

(b) At each Annual Meeting, the Voting Members shall, by a majority of the total votes present at such meeting, elect a Board of Directors for the forthcoming year, consisting of three (3) owners, all of whom must reside on the property except for Board members designated and or nominated by the DEVELOPER. A quorum of the Board shall consist of one more than fifty (50%) per cent of the total membership of the Board. Members of the Board shall serve, without compensation, for a term of one (1) year or until their successors are elected and qualify, provided, however, that the terms of at least one-third of the Directors shall expire annually. If a member of the Board of Directors shall cease to meet any qualification herein required for a Member of the Board, such Member shall thereupon cease to be a Member of the Board and his place on the Board shall be deemed vacant. Vacancies in the Board may be filled by unanimous vote of the remaining Members thereof. Except as otherwise provided in the Declaration, the Property shall be managed by the Board, and the Board shall act by majority vote of those present at its meetings when a quorum exists. Meetings of the Board may be called, held and conducted in accordance with such regulations as the Board may adopt. The Unit Owners may elect to change the terms of Board members to a three (3) year term and provide for the election of one-third of the Board each year for a three year term in order to provide continuity of the Board.

(c) The Board shall elect a President who shall preside over both its meetings and those of the Voting Members (Association), a Secretary who shall keep the minutes of all meetings of the Board and of the Voting Members and who shall, in general, perform all the duties incident to the office of secretary, and a Treasurer to keep the financial records and books of account.

(d) Any Board Member may be removed from office, by the affirmative vote of the Voting Members having at least two-thirds (2/3) of the total votes, at any Special Meeting called for the purpose. A successor to fill the unexpired term of a Board Member removed may be elected by majority vote of the Voting Members at the same meeting or any subsequent meeting called for that purpose.

(e) An Annual Meeting of the Board shall be held immediately following the Annual Meeting of the Unit Owners and at the same place. Special Meetings of the Board shall be held upon call by the President or by a majority of the Board on not less than forty-eight (48) hours notice in writing to each member, delivered personally or by mail or telegram. Any Board Member may in writing waive notice of a meeting, or consent to the holding of a meeting without notice, or consent to any action of the Board without a meeting.

(f) Board Members shall receive no compensation for their services, unless expressly provided for in resolutions duly adopted by the Unit Owners.

(g) All Board Meetings shall be open to the membership.

6.07 General: Powers of the Board: Without limiting the general powers which may be provided by law, this Declaration, and the Act, the Board shall have the following general powers and duties;

- (a) To elect the officers of the Association as hereinabove provided;
- (b) To administer the affairs of the Association and the Property;
- (c) To engage the services of a manager or managing agent who shall manage and operate the Property and the Common Elements thereof for all of the Unit Owners, upon such terms and for such compensation and with such authority as the Board may approve (subject to Section 5.10 (b) above);
- (d) To formulate policies for the administration, management and operation of the Property and the Common Elements thereof.
- (e) To adopt administrative rules and regulations governing the administration, management, operation and use of the Property and the Common Elements, and to amend such rules and regulations from time to time;
- (f) To provide for the maintenance, repair and replacement of the Common Elements and payments therefor, and to approve payment vouchers or to delegate such approval to the officers or the manager or managing agent;
- (g) To provide for the designation, hiring and removal of employees and other personnel, including accountants, and to engage or contract for the services of others, and to make purchases for the maintenance, repair, replacement, administration, management and operation of the Property and the Common Elements, and to delegate any such powers to the manager or managing agent (and any such employees or other personnel who may be employees of the managing agent);
- (h) To estimate the amount of the annual budget, and to provide the manner of assessing and collecting from the Unit Owners their respective shares of such estimated expenses, as hereinafter provided; to estimate the amount of the annual budget for the operations of the recreational amenities;
- (i) To comply with the instructions of a majority of the Unit Owners, as expressed in a resolution duly adopted at any Annual or Special Meeting of the Unit Owners; and
- (j) To exercise all other powers and duties of the Board of Directors or Unit Owners as a group referred to in the Act, and all powers and duties of a Board of Directors referred to in the Declaration or these By-Laws.

6.08 Specific Powers of the Board: The Board, for the benefit of the Board, the Association and all Unit Owners, shall provide and shall pay for out of the maintenance fund hereinafter provided, the following:

(a) Utility Service for Common Elements: Water, sewage, waste water removal, electricity, gas and telephone, heat, power and other necessary utility service for the Common Elements (and, if not separately metered or charged, for the Units);

(b) Casualty Insurance: Insurance for the Property against loss or damage by fire and such other hazards as the Board may deem desirable, for the full insurable replacement cost of the Common Elements, if any, located within a building or buildings not located on Individual Grounds. Premiums for such insurance shall be common expenses. Such insurance coverage shall be written in the name of, losses under shall be adjusted by, and the proceeds of such insurance shall be payable to, the members of the Board as Trustees for each of the Unit Owners in their respective percentages of ownership interest in the Common Elements as established in Exhibit "B". The Board may engage the services of any bank or trust company authorized to do trust business in Wisconsin to act as trustee, agent or depository on behalf of the Board for the purpose of receiving and disbursing the insurance proceeds resulting from any loss, upon such terms as the Board shall determine consistent with the provisions of the Act and this Declaration. The fees of such corporate trustee shall be Common Expenses. In the event of any loss in excess of \$50,000.00 in the aggregate, the Board shall engage a corporate trustee, as aforesaid.

The proceeds of such insurance shall be applied by the Board or by the corporate trustee on behalf of the Board for the reconstruction of the Building or Buildings, or shall be otherwise disposed of, in accordance with the provisions of this Declaration and the Act; and the rights of the mortgagee of any Unit under any standard mortgage clause endorsement to such policies shall, notwithstanding anything to the contrary therein contained, at all times be subject to the provisions in the Act with respect to the application of insurance proceeds to reconstruction of the improvements. Payment by an insurance company to the Board or to such corporate trustee of the proceeds of any policy, and the receipt of release from the Board of the company's liability under such policy shall constitute a full discharge of such insurance company, and such company shall be under no obligation to inquire into the terms of any trust under which such proceeds may be held pursuant thereto, or to take notice of any standard mortgage clause endorsement inconsistent with the provisions hereof, or to see to the application of any payments of the proceeds of any policy by the Board or the corporate trustee.

(c) Liability Insurance: Comprehensive public liability insurance,

including liability for injuries to and death of persons, and property damage, in such limits as it shall deem desirable, and other liability insurance as it may deem desirable, insuring each Unit Owner, the Association, its officers, members of the Board, the DEVELOPER, the manager and managing agent of the Buildings, if any, and their respective employees and agents, from liability in connection with the Common Elements and the streets, sidewalks and areas adjoining the Property and insuring the officers of the Association and members of the Board from liability for good faith actions beyond the scope of their respective authorities. Such insurance coverage shall include cross liability claims of one or more insured parties against other insured parties. The premiums for such insurance shall be Common Expenses

(d) Worker's Compensation: Worker's compensation insurance to the extent necessary to comply with any applicable laws;

(e) Wages and Fees for Services: The services of any person or firm employed by the Board, including, without limitation, the services of a person or firm to act as manager or as managing agent for the Property, the services of any person or persons required for maintenance or operation of the Property, and legal and accounting services necessary or proper in the operation of the Property or the enforcement of this Declaration and for the organization, operation and enforcement of the rights of the Association;

(f) Care of Common Elements: Landscaping, gardening, snow removal, painting, cleaning, tuckpointing, maintenance, decorating, repair and replacement of the Common Elements (but not including any portion of the Common Elements which are the responsibility of any Owner) and such furnishings and equipment for the Common Elements as the Board shall determine are necessary and proper, and the Board shall have the exclusive right and duty to acquire or provide the same for the Common Elements;

(g) Additional Expenses: Any other materials, supplies, furniture, labor, services, maintenance, repairs, structural alteration, insurance or assessments which the Board is required to secure or pay for pursuant to the terms of these restrictions or by law or which in its opinion shall be necessary or proper for the maintenance and operation of the Property as first class residential property or for the enforcement of this Declaration;

(h) Discharge of Mechanic's Liens: Any amount necessary to discharge any mechanic's lien or other encumbrance levied against the entire Property or any part thereof which may in the opinion of the Board constitute a lien against the property or against the Common Elements, rather than merely against the interest therein of any particular Unit Owner; it being understood, however, that the foregoing authority shall not be in limitation of any statutory provisions relating to the same