

**POINT ELKHART CONDOMINIUM
ASSOCIATION, LTD.**

DISCLOSURE MATERIALS

SECTION C

BYLAWS

RESTATED BY-LAWS OF
POINT ELKHART CONDOMINIUM ASSOCIATION, LTD.

Restated August 31, 1996

Revised September 4, 2004

Revised September 3, 2005

Revised September 2, 2006

Revised August 30, 2008

Revised September 3, 2011

Revised May 26, 2012

Revised August 31, 2013

Revised May 28, 2016

Revised January 1, 2019

Revised May 28, 2022

Point Elkhart Condominium Association, Ltd.
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These By-Laws supplant and revise the By-Laws of Point Elkhart Condominium Association, Ltd., as they have heretofore existed. These By-laws conform to the provisions and requirements of the Wisconsin Condominium Ownership Act, Chapter 703 of the Wisconsin Statutes, as amended from time to time.

I. General

A. Point Elkhart Condominium Association, Ltd. is the association of the Condominium project located on approximately 20 acres on the shores of Elkhart Lake, Sheboygan County, Wisconsin, as more fully described and depicted in development plans filed with the Village of Elkhart Lake, and recorded with the Sheboygan County Register of Deeds.

B. These By-Laws shall be binding upon all Condominium Unit Owners, as well as the personal representatives, heirs, tenants and agents of such Condominium Unit Owners. Acquisition, occupancy, rental or any type of assertion of dominion or possession of any unit in said Condominium project at Point Elkhart shall signify and constitute acceptance, ratification and compliance with these By-Laws and the plan of development for this project. A Unit Owner shall also be personally and unconditionally responsible for the observation of all of the provisions of these By-Laws and any rules or regulations in pursuance thereof, by family members, guests, tenants and invitees.

C. The Condominium project includes the entire area heretofore encompassed in the plan of development.

D. Title to units may be taken in the name of an individual or in the names of two or more persons, as tenants in common, marital property, or as joint tenants, or in the name of a corporation, partnership, trust, or in the name of a fiduciary.

E. Every purchaser of a unit shall notify the Secretary of the Association of the purchase within thirty (30) days of recording a deed with the Sheboygan County Register of Deeds.

F. An Executive Summary highlighting important disclosure statements must be provided by the seller of a condominium unit to a prospective buyer. The Executive Summary is prepared by the association, and updated as necessary, and contains information required by Wis. Stat. Chapter 703.

II. Form of Administration

A. The Point Elkhart Condominium Association, Ltd. is an incorporated, non-stock, not-for-profit corporation. The ultimate authority for the administration of its affairs shall be and reside in the vote of its Unit Owners. The executive governance of its affairs, subject to the reservations hereinafter set forth, shall be in its Board of Directors. Except for matters reserved to the Association members or unit owners, all policy and operational decisions including, but not limited to, interpretation of condominium instruments, bylaws and rules and other documents relating to the condominium or the association shall be made by its board of directors.

B. The Unit Owners reserve the right to annually approve the budget for operating, maintenance and other proper expense of the Association, and, if specifically requested by not fewer than thirty-three percent (33%) of the Unit Owners, a special hearing for purposes of such approval shall be held.

C. A property manager may be hired to manage the affairs of the Association, serving the Board of Directors as agent, consultant and overall administrator. The contract between the Association and the property manager shall be approved by the Board of Directors annually.

III. Unit Owners – Members

A. Membership:

The members of the Association shall be the Unit Owners.

B. Unit Owners Voting Rights:

Only one registered individual, having a direct or indirect interest in the property, shall be recognized as the Unit Owner entitled to vote.

The Unit Owner entitled to vote shall be registered in a list of such Unit Owners maintained by the Secretary of the Condominium Association. No Unit Owner who shall be in default by reason of nonpayment of common or other charges or fines for which a lien has been filed against the property shall be eligible to vote at an Owners meeting or to be elected or appointed to the Board of Directors unless and until such default is corrected.

C. Unit Owners Meetings:

(1) The Secretary shall mail or email to each Unit Owner of record or cause to be delivered to each Unit a notice of each annual or special meeting of the Unit Owners, at least ten (10), but not more than thirty (30) days prior to such meeting, stating the purpose thereof as well as the date, time and place where it is to be held, at the building or at such other address as such Unit Owner shall have designated by notice in writing to the Secretary. The mailing, emailing, or delivery of a notice of meeting in the manner provided in this section shall be considered service of notice.

(2) A simple majority of the Unit Owners entitled to vote shall constitute a quorum for purposes of the conduct of business by the Condominium Association.

(3) A Unit Owner shall be entitled to be present in person, or by proxy, and presence by proxy shall be counted in determining whether or not a quorum is present. Similarly, votes may be cast in person or by proxy. Proxies must be filed with the Secretary of the Association either in person or by mailing or emailing a copy thereof to the Condominium Association at its post office address prior to the appointed time of any meeting to which such proxy relates. Such filing shall be deemed to take place at the time of actual receipt by the Secretary. The spouse of a Unit Owner entitled to vote may vote without a proxy in the absence of such Unit Owner. All proxies shall

be subject to revocation by the member at the meeting to which such proxy relates, or by giving actual notice thereof to the person in whose favor the proxy is drawn. No proxy shall be effective for a period of more than ninety (90) days following its issuance, including proxies granted to a mortgagee or lessee. There shall be no prorata vote as to any Condominium unit, even though the unit is co-owned.

(4) Decisions, unless otherwise expressly provided herein, shall be by simple majority vote of the Unit Owners present and entitled to vote, a quorum being present, and shall be binding on all Unit Owners. The Secretary shall count the votes.

(5) The regular Annual Meeting of the Unit Owners shall be held on the Saturday preceding Labor Day for the purpose of electing Directors, and for the purpose of reviewing and approving the budget for the coming year, and for other matters which may properly be brought before the meeting. In addition, there shall be a Unit Owners meeting held on the Saturday preceding Memorial Day unless otherwise determined by the Directors.

(6) It shall be the duty of the President to call a Special Meeting of the Unit Owners if so, directed by resolution of the Board of Directors or upon petition signed and presented to the Secretary by Unit Owners owning a total of not fewer than thirty-three percent (33%) of the common interest. The notice of any special meeting shall state the date, time, place and purpose of the meeting. No business shall be transacted at a special meeting except as stated in the notice.

(7) Meetings of the Unit Owners shall be held at a suitable place convenient to the owners as shall be designated by the Board of Directors.

D. Liability of Unit Owners:

A Unit Owner shall not be liable to the Association for common charges, assessments, or claims of the Association beyond the prorata portion determined by dividing the total charges by the number of units in the condominium, except as hereinafter stated.

Such limitation shall not apply to fines, penalties, or special assessments rendered

against a Unit Owner because of delinquencies of payment, unpaid charges for failure of Unit Owner to repair and replace per Article VIII F 4, other fines for violations of Association By-Laws and Rules and Regulations, or other special charges properly related to such Unit Owner

IV. Board of Directors

A. Number, Qualification and Election:

The Board of Directors shall be composed of five (5) persons. All Directors shall be Unit Owners, spouses or persons owning an interest in the Unit, directly or indirectly, through equity interest in a corporation, partnership, trust or other fiduciary. Election of Directors to staggered two-year terms shall occur each year at the Annual Meeting of the Association Membership.

At the Spring Meeting of the Unit Owners, the Board of Directors shall propose for approval a Nominating Committee composed of three (3) Unit Owners to seek, determine availability and propose candidates for the Board of Directors (See Section VI). In order to effectively and efficiently administer the operations of the Association, and to deal with problems promptly and without delay, the Nominating Committee shall give consideration to ensuring that at least one owner serving on the Board of Directors is a full-time resident of Point Elkhart.

Nominations from the floor shall be permitted by a Unit Owner at the Annual Meeting, but will require a second by another Unit Owner. A nominee's eligibility and willingness to serve must be confirmed prior to such nomination.

At alternating Annual Meetings, three (3) and two (2) Directors shall be elected for staggered two-year terms. A newly elected Director's term shall commence immediately following the Annual Meeting at which the election occurs.

Election to the Board of Directors shall be limited to two (2) consecutive two-year terms. Thereafter, an Owner will be eligible for reelection to the Board only after a two-year absence from the Board. In its selection of Board nominees, the Nominating Committee will consider the two

(2) term option and limit but will not be obligated to offer a second term nomination to Directors completing one (1) term, nor shall the Board of Directors imply or require such renomination. However, one director may serve more than two (2) consecutive two (2) year terms in order to fully utilize the skills and experience gained from handling the responsibilities of that position. That director cannot hold any other position on the board and must stand for election every two (2) years. This exception to the term limitations set forth in the By-Laws shall not apply to positions of officers, which shall continue to be term limited. Only one (1) director at any one time shall be allowed to serve on the board under this exception.

B. Authority and Responsibilities:

Subject to rights reserved by the Unit Owners, the Board of Directors shall administer the affairs of the Association and shall be vested with authority necessary to perform its several duties, including the following:

(1) The Board shall conduct the day-to-day business of the Association including providing work priorities, work assignments and direction to vendors and contractors.

(2) The Board shall operate, maintain and restore common elements (except limited common elements) and facilities, as necessary. The Board shall oversee the maintenance of limited common elements, assuring conformity with the Declaration of Condominium and with Association policy and guidelines. (See By-Laws Section VIII E).

(3) On behalf of the Association, the Board may contract with appropriate parties to maintain, repair and/or restore common elements. Wherever possible and practical, the Board shall obtain competitive bids or quotes where the cost of material and/or services exceeds Five Thousand Dollars (\$5,000.00). Contracts exceeding a three-year time frame shall require approval by the Association members. Firms performing work for the Association must carry customary insurance and provide certificates of insurance before commencing a project. The Board shall also

determine if the contracting party should be licensed and/or bonded.

(4) The Board shall project the costs and request the funds for Association operation and special work projects. After preparing the Annual Budget, the Board shall propose a fixed annual assessment for common charges, to be paid in four (quarterly) installments. For any maintenance project that in the judgment of the Board exceeds budgetary capabilities, the Board shall propose a special assessment amount, to be shared equally by all Unit Owners. Such assessments shall require approval by the Unit Owners at an Association membership meeting. After approval by the Unit Owners, the levied amounts shall be collected by the Board through the office of the Treasurer. In the event of an emergency, the Board may expend amounts in excess of, or not approved, in the budget and levy assessments therefore but only to the extent reasonably required by such emergency.

(5) The Board shall maintain bank accounts on behalf of the Association and shall designate signatories for the accounts.

(6) The Board shall maintain insurance coverage for Association property and liability.

(7) The Board shall have the authority and be responsible for enforcement of all Rules and Regulations.

(8) The Board shall be responsible for distributing important documents, changes of policy and practices, information, notifications and minutes of Unit Owner meetings. The Board shall transmit a copy of the By-Laws and Rules and Regulations to each Unit Owner. Copies of the proposed annual budget shall be sent to Unit Owners with the Notice of the Annual Meeting.

(9) The Board shall provide an Association telephone directory.

(10) Records of the minutes of the meetings of the Board of Directors and of the meetings of Unit Owners shall be maintained. Financial records and books of account of the Association shall be kept, including a separate account of each Unit which shall contain the amount

of each assessment against such Unit, the date when due, the amounts paid thereon, and the balance remaining.

The Board of Directors shall render a written report summarizing the annual receipts and expenditures of the Association to the Unit Owners at the Annual Unit Owners Meeting.

These records shall be protected and made available to Unit Owners for reference within a reasonable time after a written request to the Board of Directors.

C. Removal of a Director from Office:

(1) If noticed in the agenda, a director may be removed from office by a majority vote of Unit Owners at any regular or special meeting of the Unit Owners. The Director whose removal is under consideration shall be given an opportunity to be heard at the meeting.

(2) In the event a Director is removed, a successor may then and there be elected to fill the vacancy. The new Director will complete the term of the removed Director and be eligible for nomination for two (2) additional two-year terms. If such election does not take place, the vacancy will be filled in accordance with Section IV D.

(3) Absence of a Director from three (3) regular meetings of the Board in one (1) year shall be considered a resignation from the Board.

D. Board Vacancies:

Vacant Director positions may be filled by Board appointment. The appointment shall be for the remainder of the unexpired term. Appointment shall require a majority vote of the remaining Directors. The appointee shall be eligible for nomination to two (2) additional two-year terms. A vacancy shall be filled as promptly as possible. The Board may request assistance from the Nominating Committee to seek a qualified candidate.

E. Regular Meetings of the Board of Directors:

The Board of Directors shall hold four regular meetings per year to discuss Association affairs, review

and manage all operations and deal, as a body, with condominium matters. The Board shall have flexibility in deciding the meeting dates, times and places, accommodating the schedules of Directors in order to maximize attendance. Notice of regular meetings and the agenda shall be delivered in writing to or by email all Directors no later than seven (7) days prior to the meeting. Unit Owners may attend the Board meetings and will be notified by mail or email of the date, time, and location of the meeting. Minutes of Board meetings will be posted on the Point Elkhart website.

F. Special Meetings of the Board of Directors:

The President may call a special meeting of the Board with written notice to each Director sent no later than seven (7) days prior to the meeting. The notice shall include the date, time, place and agenda. The President shall be required to call a special meeting if requested by two (2) or more members of the Board. If the need for a special meeting occurs and the notification requirement cannot be met due to urgency, Directors may waive notice in writing. The Secretary shall provide a waiver for signing by all Directors.

G. Quorum of Board of Directors:

At meetings of the Board, a majority of Directors shall constitute a quorum and a majority vote of the quorum shall constitute the decision of the Board. If less than a quorum is present, a majority of those present may adjourn the meeting to another time. At an adjourned meeting at which a quorum is present, any business, which was to be addressed at the meeting originally called, may be transacted without further notice.

H. Informal Action of the Board:

Any action of the Board, which requires a meeting, may be taken without a meeting if consent is given and the action is approved in writing by all Directors entitled to vote. Such consent shall have the force of a unanimous vote.

I. Fidelity Bonds:

The Board of Directors shall obtain fidelity bonds for all officers and agents of the Association handling or responsible for funds. Insurance covering dishonesty may be obtained in lieu of such bonds. The premiums on such bonds or insurance shall constitute a common expense.

J. Liability of Board of Directors and Volunteers:

The members of the Board of Directors shall not be liable for any mistake of judgment, negligence or otherwise, except for willful misconduct or bad faith. The Association shall indemnify and hold harmless each member of the Board of Directors against all liability to others arising out of tort or contract made by the Board of Directors on behalf of the Association unless any such actions shall have been made or taken willfully or in bad faith. This indemnification shall be to the extent provided in Sec. 181.0855, Wis. Stats. Volunteers shall be indemnified to the extent provided in Sec. 181.0670, Wis. Stats.

K. Compensation:

No member of the Board of Directors shall receive any compensation from the Association for serving as a Director.

L. Conflict of Interest Statement:

Directors shall provide a disclosure statement to the Board of Directors detailing their ownership and/or their employment role, where one exists, in a company that is doing business with, or will be doing business with, the Association.

V. Officers

A. Designation:

The Principal officers of the Association shall be the President, the Vice President, the Secretary, and the Treasurer, all of whom shall be elected by the Board of Directors. The Board of Directors may appoint an Assistant Treasurer, and/or an Assistant Secretary, or an Assistant

Secretary/Treasurer as in its judgment may be necessary. The President and Vice President must be members of the Board of Directors. No elected Director can serve in more than one officer position at the same time.

B. Election and Removal of Officers:

Officers shall be elected annually by the Board of Directors at the organizational meeting of each new Board of Directors held following the September meeting of the Owners, and shall hold office at the pleasure of the Board of Directors. No person shall serve as President for more than two (2) consecutive years. A majority of the Board of Directors may remove an officer, and elect a successor, at any regular meeting of the Board of Directors, or at any special meeting of the Board of Directors called for such purpose.

C. President:

The President shall be the Chief Executive Officer of the Association. In consultation with the Board, the President shall develop the agenda and shall preside at all meetings of the Unit Owners and of the Board of Directors, and shall have all of the general powers and duties which are incident to the office of the President and shall see that all orders and resolutions of the Board and the Unit Owners Meetings are carried out. The duties of the President will include, but will not be limited to, the power to appoint, with Board approval, members from among the Unit Owners to the Standing Committees in Section VI and to any ad hoc committee which the Board decides is appropriate to assist in the conduct of the affairs of the Association.

D. Vice President:

The Vice President shall take the place of the President and perform required duties whenever the President shall be absent or unable to act. If neither the President nor Vice President is able to act, the Board of Directors shall appoint some other member of the Board of Directors to act in the place of the President, on an interim basis. The Vice President shall also perform such other duties as

may be prescribed by the Board of Directors or the President.

E. Secretary:

(1) The Secretary shall keep the minutes of Unit Owners meetings and distribute them to all Unit Owners within six (6) weeks of the meeting; shall keep the minutes of each Board meeting and distribute the minutes to the Board members within three (3) weeks of each meeting; shall see that all notices of Unit Owners Meetings, including the date, time, location, and agenda, are duly given to the Unit Owners; shall keep permanent books of Unit Owners and Board Meeting minutes and be custodian of Association records; shall determine at a meeting of the Unit Owners who is eligible to vote, or who is represented by a valid proxy, and shall tabulate all votes taken at such meeting.

(2) The Secretary shall maintain a register of a copy of the Deed for each Unit; a register of the designated voting member of each unit; and a register of the post office address of each Unit Owner as provided by the Unit Owner and shall arrange for the publication of the Association telephone and address directory, making changes on a timely basis.

(3) The Secretary shall maintain a register of all Committees, the Committee Charters, and a roster of current members of each Committee.

(4) The Secretary shall perform all other duties that are incident to the office, assigned by the President or the Board, and/or required by Wisconsin Statutes.

(5) The Board of Directors shall have authority to appoint a secretarial service to perform specified duties to assist the Secretary.

F. Treasurer:

(1) The Treasurer shall have the responsibility for Association funds and securities, and shall be responsible for keeping full and accurate financial records and books of

accounts showing all receipts and disbursements, together with appropriate authorizations, for the preparation of all the required financial statements, shall be responsible for the deposit of all monies and other valuable effects in the name of the Board of Directors in such depositories as may from time to time be designated by the Board of Directors, and shall, in general, perform all the duties incident to the office of Treasurer of a stock corporation organized under the Wisconsin Business Corporation Law.

(2) The Treasurer shall prepare a monthly back-up record of the financial records, which back-up data will be placed in the care of the Secretary.

(3) The Treasurer, working with the President, shall prepare a fiscal year budget for timely approval by the Board of Directors so that the Board-approved proposed budget may be mailed or emailed to the Unit Owners with the Notice of the Annual Meeting.

(4) Regular audits or reviews of the corporate financial records shall be arranged on an appropriate schedule.

(5) The Board of Directors shall have the authority to appoint an accounting firm, an accounting service, or similar functionary, to maintain the financial records of the Association including the disbursement of funds, the deposit of receipts, and the preparation of necessary financial records and statements, under the direction of the Treasurer. Such functionary shall be appropriately bonded.

G. Agreements, Contracts, Deeds, Checks, Etc.:

All contracts, deeds, leases and other instruments of the Association shall be executed by the President or Vice President and Secretary. Checks for amounts less than five thousand dollars (\$5,000) will be signed by the Treasurer or as otherwise provided by resolution of the Board of Directors, but all checks for amounts in excess of Five Thousand Dollars (\$5,000.00) shall be signed by the President and the Treasurer or other authorized signatory.

H. Compensation of Officers:

No Officer shall receive any compensation for acting in the capacity of an Officer, except by prior approval of the Unit Owners of a budget providing for a paid Assistant Secretary and/or Assistant Treasurer, or Assistant Secretary/Treasurer.

I. Conflict of Interest Statement:

All Officers shall provide a disclosure statement to the Board of Directors detailing their ownership and/or their employment role, where one exists, in a company that is doing business with, or will be doing business with, the Association.

VI. Committees

Committees shall be appointed to assist the Board of Directors in managing the condominium property, overseeing its use and status and other proper activities of the condominium.

All committees shall, unless expressly provided otherwise:

- Report to the Board of Directors and be advisory in nature except to the extent of expressly delegated powers;
- Be appointed by the President with approval of the Board of Directors, unless otherwise instructed by the Association;
- Have a Chairman appointed by the Board of Directors and such members as the Board shall designate and appoint;
- Have a liaison to the Board, who shall be a member of the Board of Directors of the Association;
- Be comprised of Unit Owners who shall serve at the pleasure of the Board of Directors of the Association who will consider all unit owners who volunteer for a committee assignment;

- Generally, have three (3) members, unless determined otherwise by the Board or Association;
- Have no authority to grant any variances to Rules and Regulations, the By-Laws, or Declaration, but shall refer alleged violations including hardship cases to the Board of Directors or Rules and Regulations Committee as appropriate.

The Standing Committees of the Association shall be as follows:

A. Nominating Committee:

This Committee, comprised of three (3) Unit Owners, shall identify, confirm availability, and present to the Association the names of individuals proposed to serve on the Board. The Committee shall present a slate in the Notice of Annual Meeting and, when requested by the Board, shall present names to fill interim Board vacancies and Committee positions. The members of this Committee shall be nominated by the Board of Directors and confirmed by the Association at its Spring Meeting. For continuity purposes, one (1) member of the Committee shall in each year have served in the prior year. No Board member may serve on this Committee until two (2) years after last serving as a Board member. (See Article IV Section A).

B. Building Committee:

This Committee shall oversee building maintenance and appearance, including limited common elements, decks, patios, and driveways. All alleged discrepancies or issues shall be reported to the Board of Directors; the Committee shall not have authority to grant any variances.

C. Grounds Committee:

This Committee shall oversee grounds maintenance and management, including landscaping, roads, tennis courts, beaches, piers, buoys and boat racks and storage.

D. Social Committee:

This Committee shall organize social activities and a social calendar for the year to promote a communal environment, as desired by the Board of Directors and Association. Funding for social activities shall be provided either from Association funds or charges to participants as determined by the Board of Directors and within the approved budget.

E. Rules and Regulations Committee:

This Committee shall have three (3) to five (5) members with terms of up to two (2) years. It shall oversee safety, security, use of facilities including common elements, and resident behavior under the Rules and Regulations of the Association. (See Article VII and Appendix A). The Committee may recommend changes to the Rules and Regulations to the Board of Directors and the Association.

F. Long Range Planning:

This committee shall have three (3) members. It will have responsibility for developing for developing long range plans for the operations, building upgrades, common area changes, new/revised facilities, governance and use of the units by the unit owners.

The Board of Directors may appoint temporary, ad hoc, or special project committees as it deems appropriate, but no such committee shall serve for more than one (1) year without Association approval.

VII. Rules and Regulations

A. Application:

(1) These Rules and Regulations shall apply to and be binding upon all Unit Owners. The Unit Owners shall at all times observe these Rules and Regulations and shall be accountable for ensuring that they are heeded by their family, guests, invitees, renters, lessees, tradesmen, servants, or others over whom they exercise control.

(2) All provisions of the Declaration, By-Laws and of any Rules and Regulations or use restrictions promulgated pursuant thereto which govern the conduct of Unit Owners and which provide for sanctions against Unit Owners shall also apply to all occupants, guests and invitees of any unit. Every Unit Owner shall cause all occupants of the Unit Owner's unit to comply with the Declaration, By-Laws and the Rules and Regulations adopted pursuant thereto, and shall be responsible for all violations and losses to the properties caused by such occupants, notwithstanding the fact that such occupants of a unit are fully liable and may be sanctioned for any violation of the Declaration, By-Laws and Rules and Regulations adopted pursuant thereto.

B. Rules and Regulations Committee:

A Rules and Regulations Committee shall be appointed by the Board of Directors. See Article VI for committee structure and authority and Appendix A for the Committee duties, which may be amended by the Board of Directors from time to time.

C. The Rules and Regulations are as follows:

(1) **Prohibited Uses:** Unit Owners shall not use or permit the use of their premises, limited common area, or common area in any manner which will disturb or be a nuisance to other residents, which presents a danger to the health and well-being of residents, which interferes with the peaceful possession or proper use of the property of residents, or which in such a way as to be injurious to the reputation of the property, nor may any unit or area be used for any unlawful purpose.

(2) **Limit on Business and Professional Activities:** The units are intended to be used for residential purposes, but owners, tenants, and occupants may conduct limited professional or business activities if confined solely within their unit, but only if the activity cannot be seen, heard, observed, or otherwise noticed by other residents of the Association, and provided further that no activity shall be permitted that results in a frequent and significant increase in

pedestrian or vehicular traffic within the condominium grounds, an increase in the insurance risk of the other Unit Owners or the Association, or if the activity constitutes a danger to other Unit Owners or residents.

(3) **Rental of Units:** Leasing or renting a unit is prohibited at Point Elkhart except between owners for special occasions such as weddings and family reunions. The Unit Owner shall inform the Board Secretary of the rental dates.

(4) **Association Right of Entry to Unit:** In case of an emergency originating in or threatening any of the units, the Board of Directors shall have the right to enter such unit for the purpose of remedying or abating the cause of such emergency, and such right in the event of such emergency shall be immediate. The Board will not incur or accept responsibility for any costs that may arise from emergency entry. To facilitate such entry, all Unit Owners must provide a duplicate key or combination to the Secretary of the Board.

The right to enter a unit in an emergency is in addition to the right to enter a unit as described in the Article IX A (2) of the By-Laws dealing with abatement and enjoinder of violations.

(5) **Use of Common Elements:** Common elements are intended to be used in such a manner as to complement the residential nature of the Association and shall not be obstructed, littered, defaced or misused in any manner. No playground equipment shall be erected on common areas.

(6) **Unit Exterior Displays or Use:** Nothing shall be hung or displayed on the outside of windows or placed on the outside walls of a building, and no sign, awning, canopy, shutter, radio/television antenna, exterior clothesline, basketball hoop, hot tub, or any other fixture or device may be placed or permitted without the written approval of the Board of Directors. In the case of real estate signs, an owner may place one sign no larger than 24 X 24 inches as close as possible to the front or garage door after obtaining the written permission of the association secretary. The real estate sign must be removed immediately following the sale of the property. No real

estate sign will be permitted at the entrance to Point Elkhart. A television dish may be installed inconspicuously as possible but the association will not remove any trees or parts of trees, or make any other accommodations, to enable the dish to receive satellite signals. The appropriate display of flags and small, inconspicuous flowerpots and similar minor ornamentation are permitted.

(7) **Laundry and Swim Gear:** No Unit Owner or occupant of a unit shall allow or permit clothes, towels, swim gear or laundry to be hung on a deck, patio or other exterior fixture or wall.

(8) **Hazardous Materials in Units:** No inflammable, combustible, explosive fluid or material shall be stored in any unit except for normal household use.

(9) **Garbage/Trash:** Sanitary recycling and trash containers must be kept inside the unit except on the day of pickup. Specific collection, disposal and recycling regulations can be obtained from the Village Clerk of the Village of Elkhart Lake.

(10) **Limitation on Pets:** Each unit may keep only one pet that must be kept on a leash when outdoors. No pet is permitted on the beaches or in the water of the beaches. No Unit Owner shall lease or rent the unit to a person who will have more than one pet occupying the unit. The owner of the pet is responsible for immediate litter pick-up.

(11) **Noise Curfew:** A noise curfew is in effect from 11:00 PM to 8:00 AM every day through the year without exception.

(12) **Operators Licenses and Vehicle Use Restrictions:** Operators of any motorized vehicle (moped, golf cart, truck, motorcycle, auto, motorbike, snowmobile, etc.) must have a valid vehicle operator's license. Within the Point Elkhart Condominium property, motorized vehicles can be operated only on roadways and driveways.

(13) **Speed Limit:** The speed limit for all types of motorized vehicles and equipment is 15 miles per hour. A lower speed limit shall be observed when children are present.

(14) **Parking:** Large trucks, commercial vehicles, buses, motor homes,

recreational vehicles, trailers including trailers with boats must not be parked or stored on Association property without prior Board approval. Cars must be parked in garages, on driveways or in parking lots and not on lawns or other common areas. Requests for parking for special events should be directed to the Board of Directors.

(15) **Storage:** Patios and decks may be used only to store patio furniture over the winter inconspicuously as possible.

(16) **Restrictions on Use of Beaches and Piers:** No bicycles or other vehicles are allowed on beaches or piers.

(17) **West Beach Use:** West Beach is for swimming only. No boats, sailboats, paddleboats, canoes, windsurfers or personal watercraft (jet skis) are allowed.

(18) **North Beach Use:** All boats, sailboats, paddleboats, canoes and windsurfers must use the North Beach. Boats must display the Point Elkhart decal. Water-skiers must use the North Beach. Boats, or other water craft, powered by internal combustion engines may not be beached, racked or stored on the North Beach, nor remain tied to the pier overnight.

(19) **Tennis, Pickle Ball and Basketball:** Green Space Tennis Court is for tennis and pickle ball play only. One (1) hour when others are waiting. Racket may be hung to indicate next players. Lake Street Tennis Court is for tennis, pickle ball and basketball only. One (1) hour when others are waiting. Racket may be hung to indicate next players. Persons who want to play basketball will inform the occupants of the court that they want to play basketball. There shall be no bikes, scooters, skateboards and pets on the courts. The court must be locked when play is completed.

(20) **Village Ordinances:** All owners and occupants must abide by all Village of Elkhart Lake ordinances, including:

- No dogs at large (Ord. 8.02);
- No charcoal, gas or propane grill can be used within ten (10) feet from a

building or deck (NFPA 1:3-4.7);

- No firecrackers or fireworks unless by Village permit (Ord. 8.01); and
- No pellet or air guns (Ord. 8.01).

The Village of Elkhart Lake enforces the ordinances and levies fines depending on the circumstances.

(21) **Additional Rules and Regulations:** The Board of Directors may from time to time adopt Rules and Regulations regarding the proper and reasonable use of Association property and facilities. Such Rules and Regulations shall be voted upon at the next meeting of Unit Owners.

The Board of Directors may also issue procedural guidelines dealing with facilities use without need for incorporation within these By-Laws.

VIII. Operation of the Property

A. Common Expenses and Common Charges:

(1) The Board of Directors shall, at least annually and after approval of the budget, determine the quarterly amount of common charges required to meet the common expenses of the Association and allocate and assess such charges, including special assessments, against the Unit Owners according to their respective common interests. The common expenses shall include, among other things, the cost of insurance premiums on policies of insurance that have been obtained by the Board of Directors. The common expenses may also contain such amounts as the Board of Directors may deem proper for the operation and maintenance of the property, including, if approved by the Unit Owners in connection with the budget approval, an amount for working capital, for a general operating reserve, for a reserve fund for replacements and to make up any deficit in the common expenses for any prior year. The Board of Directors shall advise in writing of the amount of common charges payable by each Unit Owner, and shall furnish copies of each budget on which

such common charges are based to all Unit Owners, and, if requested in writing, to their mortgagees.

(2) The Board of Directors may borrow money not in excess of \$50,000.00 for a period not to exceed 180 days to meet a cash flow deficiency. The interest thereon shall be considered common expense.

(3) All Unit Owners shall be obligated to pay the common charges assessed by the Board of Directors pursuant to the provisions of these By-Laws at such time or times as the Board of Directors shall determine, including when an owner has a claim pending against the Association or during any period when the unit is not occupied by the unit owner or is leased or rented to any other person.

No Unit Owner shall be liable for the payment of any part of the common charges assessed against the unit subsequent to its sale, transfer or other conveyance. A purchaser of a unit shall not be liable for the payment of common charges assessed against such unit prior to the acquisition of such unit except for unpaid assessments prior to acquisition set forth in a statement from the Board of Directors furnished pursuant to Sec. 703.16 of the Wisconsin Condominium Ownership Act.

(4) Common charges are due the first day of each quarter. The Board of Directors shall take prompt action to collect from a Unit Owner any common charge that remains unpaid for more than thirty (30) days from its due date. A charge shall be delinquent and in default if not paid within forty-five (45) days from its due date.

(5) The Board of Directors shall promptly provide any Unit Owner, who makes a request in writing, with a written statement of the unit's unpaid common charges.

(6) In the event of default by any Unit Owner in paying to the Board of Directors the common or special charges, such Unit Owner shall be obligated to pay interest at 18% per year on such common charges from the due date thereof, together with all expenses, including attorneys' fees, incurred by the Board of Directors in any proceeding brought to collect such unpaid common charges. The Board of Directors shall have the right and duty to recover such common charges,

together with interest thereon, and the expenses of the proceedings, including attorneys' fees, in an action brought against such Unit Owner, or by foreclosure of the lien on such unit granted by the Wisconsin Condominium Ownership Act.

(7) In any action brought by the Board of Directors to foreclose a lien on a unit because of unpaid common charges, the Unit Owner shall be required to pay a reasonable rental for the use of the unit and the plaintiff in such foreclosure action shall be entitled to the appointment of a receiver to collect such rental. The Board of Directors, with approval of sixty-seven percent (67%) of the Unit Owners, shall have the power to purchase such unit at the foreclosure sale and to acquire, hold, lease, mortgage, vote the votes appurtenant to, convey or otherwise deal with same. A suit to recover a money judgment for unpaid common charges shall be maintainable without foreclosing or waiving the lien securing the same.

B. Capital Expenditures, Additions, Alterations or Improvements:

Capital expenditures, for (1) repair/replacement deemed necessary of roofs, siding, roads, or other existing facilities regardless of cost, and for (2) new improvements, alterations or additions, or for new equipment or otherwise, having an aggregate capital cost of Ten Thousand Dollars (\$10,000.00) or less shall be proposed with and included in the annual process of budget approval under the procedures as hereinbefore set forth. Any proposal for an expenditure of capital nature having an aggregate capital cost of more than Ten Thousand Dollars (\$10,000.00), whether by one expenditure or by a series of expenditures toward the same project or end, and whether the same be expended in one year or over a period of more than one year, and whether paid in cash or to be financed, shall be the subject matter of special approval by the Unit Owners, and shall require, for approval, a vote of sixty-seven percent (67%) or more of the Unit Owners voting on the issue.

C. Insurance:

The Board of Directors shall be required to obtain and maintain, to the extent normally obtainable in accordance with good insurance practice, the following insurance:

(1) **Property Insurance** with extended coverage covering risks of fire and other hazards of loss or damage subject to exclusions and limitations common in the industry, insuring all buildings and common elements except driveways (but may not include furniture, furnishings, fixtures, floor, wall, and ceiling coverings, and other personal property of Unit Owners); such insurance shall cover the property in an amount equal to the full replacement value of the buildings, without deduction for depreciation. Each policy shall provide that proceeds shall be payable to the Board of Directors as trustee for each of the Unit Owners. Provision of such insurance shall be without prejudice to the right of each Unit Owner to insure his unit for personal benefit. The liability of the insurance carried for the Association will not be affected by or diminished by reason of any additional insurance carried by a Unit Owner.

(2) **Workmen's compensation** insurance if the Association hires employees.

(3) **Comprehensive general liability** and medical payments insurance with extended coverage as is common in the industry to provide protection to the Association against loss as a result of bodily injury or property damage for which the Association is held responsible.

(4) **Commercial umbrella** insurance with common limitations and exclusions.

(5) **Condominium Directors and Officers liability** insurance.

(6) **Fidelity Bond or Dishonesty** insurance covering employees and/or Association Directors and Officers.

(7) **Such other insurance** as the Board of Directors may determine.

All policies of physical damage insurance shall contain provisions dealing with other insurance covering the same loss or damage to the effect that the Association will not have protection diminished by reason of co-insurance, the transfer of rights of recovery dealing with property damage including the ability to waive those rights, the transfer of rights and duties of the Association, and

shall provide that such policies may not be cancelled or substantially modified without at least sixty (60) days prior written notice to the Board of Directors. Prior to obtaining any policy of fire insurance, or renewal thereof, the Board of Directors shall obtain an estimate of the current fair market value of the buildings or other reliable record to determine the full replacement value of the buildings, including all of the units and all of the common and limited common areas and facilities without deduction for depreciation, for the purpose of determining the amount of property insurance to be effected pursuant to this section.

D. Unit Owner Insurance:

Each owner will obtain and maintain, to the extent normally obtainable in accordance with good insurance practices, the following insurance: Personal property insurance with extended coverage covering fire and other hazards of loss or damage subject to exclusions and limitations common in the industry, insuring all personal property along with standard all risk, vandalism, malicious mischief, and liability insurance. The Association will not be responsible for gaps or omissions in unit owner insurance or for any coverage that the unit owner cannot or does not obtain.

E. Repair or Reconstruction After Damage:

(1) Subject to (2) hereof, in the event of damage to or destruction of the property of any building or buildings containing units, as a result of fire or other casualty to them, the Board of Directors, representing the Association and all owners, shall arrange and contract for prompt repair and restoration, but not including any interior floor, wall or ceiling or wall, ceiling or floor decorations or coverings or other furniture, furnishings, fixtures or equipment in the units. The restoration and repair responsibility of the Association is and shall be limited to the building exterior walls, roof, foundation downspouts, gutters, landscaping, and plumbing and sewer components outside the building unless it is determined that the Association has failed to properly maintain the common elements and this failure has effected the interior of the building. The Board of Directors shall

disburse the proceeds of all insurance policies to the contractors engaged in such repair and restoration in appropriate progress payments. The unit owner is responsible for contracting for repair and restoration of interior building walls, ceiling and flooring as well as wall, ceiling or floor decorations or coverings and for all furniture, fixtures or equipment in the unit. The Association will not participate in the selection, hiring, contracting or oversight of vendors to repair or restore items that are the responsibility of the unit owner.

(2) However, if the condominium is damaged to an extent more than the available insurance proceeds, on a vote of 75% of the Unit Owners, the property shall be subject to an action for partition. In such event, the net proceeds of sale shall be divided by the Board of Directors among all the affected Unit Owners in proportion to the value of their respective units, paying out of the share of each Unit Owner the amount of any unpaid liens on his unit, if any, in the order of the priority of such liens.

(3) At the discretion of the Board of Directors, an insurance trustee may be designated.

F. Maintenance and Repair:

(1) Each Unit Owner is responsible for maintenance, repair of, or replacement of the following:

- (a) The entire interior of the Unit in a good and livable condition; and
- (b) All fixtures and equipment in the unit, including but not limited to: refrigerator, stove, fans, dishwasher and all other appliances; interior building walls, ceiling and flooring; floor coverings, wall coverings; ceiling coverings and furniture; sump pumps, clothes washers and dryers, water softeners, skylights, solar tubes, drains, plumbing fixtures, connections, sinks and other plumbing within the unit; electric panels, wiring, outlets and fixtures within the unit; garage door panels; sidewalk; interior doors, exterior doors and windows that meet the standards

set by the Association; and

(c) The air conditioning and heating system that serves the unit.

(d) Any damage to the unit, or in other units in the building, as a result of plumbing freezing or other water damage due to failure to shut off water to the unit, failure to maintain all equipment in the unit or any other damage due to owner or occupant negligence

(2) All balconies, patios and driveways immediately adjacent to any unit, sometimes referred to as "limited common elements", shall be a part of the common area and not a part of any individual unit; however each Unit Owner shall be entitled to the exclusive use and possession of that balcony, patio and driveway, direct access to which is provided from the respective unit, and which is or are located outside of and adjoining the respective unit; such exclusive use of the driveway shall extend to the junction with the common collector road. Each Unit Owner shall be responsible for the repair, maintenance, replacement, and appearance of patios, balconies and driveways, the exclusive use and possession whereof is extended hereby, at the Unit Owner's expense, including responsibility for breakage, damage, malfunction, replacement, and the ordinary wear and tear. A Unit Owner shall not paint or otherwise decorate or adorn or change the appearance of any such balcony, patio or driveway in any manner contrary to the rules and regulations as may be established by the Association. (See By-Law IV B (2)).

(3) The Association shall be responsible for the maintenance, repair and replacement of the common elements (building exterior, roof, roof heating coils in the center units of Buildings 18, 20 and 27, foundation, gutters, downspouts, landscaping, plumbing and sewer components outside of the interior of the building), except Limited common elements (patios, decks, balconies and driveways, except balcony trim painting shall be paid for by the Association); however, if any such repair or replacement is necessitated by abuse or negligent use by a Unit Owner, member(s) of the Unit Owner's family, a guest, or lessee, the cost of the repairs may be assessed against the Unit Owner and shall be a lien against the Unit and payable as an Assessment.

(4) If the Unit Owner shall fail to maintain, repair and replace as needed, or fails to activate the heating coils when required causing damage that must be repaired, the Association shall do so and charge the expense thereof to the Unit Owner under the procedures of Article IX.

G. Additions, Alterations or Improvements by Unit Owners:

(1) No Unit Owner shall make any structural addition, alteration or improvement (except fixtures) in or to the unit, nor affix anything to the exterior of the unit, nor erect or construct any light pole, sign, mailbox, television/radio antenna, hot tub or any other thing in the portion of the common areas located around or above the unit without the prior written consent thereto of the Board of Directors. Window and wall air conditioning units are prohibited except in non-ducted units with existing air conditioning units, which may be replaced only in the existing location. The Board of Directors shall have the obligation to answer in writing any written request by a Unit Owner for approval of any matter proscribed by the foregoing, within 45 days after such request is received, and failure to do so shall constitute consent by the Board of Directors to the request.

(2) Any application to any governmental authority for a permit to make an addition, alteration or improvement in or to any unit shall be executed by the Board of Directors, and will describe the proposed alteration or improvement, the material to be used and will identify the project contractor. The Board of Directors shall not be liable to any contractor, subcontractor or material man or to any person sustaining personal injury or property damage, for any claim arising in connection with such addition, alteration or improvement.

(3) No Unit Owner shall make any additions, decoration, repair, replacement, or alteration to the Common Elements or to the exterior portion of any building or unit, including a hot tub, or change the exterior appearance of a unit or any other portion of the condominium not part of the unit, without the prior written consent of the Board of Directors. No Unit Owner shall paint any exterior surface of the unit (including but not limited to exterior doors, decks and balconies) except

in substantial conformity with the color schemes and appearance as set by the Association. All costs and expenses of an improvement, and any increase in the cost of maintenance and repair resulting from an improvement, are the obligation of the unit owner.

(4) Planting of trees and shrubs in the Common Elements shall be made only with the written approval of the Board of Directors. Any plantings made without such approval may be removed without notice to the person who made such planting. No liability for removal shall be asserted against the Association.

Removal of trees and shrubs in existence shall be done only with the written approval of the Board of Directors. Any plantings removed without such approval may be replaced by the Association and the Unit Owner responsible shall be assessed for the cost thereof.

(5) When any request to permit addition, alteration, or improvement to a unit is perceived by the Board of Directors as having a negative aesthetic impact upon the units in the immediate vicinity, or is perceived as representing a significant departure from existing aesthetics throughout the project, then the Board of Directors, prior to action on such request, shall mail or email a copy to Unit Owners whose units are closest to the unit in question and to Unit Owners whose units face it, including with such copy a notice and information as to the time and place of the meeting at which the request will be considered, and advising such Unit Owners of their right to attend and comment. No improvement or alteration can be made to a unit that impairs the structural integrity of the unit, or lessens the support of any portion of the condominium, or creates a nuisance affecting the use or enjoyment of other units or the common elements.

H. Utilities:

(1) Water shall be supplied to all of the units and the common areas and facilities and the Board of Directors shall pay, as a common expense, all charges for water consumed on the property promptly after the bills therefore are rendered. A unit owner shall be responsible for

abnormally high Village of Elkhart Lake water charges due to excessive use of water when the unit owner fails to turn off water to the unit and it remains on for an extended period of time. The charge for such excessive use will be determined by the Board of Directors in conjunction with the Village of Elkhart Lake.

(2) **Electricity and gas** shall be supplied by the public utility company serving the area directly to each unit through a separate meter and each Unit Owner shall be required to pay the bills for electricity and gas consumed or used in or in connection with the unit. The electricity and gas serving the common areas and facilities shall be separately metered, and the Board of Directors shall pay all bills for electricity and gas consumed in such areas and facilities as a common expense.

I. Reserve Fund:

(1) The reserve fund provides for a fiscally responsible means to plan for, and finance, capital repair and replacement of the common elements – such as building siding; roadways; roofs; downspouts and gutter systems; chimney caps and tennis facilities.

(2) Funding of the reserve account is based on the estimated life of each common element, estimated remaining useful life; inflation and the estimated replacement cost of each common element. Funding is intended to cover 100% of the required capital repair and replacement costs.

(3) The reserve fund will smooth and spread capital outlays over an extended period of time and will minimize the need for special assessments.

(4) The annual operating budget and special assessments, when necessary, will fund normal and routine expenditures such as sewer and water lateral repairs and maintenance, pier and raft maintenance, beach stairs, pond maintenance along with other normal expenditures such as landscaping and snow plowing.

(5) The Board of Directors will prepare an annual (July 1 through June 30) report on the reserve fund deposits, expenditures, investment income and fund balance on hand. In addition,

the monthly operating budget report will have a separate entry showing the reserve fund balance.

(6) The Board of Directors will be responsible for conducting a study of the reserve fund to ensure that there are adequate funds to meet funding requirements. The study shall be conducted once every other year and the results shall be reported to the owners via the annual report. The Board may appoint a committee of owners or hire a private firm to undertake the study based upon final approval of owners at an association meeting.

(7) In the unlikely event the reserve funds may be needed for another purpose, the affirmative vote of sixty-seven percent (67%) or more of the total association unit owners is required to transfer reserve funds for the special purpose. The funds transferred by the owners shall be returned to the reserve fund within three years of the transfer.

(8) The Board of Directors shall be responsible for investing the funds in the reserve account to provide for safety of principal, immediate liquidity and to obtain the highest possible return in current and future economic circumstances. The investment options include:

- (a) Certificates of Deposit that are FDIC insured.
- (b) Money Market Deposit Accounts (saving and checking)
- (c) Money Market Mutual Funds
- (d) United States Treasuries, Bills, Notes and Bonds

IX. Abatement and Enjoinment of Violations With Procedure to Protect Owners

A. Association Rights:

The violation of any lawfully-adopted Rule or Regulation, or the breach of any By-Law, or the breach of any provision of the Declaration, shall give the Board of Directors the right, in addition to any other rights set forth in these By-Laws or the Wisconsin Condominium Ownership Act:

- (1) To levy fines as further outlined in this Section;

(2) To peaceably enter the unit in which, or as to which, the Board of Directors has reasonable cause to believe a serious violation or breach exists and to summarily abate and remove, at the expense of the defaulting Unit Owner, any structure, thing or condition that may exist therein contrary to the intent and meaning of the provisions hereof, and to restore the property to good condition and repair, and the Board of Directors shall not thereby be deemed guilty in any manner of trespass; or

(3) To enjoin, abate, or remedy such action, thing, or condition by appropriate legal proceedings.

B. Fining Procedure:

The Board of Directors may levy a fine against a Unit Owner for each violation of the Articles, Declarations and/or By-Laws by the Unit Owner, a member of the family, tenant, guest or visitor. A fine will be levied at the discretion of the Board; however, except in extreme or aggravated cases, a violation of the rules covered in Section VI of these By-Laws will first be reviewed and referred to the Board by the Rules and Regulations Committee.

A fine shall be due within twenty-one (21) days of the notice of fine or the notice of an affirming decision in the appeal process hereinafter provided.

C. Fining Limitations:

A fine shall range from \$25.00 to \$250.00 based upon the nature and severity of the violation and whether it is a first, repeat or ongoing violation. However, in those instances where a Unit Owner may correct the violation but fails to do so in a reasonable time frame specified by the Board, a fine of not more than \$10.00 per day may be levied until the Unit Owner makes the correction(s). If the correction is not made within twenty-five (25) days after the fine is imposed, the Board may have the violation corrected and the Unit owner assessed for the cost thereof.

D. Appeal Procedure:

Upon receiving written notice of the violation and the assessment of a fine, the Unit Owner may request a hearing in writing to the Board of Directors. Such request must be received within twenty-one (21) days of the notice or the right to the hearing shall be deemed waived.

If such a request for a hearing be timely received, the hearing shall be held before the Board after notice of not less than fourteen (14) days, and said notice shall include:

- (1) The date, time, and place of hearing;
- (2) The provisions of the document(s) alleged to have been violated; and
- (3) A short statement of the matter(s) asserted by the Association.

The party against whom the fine has been levied shall have the opportunity to respond and to present evidence as to the matter(s) involved and as to any evidence considered by the Association. Failure to appear at this hearing shall constitute a waiver of the right to be heard and a waiver of the right of further appeal as hereinafter provided. The Board shall render a decision within ten (10) days of the hearing and the party involved shall receive a notice thereof in writing.

The person being fined may appeal and request the designation of an impartial referee acceptable to both parties. In the case of such proceedings, the costs thereof shall be borne by the party requesting the referee unless it is found that the Association proceeded in bad faith or without sufficient cause.

E. Hearing:

No written notice or hearing shall be necessary for the levy of a separate fine for repeat or continued violations if substantially the same as the initial violation for which a notice and an opportunity for a hearing was provided.

F. Rules:

The Board of Directors may adopt procedural rules to implement this section.

X. Mortgages, Leasing, Sales

A. Mortgaging a Unit:

Each unit may be separately mortgaged. A Unit Owner who mortgages the unit shall notify the Board of Directors of the mortgagee's name and address. The Treasurer, when requested by a unit's mortgagee, shall report any then unpaid charges, unpaid fines, or any other defaults against the unit. The Board of Directors, when giving notice to a Unit Owner of a default in paying common charges or other default, shall send a copy of such notice to each holder of a mortgage covering such unit whose name and address has been furnished to the Board of Directors. Each Unit Owner and mortgagee of a unit shall be permitted, upon timely request to the Treasurer, to examine the books of account on the property, but not more often than once a month.

B. Leasing a Unit:

Leasing or renting a unit is prohibited at Point Elkhart except between owners for special occasions such as weddings and family reunions. The Unit Owner shall inform the Board Secretary of the rental dates.

C. Selling a Unit:

A Unit Owner may sell the unit or any interest therein, but the sale shall comply with the provisions of this Section.

(1) A Unit Owner's sale of the unit shall include the sale of:

(a) The undivided interest in the common and limited common areas (including the exclusive rights therein) and facilities appurtenant thereto;

(b) The interest of such Unit Owner in any other assets of the property, hereinafter collectively called the "appurtenant interests".

(2) No Severance of Ownership: No Unit Owner shall execute any deed, mortgage or other instrument conveying or mortgaging title to the unit without including therein the

appurtenant interests, it being the intention hereof to prevent any severance of such combined ownership. Any such deed, mortgage or other instrument purporting to affect one or more of such interests, without including all such interests, shall be deemed and taken to include the interest or interests so omitted, even though the latter shall not be expressly mentioned or described therein. No part of the appurtenant interests of any unit may be sold, transferred, or otherwise disposed of, except as a part of a sale, transfer or other disposition of the unit to which such interests are appurtenant, or as part of a sale, transfer or other disposition of such part of the appurtenant interests of all units.

(3) Payment of Assessments Before Sale: No Unit Owner shall be permitted to convey, mortgage, pledge, hypothecate, or sell the unit unless and until all unpaid common charges theretofore assessed by the Board of Directors against the unit shall have been paid in full to the Board of Directors and until all unpaid liens against such unit shall have been satisfied except permitted mortgages.

XI. Condemnation

In the event of a taking in condemnation or by eminent domain of part or all of the common or limited common areas or facilities, the award made for such taking shall be payable to the Board of Directors as Trustees of the award for the benefit of the Association and the Owners. Thereafter, the Condominium shall proceed under Sec. 703.19, Wis. Stats. In the event the Condominium continues after the taking, percentage interests shall be reallocated ratably in accordance with the respective ownership interests or parts thereof of all remaining Owners. To the extent an Owner is fairly compensated for his interests in the taking, his percentage interest shall be reduced or eliminated accordingly; and the Declaration and percentage interest therein shall be amended and restated under Sec. 703.13, Wis. Stats.

XII. Miscellaneous

A. Notices:

All notices to the Board of Directors shall be sent by ordinary mail or email, c/o the Secretary of the Board of Directors, P.O. Box 455, Elkhart Lake, Wisconsin 53020-0455, or to such other address as the Board of Directors may hereafter designate from time to time. All notices to any Unit Owner shall be sent by ordinary mail, email, or by registered or certified mail if such is deemed advisable by the Directors, to the building or to such other address as may have been designated by the Unit Owner from time to time in writing to the Board of Directors. All notices shall be deemed to have been given when mailed or emailed, except notices of change of address that shall be deemed to have been given when received.

B. Invalidity:

The invalidity of any part of these By-Laws shall not impair or affect in any manner the validity, enforceability or effect of the balance of these By-Laws.

C. Captions:

The captions herein are inserted only as a matter of convenience and for reference, and in no way define, limit or describe the scope of these By-Laws or the intent of any provision thereof.

D. Inclusiveness:

The use of the singular shall be deemed to include the plural, whenever the context so requires.

E. Waiver:

No restriction, condition, obligation or provision contained in these By-Laws shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches thereof which may occur.

XIII. Amendment to By-Laws

These By-Laws may be amended in whole or in part by the affirmative vote of Unit owners having sixty-seven percent (67%) or more of the votes, except that any By-Law amendment which would change the required percentage vote as to any matter requiring a greater than sixty-seven percent (67%) vote shall be amended only by a vote of Unit Owners having a percentage vote at least equal to the vote required as to such matter.

APPENDIX A

RULES AND REGULATIONS COMMITTEE CHARTER

An advisory committee shall be appointed with responsibility to the Board on matters related to safety, security, use of recreational facilities, use of common elements, and resident behavior standards.

Organization

The President shall appoint a Board member to act as Board Liaison, who will attend all Committee meetings but will not have a vote. The Liaison shall ensure that Committee recommendations are presented to and duly considered by the Board.

The Committee shall consist of not fewer than three (3) nor more than five (5) Unit Owners who shall be appointed by the President and approved by the Board of Directors. The terms will be for two (2) years and will coincide with the Annual Owners Meetings. The President may extend the term of a sitting member for one (1) additional term and/or request a sitting member to retire.

The President shall appoint a Chairperson and the Chair shall appoint a Secretary. The minutes shall include the resolutions passed by the Committee and the record of the vote. Minutes shall be distributed to Committee members and members of the Board and shall be made available to a Unit Owner upon written request.

Scope of Activity and Responsibility

1. Recommendations to the Board as to additions, deletions, or modifications of current Rules and Regulations;
2. Communication of current Rules and Regulations to new owners and tenants;
3. Initial, informal notification of a rule's violation to a Unit Owner, tenant, or others on the property at the Unit Owner's behest. The goal of this notification is the satisfactory resolution of the matter at that time.
4. If a satisfactory resolution does not result, the Committee shall formally notify the Unit Owner of the facts related to the violation and request the Unit Owner's appearance at a Committee hearing at a time no less than fourteen (14) days following the notice.
5. If the Unit Owner does not appear at the hearing, or the matter is not satisfactorily resolved, the Committee will give formal notification to the Board as to the particulars of the alleged violation, the result of the hearing, and their recommendations to the Board. A copy of this notification will be provided to the Unit Owner and any other individuals involved in the matter.

APPENDIX B

UNIT ALTERATION REQUEST FORM

POINT ELKHART CONDOMINIUM ASSOCIATION LIMITED REQUEST FOR
ALTERATION OR IMPROVEMENT TO BOARD OF DIRECTORS

Owner's Name _____ Unit Number _____

Date Submitted _____ Owner's Signature _____ In
accordance with Section VIII of Point Elkhart Condominium By-Laws "Additions, Alterations or
Improvement by Unit Owners," I request approval of the following improvement or alteration:

Sketch: Please show dimension or indicate scale

Plan View

Elevation

Bill of Materials [Please detail materials to be used]

Name and telephone number of Contractor: _____

Board of Directors approval is required before a building permit can be issued by the Village of Elkhart
Lake

Board Approval by _____ Date _____
(Name) (Title)

(The Board of Directors may require approval of closest unit owners)

This authorization will expire if the work is not completed within 180 days of approval date

Copy of Form Returned to

Submitter: _____

(date)

Submit an additional sheet if necessary, to show all information

9/05

APPENDIX C

EXTERIOR AWNING INSTALLATION REQUEST FORM

POINT ELKHART CONDOMINIUM ASSOCIATION LIMITED
REQUEST FOR INSTALLATION OF AN EXTERIOR AWNING

Owner's Name _____ Unit Number _____

Date Submitted _____ Owner's Signature _____

In accordance with the Point Elkhart Condominium By-Laws, I request approval of the following improvement:

1. Manufacturer: Sunsetter
2. Model: Motorized/Non-Motorized (Vista) Lateral Arm Style
3. Size (Width): _____
4. Color: Sand #1812 (Laminate)
5. Mounting height: 9 feet (108 inches)

The owner agrees to abide by the following additional conditions:

1. The owner is responsible for installation and maintenance.
2. The owner is responsible for any damage to the building caused by installation, operation or mishap regardless of fault.
3. The awning shall be extended only when the unit is occupied.
4. The awning shall not extend beyond the deck or patio.
5. No additional accessories such as lights, covers or screening panels are allowed.
6. The Board may remove any awning that is damaged, inoperable, or out of compliance with all applicable rules and regulations.
7. Each proposed awning requires separate approvals.
8. All awnings must be removed by owner from building by 11/1, reinstalling after 4/1.

Name and telephone of Installer _____

Board of Directors approval is required before installation of any awning. (Village of Elkhart Lake will not require a permit if awning is removed for part of year).

Board Approval by _____ Date _____
(Name) (Title)

This authorization will expire if the work is not completed within 180 days of approval date

Copy of Form Returned to Submitted Owner on: _____

