

BY-LAWS OF POTAWATOMI PROPERTY OWNERS ASSOCIATION, INC.

Article I. NAME AND PURPOSE.

Pursuant to the Articles of Incorporation of Potawatomi Property Owners Association, Inc., recorded in the Office of the Register of Deeds for Bayfield County, Wisconsin, and the Declaration of Restrictive Covenants by Juneau Land Company, the following are adopted as the By-laws of Potawatomi Property Owners Association, Inc., which is a corporation formed to serve as an Association of Property Owners who own real estate within the area described in the Declaration or an Supplemental Declaration.

These By-Laws shall be deemed covenants running with the land and shall be binding on the members, their heirs, administrators, executors, successors and assigns.

Article II. MEMBERS, VOTING AND MEETINGS.

1. (a) Every person or entity who holds an equitable interest, or an undivided equitable interest, including the Developer, in any lot or lots included within "The Properties: as herein defined, whether as land contract vendee or fee holder being subject to these covenants, shall be a member of the Association provided that any such person or entity who holds such interest merely as a security for the performance of an obligation shall not be a member.

(b) Persons not holding an interest in any Lot in said properties may become non-voting members of the Association under the terms and conditions prescribed by the Board of Directors.

2. Voting Rights.

The Association shall have one class of voting membership. Voting members shall be all those members who hold the interests required for Membership in Article III in Section 1 (a) above. When more than one person holds such interest or interests in any lot in said Properties, all such persons shall be members and the vote for each such Lot shall be exercised as they among themselves determine. Each member shall be entitled to one vote for each lot that he owns or in which he owns in fee or in which he has an interest as a land contract purchaser.

3. Quorum and Proxies for Members' Meetings.

A quorum for members' meetings shall consist of one hundred fifty (150) of the votes entitled to vote. Votes may be cast in person or by proxy. Proxies shall be valid only for the particular members' meeting designated therein and must be filed with the Secretary before the appointed time of the meeting. The vote of the owners of a unit owned by more than one person or by some other entity shall be cast by a person named in a certificate signed by all of the owners of the unit and filed with the Secretary of the Association. If any meeting of members cannot be organized because of a quorum is not present, a majority of the members who are present, either in person or by proxy, may adjourn the meeting from time to time until a quorum is present without further notice. At such adjourned meeting at which a quorum shall be present or represented any business may be transacted which might have been transacted at the meeting as originally notified.

4. Time, Place, Notice and Calling of Members' Meetings.

Written notice of all meetings stating the time and place and the purposes for which the meeting is called shall be given by the President or Secretary, unless waived in writing, to each member at his

address as it appears on the books of the Association and shall be mailed, or personally delivered not less than thirty (30) days prior to the date of meeting. Notice of meeting may be waived before or after meetings. Meetings shall be held at such time and place as may be designated by the Board of Directors. The annual meeting shall be held on the ____ day of _____ of each year for the purpose of electing directors and of transacting any other business authorized to be transacted by the members. Special meetings of the members shall be held whenever called by the President or any two members of the Board of Directors and must be called by such officers upon receipt of a written request signed by members with one-third of all votes entitled to be cast.

Article III. BOARD OF DIRECTORS.

1. Number and Qualifications of Directors.

The Board of Directors shall consist of six (6). Each member of the Board of Directors shall be a member of the Association or, in the event that such member of the Association is not a natural person, the appointee of such member of the Association.

2. Duties of the Board of Directors.

The Board of Directors shall prepare a roster of the properties and assessments applicable thereto at least thirty (30) days advance of such assessment due date. Such assessment rosters shall be kept in the office of the Association and shall be open to inspection by any owners.

In addition, all powers as shall be necessary for the administration of the affairs of the Association shall be exercised by the Board of Directors.

3. Election and Term of Directors.

At annual meeting of the Association, the members shall elect six (6) directors to hold office until the next annual meeting or until any of the directors shall have been removed in the manner hereinafter provided.

4. Vacancies on Board

Vacancies on the Board of Directors caused by any reason other than the removal of a director by a vote of the members shall be filled by a vote of the majority of the remaining directory even though they may constitute less than a quorum, and each person as elected shall be a director until a successor is elected at the next annual meeting of the members at which that class of director is to be elected.

5. Removal of Directors

At any regular or special meeting duly called, any one or more of the directors may be removed with or without cause by a majority of the votes of the members entitled to be cast and a successor may then and there by elected to fill the vacancy thus created.

6. Regular Meetings and Notice.

A regular annual meeting of the Board of Directors shall be held immediately after, and at the same place as, the annual meeting of the members. Notice of the regular annual meeting of the Board of Directors shall not be required.

7. Special Meetings and Notice.

Special meetings of the Board of Directors may be called by the President or by two (2) directors on three (3) days prior written notice to each director, given personally or by mail. Which notice shall state the time, place and purpose of the meeting.

8. Waiver of Notice.

Before, at or after any meeting of the Board of Directors, a director may, in writing, waive notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a director at any meeting of the Board shall be a waiver of notice by him of the time and place thereof. If all of the directors are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

9. Quorum of Directors — Adjournments.

At all meetings the Board of Directors, a majority of the directors shall constitute a quorum for the transaction of business and the acts of the majority of the directors present at a meeting at which a quorum is present shall be the acts of the Board of Directors. If, at any meeting of the Board of Directors, there shall be less than a quorum present, the majority of those present may adjourn the meeting from time to time without further notice. At any such adjourned meeting at which a quorum is present, any business which might have been transacted at the meeting as originally called may be transacted.

10. Fidelity Bonds.

The Board of Directors may require that some or all officers and/or employees of the Association handling or responsible for Association's funds shall furnish adequate fidelity bonds. The premiums on any such bonds shall be paid for by the Association.

11. Liability of Directors and Officers

No person shall be liable to the Association for any loss or damage suffered by it on account of any action taken or omitted to be taken by him as a director or officer of the Association if such person (a) exercised and used the same degree of care and skill as a prudent man would have exercised or used under the circumstances in the conduct of his own affairs, or (b) took or omitted to take such action in reliance upon advice of counsel for the Association or upon statements made or information furnished by officers or employees of the Association which he had reasonable grounds to believe to be true. The foregoing shall not be exclusive of other rights and defenses to which he may be entitled as a matter of law.

Article IV. OFFICERS.

1. Designation, Election and Removal.

The principal officers of the Association shall be President, Vice President, Secretary, and Treasurer to be elected annually by the Board of Directors. Upon the affirmative vote of a majority of the Members of the Boards of Directors, any officer may be removed, either with or without cause, and his successor shall be elected at the regular meeting of the Board of Directors, or at any special meeting called for that purpose. Any office, except a combination of the offices of President and Secretary and a combination of the offices of President and Vice President may be held by the same person.

2. President.

The President shall be selected from among the members of the Board of Directors and shall be the chief executive officers of the Association. He shall preside at all meeting of the Association. He shall have all the general powers and duties which are usually vested in the office of President including, but not limited to, the power to sign, together with any other officer designated by the Board, any contracts, checks, drafts, or other instruments on behalf of the Association in accordance with the provisions herein.

3. Vice President.

The Vice President shall take the place of the President, shall be absent or unable to act. If neither the President nor the Vice President is able to act, the Board of Directors shall appoint some other member of the Board to do so on an interim basis. The Vice President shall also perform such other duties as shall from time to time be imposed upon him by the Board of Directors.

4. Secretary.

The Secretary shall keep minutes of all meetings of the Board of Directors and of the Association and shall have charge of the Association's books and records, and shall, in general, perform all the duties incident to the office of Secretary.

5. Treasurer.

The Treasurer shall have the responsibility for the Association's funds and shall be responsible for keeping full and accurate accounts of the receipts and disbursements and financial records and files of account belonging to the Association.

He shall be responsible for the deposit of all moneys and all valuable effects in the name, and to the credit, of the Association in such depositories as may from time to time be designated by the Board of Directors. The Treasurer shall also be responsible for the billing and collection of all common charges and assessments made by the Association.

Article V. OPERATION OF THE PROPERTY.

1. Annual Operating Charges.

Any and all assessments for the purpose of promoting the recreation, health, safety and welfare of the Owners, shall be controlled by the provision of the Declaration, which such provision are incorporated herein by reference.

Article VI. AMENDMENTS.

These By-Laws may be altered, amended or repealed and new By-Laws may be adopted by the members, at any meeting called for such purpose by an affirmative vote of all of the votes entitled to be cast.

Article VII. MISCELLANEOUS.

1. Mergers.

Upon merger of consolidation of the Association with another association as provided in its Articles of incorporation, its properties, rights and obligations may, by operation of law be transferred to

another surviving or consolidated association or, alternatively, the properties, rights and obligations of another association may, by operation of law, be added to the properties, rights and obligations of the Association as a surviving corporation pursuant to a merger. The surviving or consolidated association may administer the covenant and restrictions established by the Declaration with Existing property together with the covenants and restrictions established upon any other properties with one scheme. No such merge or consolidation, however, shall effect any revocation, change or addition to the Covenants established by this Declaration with the Existing Property except as hereinafter provided.

2. Subordination.

These By-Laws are subordinate and subject to all provision of the Declaration and any amendments thereto, which shall control in case of any conflict. All terms herein (except where clear repugnant to the context) shall have the same meaning as in the Declaration.

3. Interpretation.

In case any provision of these By-Laws shall be held invalid, such invalidity shall not render invalid any other provision hereof which can be given effect. Nothing in these By-Laws shall be deemed or construed to authorize the Association Board of Directors to conduct or engage in any active business for profit on behalf of any or all of the unit owners.