference to "March 1 and May 15" shall be replaced with "September 15 and November 15". This modification of the Annual Meeting time of year is to accommodate presenting the Annual Budget to the Members.
- 2. Any capitalized terms referenced in this Amendment that are defined in the Bylaws but are not defined in this Amendment shall have the definitions assigned to such terms as set forth in the Bylaws.
- 3. This Amendment may be executed in counterparts.
- 4. Except as modified hereby, all remaining terms and conditions of the Declaration shall remain in full force and effect and are hereby ratified.

[Execution Page Follows]

EXECUTION PAGE FOR DEVELOPER

IN WITNESS WHEREOF, the undersigned have executed and delivered this Second Amendment to Bylaws dated as of first set forth above.

THE COMMUNITY OF BISHOPS BAY LLC, a
Wisconsin limited liability company

By: _____

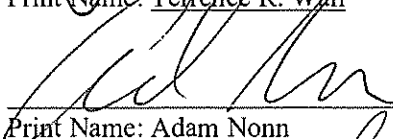
Terrence R. Wall, President

EXECUTION PAGE FOR MEMBERS OF BOARD

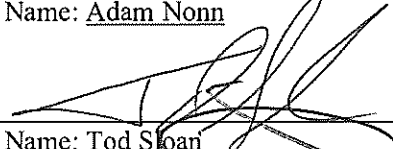
IN WITNESS WHEREOF, the undersigned have executed and delivered this
Amendment to Bylaws dated as of the date first set forth above.




Print Name: Terrence R. Wall



Print Name: Adam Nonn



Print Name: Tod Sloan



Print Name: Matt Hofeldt