

LAKE FOREST RESORT AND CLUB CONDOMINIUM ASSOCIATION



RESTATED BY-LAWS

(Effective 9.18.2009)

The document titled "Amended By-Laws of Lake Forest Resort and Club Condominium Association October 10, 1987" is replaced by this By-Laws document titled "Restated By-Laws of Lake Forest Resort and Club Condominium Association September 18, 2009".

As allowed by and in accordance with state law and Article XI of the By-Laws, the following updates have been incorporated into this Restated By-Laws document:

- ARTICLE IV, Section 7, Title
(Amended September 18, 2009)
- ARTICLE VI, Borrowing, Section 1
(Amended September 18, 2009)

In addition, spelling and grammatical errors were corrected and formatting was standardized as allowed in Article XI of the By-Laws.

Documents containing the original wording of all amendments and revisions are on file in the Lake Forest Resort and Club (LFRC) archives.

This restatement has been reviewed and approved by the LFRC Board of Directors on 9.19.2014

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LAKE FOREST RESORT AND CLUB CONDOMINIUM ASSOCIATION
September 18, 2009

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RESTATED BY-LAWS OF
LAKE FOREST RESORT AND CLUB CONDOMINIUM ASSOCIATION

September 18, 2009

ARTICLE I – Form of Administration

Section 1. Association. This Association, established pursuant to the Condominium Ownership Act, Chapter 703, Wisconsin Statutes, shall be incorporated as a not-for-profit corporation under Chapter 181 of the Wisconsin Statutes. An Association for the government and administration of the Condominium is hereby established pursuant to Section 703.15 of the Act. The name of the Association shall be Lake Forest Resort & Club Condominium Association. Said Association is a not-for-profit association organized and existing pursuant to the Act and consists of all of the Unit Owners acting as a group in accordance with these By-Laws and the Declaration of Condominium. The Association shall have all of the power and duties set forth in the Condominium Ownership Act, as well as all of the powers and duties granted to or imposed upon it by these By-Laws and the Declaration of Condominium.

Every Owner of a Unit, whether he has acquired his ownership by purchase, by gift, conveyance or transfer by operation of law, or otherwise, shall be bound by these By-Laws and by the provisions of the Declaration of Condominium.

The Association shall have a Board of Directors, selected in the manner set forth in these By-Laws, and may also have a Manager, as set forth herein. Said Board of Directors and Manager shall not be personally liable for any actions or omissions on their part, except for willful misconduct. In the event any liability is incurred by any such actions or omissions, the party or parties held liable shall be indemnified and held harmless from liability by the Association, with the amount of said liability being treated as a Common Expense.

Section 2. The affairs of the Condominium shall be governed by the Association, in accordance with the provisions of the Condominium Ownership Act, Chapter 703, Wisconsin Statutes, of said Declaration, and of these By-Laws.

Section 3. The owner of a unit week shall be a member of this Association. Determination of owners shall be from the records of the Vilas County Register of Deeds. Voting shall be in accordance with Section 7 of Article II.

Section 4. The Association shall elect a Board of Directors to perform the duties of the Association. Said Board shall be elected, invested with powers, and subject to removal, all in the manner hereinafter set forth.

Section 5. The mailing address of the Association shall be:

Lake Forest Resort and Club Condominium Association
1531 Golf View Road
Eagle River, Wisconsin 54521

ARTICLE II – Association Meetings

Section 1. Annual Meeting. The annual meeting of the Association shall be held on the first Saturday of the month of December in each year. (Amended April 6, 1991)

Section 2. Special Meetings. Special meetings may be held at any time upon call of the Board of Directors or upon the call of the owners of twenty-five (25%) percent of all unit weeks. Such call shall state the purpose of such special meeting and shall be directed to the Secretary of the Association. Upon receipt of such call, the Secretary shall give notice of the meeting to all members of the Association, which meeting shall be held as provided herein.

Section 3. Notice of Meetings. A written or printed notice of every meeting of the Association stating whether it is an annual meeting or special meeting, the authority for the call of the meeting, the place, day and hour thereof, and the purpose therefore, shall be given by the Secretary at least ten (10) days before the date set for such meeting. Such notice shall be given to each member in any one of the following ways:

- a) by leaving the same with him personally; or
- b) by leaving the same at the residence or usual place of business of such member; or
- c) by mailing it, postage prepaid, to the member at his/her address as it appears on the records of the Association; or
- d) if such owner or mortgagee cannot be located by reasonable efforts, by publishing such notice in any newspaper of general circulation in Eagle River, Wisconsin, such notice to be published one time not less than three (3) days nor more than ten (10) days prior to the day assigned for the meeting. If notice is given pursuant to the provisions of this section, the failure of any member to receive actual notice of the meeting shall in no way invalidate the meeting or any proceedings there at. Upon written request mailed by registered mail addressed to the Secretary of the Association, the holder of any duly recorded mortgage on any unit shall be entitled to receive all notices sent to the members from and after receipt of said request is withdrawn or said mortgage is discharged of record.

Section 4. Place of Meetings. All meetings of the Association shall be held upon the condominium property or at such other place as the Association designates.

Section 5. Waiver of Notice. The presence of all the members, in person or by proxy, at any meeting shall render the same as a valid meeting, unless any member shall, at the opening of such meeting, object to the holding of the same for noncompliance with the provisions of Section 3 of this Article II. Any meeting so held without objection shall, notwithstanding the fact that no notice of meeting was given, or that the notice given was improper, be valid for all purposes, and at such meeting any general business may be transacted and any action may be taken; provided, however, that where a member had pledged his vote by mortgage, deed of trust, or agreement of sale, only the presence of the

pledgee will be counted in determining whether notice is waived with regard to business dealing with such matters upon which the member's vote is so pledged.

Section 6. Quorum. At any meeting of the Association, members, present in person or by proxy, whose aggregate interest in the common elements constitutes twenty-five (25%) percent of the aggregate interests of all of the members shall constitute a quorum, and the concurring vote of a majority of such quorum shall be valid and binding upon the Association except as otherwise provided by law or these By-Laws. In the event a member has pledged his vote by mortgage, deed of trust, or agreement of sale, the member's vote will be recognized in computing a quorum with regard to any business conducted concerning such matters upon which member's vote is so pledged to mortgaged unless the mortgage, deed of trust, or agreement of sale provides otherwise, in which event such instruments shall control.

Section 7. Voting. Any person, firm, corporation, trust, or other legal entity or a combination thereof, owning any unit duly recorded in his or its name, the ownership whereof shall be determined by the records of the Vilas County Register of Deeds, shall be a member of the Association, and either in person or by proxy entitled to vote at all meeting of the Association. The number of votes which each owner shall be entitled to cast shall be governed by the Declaration of Condominium of Lake Forest Resort & Club. Any provision to the contrary notwithstanding, co-owners or joint owners shall be deemed one owner. The authority given by a member to another person to represent such member at meetings of the Association shall be in writing, signed by such member, or, if a unit is jointly owned, then by all joint owners or, if such member is a corporation, by the proper officers thereof and shall be filed with the Secretary and, unless limited by its terms, such authority shall be deemed good until revoked in writing. Any executor, administrator, guardian, or trustee may vote in person or by proxy at any meeting of the Association with respect to any dwelling or unit owned or held by him in such capacity, whether or not the same shall have transferred to his name by a duly recorded conveyance. In case such unit shall not have so been transferred to his name, he shall satisfy the Secretary that he is the executor, administrator, guardian, or trustee holding such unit in such capacity. Whenever any such unit is owned by two or more jointly according to the said records, the vote therefore may be exercised by any one of the owners present in the absence of protest by the other or others.

Section 8. Adjournment. Any meeting of the Association may be adjourned from time to time to such place and time as may be determined by majority vote of the members present whether a quorum be present or not, without notice other than the announcement at the meeting. At any adjourned meeting at which a quorum is present, any business may be transacted which might have been transacted by a quorum at the meeting as originally called.

Section 9. First Annual Meeting. Declarant, Northland Investment Corporation, by its president, E.L. Mason, shall act as Temporary Chairman of the first annual meeting and the first order of business shall be the election of a President of the Association. Upon his election, the President shall become permanent chairman of the meeting.

Section 10. Prohibitions. No vote shall be permitted to be cast on behalf of a unit, or by a unit owner, if there are any unpaid dues or assessments against such unit.

ARTICLE III – Directors and Officers

Section 1. Number and Qualification. The affairs of the Association shall be administered by a Board of Directors consisting of seven (7) persons. Prior to the conveyance of twenty-five (25%) percent of the common element interest to purchasers, the Association shall hold a meeting and the unit owners other than the Developer shall elect at least twenty-five (25%) percent of the Directors of the Board. Prior to the conveyance of fifty (50%) percent of the common element interest to purchasers, the Association shall hold a meeting and the unit owners other than the Developer shall elect at least thirty-three and one-third (33 1/3%) percent of the Directors of the Board. The calculation of the percentage of common element interest conveyed to purchasers shall be based on the percentage of undivided interest appertaining to each unit which has been conveyed assuming that all of the units to be completed are

included in the Condominium. The Board of Directors shall be elected at the annual meeting of the Association for terms as hereinafter defined:

- A. Two (2) members of the Board elected at the annual meeting in January, 1986, be elected for a term of three (3) years. Three (3) members of the Board elected at the annual meeting in January, 1987, be elected for a term of three (3) years, and two (2) members be elected for a term of one (1) year. In 1987, the three (3) persons having the highest vote count shall serve the three year terms, and the two (2) members having the lowest vote count shall serve for the one (1) year terms.
- B. At each subsequent election, all members of the Board of Directors shall serve a term of three (3) years.
- C. No person shall serve more than two (2) consecutive full terms on the Board of Directors.
- D. The Board of Directors shall annually elect four (4) officers: a President, a Vice-President, a Treasurer, and a Secretary. Each of said officers shall be elected at the Board Meeting following the annual meeting for a term of one (1) year, and each of said officers shall be a unit owner.

Section 2. Special Duties. (a) President. The President shall be the chief executive officer of the Association. He shall preside at all meetings of the Association and of the Board of Directors. He shall have all of the general powers and duties which are usually vested in the office of the president of an association, including but not limited to the power to appoint committees from among the owners from time to time as he may in his discretion decide is appropriate to assist in conducting the affairs of the Association. (b) Treasurer. The Treasurer shall have the overall responsibility for Association funds and investments, and shall be responsible for monitoring of the receipt and disbursement accounts and books belonging to the Association. He shall also be responsible for the regular review of monies deposited, and other 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 see to it that the Board of Directors is provided regular accountings with respect to all financial matters as may affect the Association. (c) Secretary. The Secretary shall attend and keep the minutes of all meetings of the Board of Directors or of the Association, and shall give all notices as provided by these By-Laws or assigned to him from time to time by the directors. If the Secretary shall not be present at any meeting, the presiding officer shall appoint a secretary pro tempore who shall keep the minutes of such meeting and record them in the books provided for the purpose. The Secretary shall be the counter of votes at all meetings of the Association and Board. (d) Vice-President. In the absence of the President, the Vice-President shall be the chief presiding officer, and shall have all other general powers and duties which are usually vested in the office of President of the Association. REGISTERED AGENT. The Board shall determine, from time to time, who shall perform the duties of Registered Agent of the Condominium, as required by Chapter 703 and Chapter 181, Wisconsin Statutes.

Section 3. Powers and Duties of the Board. The Board of Directors shall have the powers and duties necessary for the administration of the affairs of the Association and may do all such acts and things as are not by law or by these By-Laws directed to be exercised and done by the owners.

Section 4. Other Duties. In addition to duties imposed by the By-Laws or by resolutions of the Association, the Board of Directors shall be responsible for the following:

- a) Care, upkeep, and surveillance of the Condominium and Common Elements;
- b) Collection of assessments from the owners;
- c) Designation and dismissal of the personnel necessary for the maintenance and operation of the Condominium and the Common Elements;
- d) Maintenance of insurance coverage on the property as required by said Act and Declaration

Section 5. Bonds of Officers and Employees. The Board of Directors shall require that all officers and employees of the Association, handling or responsible for Association funds, shall furnish adequate bonds. The premiums on such bonds shall be paid as the Board may direct.

Section 6. Manager or Management Company and Employees. The Board of Directors may employ for the association a Manager or Management Company, at a compensation established by the Board to perform such duties and services as the Board shall authorize, including, but not limited to, the duties listed in Section 4 of this Article. The duties conferred upon the Manager or Management Company by the Board of Directors may be at any moment revoked, modified, or amplified by the majority of owners in a duly constituted meeting. The Board of Directors may employ any other employees or agents to perform such duties and at such salaries as the Board of Directors may establish.

Section 7. Vacancies. Vacancies in the Board of Directors caused by any reason other than the removal of a director by a vote of the Association shall be filled by vote of the majority of the remaining directors and each person so elected shall be a director for the remainder of the term of the director so replaced.

Section 8. Removal of Directors. At any regular meeting or special meeting duly called, any one or more of the directors may be removed without cause by a majority of the owners and a successor may then and there be elected to fill the vacancy thus created, and for the remainder of that term. Any director whose removal has been proposed by the owners shall be given an opportunity to be heard at the meeting.

Section 9. Compensation. No compensation shall be paid to directors for their services as directors. No compensation shall be paid to a director for services performed by him for the Association in any other capacity, unless a resolution authorizing such compensation shall have been unanimously adopted by the Board of Directors before the services are undertaken. The reasonable expenses of travel and/or lodging while performing Association business will be reimbursed by the Association.

Section 10. Organization Meeting. The first meeting of the elected Board of Directors shall be held within one week of election at such place as shall be fixed by the directors at the meeting at which such directors were elected, and no notice shall be necessary to the newly elected directors in order legally to constitute such meeting, providing a majority of the whole Board shall be present.

Section 11. Regular Meetings. Regular meetings of the Board of Directors may be held at such time and place as shall be determined, from time to time, by a majority of the directors. Notice of regular meetings of the Board of Directors shall be given to each director, personally or by mail, addressed to his residence, or by telephone, at least three (3) days prior to the day named for such meeting.

Section 12. Special Meetings. Special meetings of the Board of Directors may be called by any two of them on three days' notice to the other, given personally or by mail, addressed to his residence, or by telephone, which notice shall state the time, place and purpose of the meeting.

Section 13. Open Meetings. All meetings of the Board of Directors shall be open meetings.

Section 14. Waiver of Notice. Before or at any meeting of the Board of Directors, any 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 the directors are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

Section 15. Board of Directors Quorum. At all meetings of the Board of Directors, four (4) directors shall constitute a quorum for the transaction of business, and the acts of the four (4) directors present at a meeting duly called and noticed shall be the acts of the Board of Directors.

ARTICLE IV – Obligation of Unit Owners

Section 1. Expenses and Assessments. Every owner shall contribute pro-rata toward the expenses of administration of the Condominium, including, but not limited to, all types of insurance, the cost of operation, maintenance, repair, and replacement of the common elements, including buildings, other structures, furniture, and equipment, according to the percentage interest appurtenant to his respective unit as stated in the Declaration. The association shall fix an annual charge for each unit in an amount sufficient to provide for its pro-rata share of all such current expenses, reasonable reserves for future expenses of administration, and such other expenses as the Association may deem proper, subject to adjustment from time to time as the Association may deem necessary. Such annual charge shall be due and payable in advance during the first month of the calendar year, and shall bear interest at the rate of interest as, from time to time, is established by the Board, and interest shall accrue from the first day of February, until paid, and with such interest may be a lien on the unit, assessed prior in right to all other charges whatsoever except assessment, liens, and charges in favor of the State of Wisconsin for taxes past due and unpaid on such unit and amounts and liabilities secured by mortgage instruments duly recorded. In the event any owner is delinquent in the payment of any annual assessment for a period in excess of thirty (30) days, the right of such owner to vote at any meeting of the Association shall be suspended until such delinquent assessment and interest is paid. Notwithstanding the foregoing with regard to the due date of the annual charge for each unit, every owner shall and agrees to pay his annual dues thirty (30) days prior to the beginning of his week(s) of ownership. In the event that said dues shall not be timely paid, and at the discretion of the Board of Directors, a delinquent owner's rights and privileges, or those of his designee, incident to the Condominium may be suspended. Notice of suspension shall be given in any such fashion as permitted for giving notice of meetings. In keeping with the duties of the Board of Directors as specified in Article III - Directors and Officers - Section 4 of these Bylaws, the Board of Directors of Lake Forest Resort and Club Condominium Association is specifically empowered to rent the week(s) of said delinquent owner upon terms as the Board may direct. Any funds so collected, after first deducting attendant costs and expenses, shall be credited to the account of the delinquent owner. At such time as an owner's delinquent account is paid in full including interest as described above, the balance of any collected funds shall be returned to the delinquent owner and his privileges and rights to his use and enjoyment to the Lake Forest Resort and Club Condominium Association shall be restored in full as granted and imposed by these By-Laws and the Declaration of Condominium. (Amended Oct. 8, 1988)

Section 2. Maintenance and Repair. The Association Board of Directors or appointed Manager will promptly repair all damage or loss caused by a unit owner during period of occupancy. The unit owner is expressly responsible for prompt payment of a statement of charges thereafter rendered, and failure to perform will constitute a lien on the property and suspension of occupancy rights.

Section 3. Use of Units. All units shall be utilized in accordance with the provisions of the By-Laws, Declaration, and Rules and Regulations concerning the use of Lake Forest Resort and Club Condominium Association by its owners.

Section 4. Rules and Regulations Concerning the Use of Lake Forest Resort & Club by its Owners. In order to assure the peaceful and orderly use and enjoyment of the Common Elements, the Association, Board of Directors, and Manager with approval of the Board of Directors, may from time to time adopt, modify, and revoke in whole or in part such reasonable rules and regulations governing the conduct of persons on Condominium property as may be necessary or desirable. Such rules upon adoption shall be binding upon all members of the Association and occupants of the buildings.

Section 5. Foreclosure of Lien. In any suit to foreclose the lien against any owner of a Unit, the Association may represent itself through its manager or Board of Directors in like manner as any mortgagee of real property. The manager or Board of Directors acting on behalf of the Unit owners shall have the power to bid and acquire such Unit at a foreclosure sale. The delinquent owner shall be required to pay to the Association a reasonable rent for subject Unit until sale or foreclosure, together with all costs and reasonable attorney's fees. Suit to recover a money judgment for unpaid common expenses shall be maintainable, with all costs and reasonable attorney's fees, without foreclosing or waiving the lien securing the same.

Section 6. Right of Entry. The manager and any person authorized by the Board of Directors shall have the right to enter each Unit in case of any emergency originating in or threatening such Unit or the common areas and facilities whether or not the owner or occupant is present at the time.

Section 7. Title. Every Unit owner shall promptly cause to be duly recorded in the Vilas County Register of Deeds Office, the deed, lease, assignment, or other conveyance to the Unit Owner of the Owner's Unit or other evidence of title thereto and shall also file such evidence of his title with the Board of Directors. The Secretary shall maintain such information in a record of ownership of the Association, which shall be available to all owners in accordance with the Association's written privacy policy. (Amended Sept. 18, 2009)

ARTICLE V – Execution of Instruments

Section 1. Instruments, Generally. All checks, drafts, notes, bonds, acceptance, contracts, and all other instruments except conveyances shall be signed by the President, or by the Treasurer or Manager.

Section 2. Conveyances. All conveyances of Association property shall be signed by such person or persons as shall be designated by resolution of the Association authorizing such conveyance.

ARTICLE VI – Borrowing

Section 1. The Board of Directors of the Association has the authority to authorize borrowing up to a maximum of fifty thousand dollars (\$50,000) of total outstanding debt through a combination of a line of credit, credit cards, equipment loans, etc. This \$50,000 maximum amount shall be for normal operational debt and shall include line of credit with a lender, credit cards, equipment loans, and all other operational debt up to a maximum total aggregate amount of \$50,000. Any borrowing over this total of \$50,000 shall require approval of at least 67% of the total votes of the Unit Owners. (Amended Sept. 18, 2009)

ARTICLE VII – Liability of Officers

Section 1. Exculpation. No director or officer of the Association shall be liable for any negligent acts or failure to act on his part, or for any acts or defaults of any other officer or member, or for any loss sustained by the Association, or any member thereof, unless the same has resulted from his own willful misconduct.

Section 2. Indemnification. Every director, officer, and member of the Association shall be indemnified by the Association against all reasonable costs, expenses and liabilities (including attorney's fees), actually and necessarily incurred by or imposed upon him in connection with any claim, action, suit, proceeding, investigation, or inquiry of whatever nature in which he may be involved as a party or otherwise by reason of his having been a director, officer or member of the Association at the time of the incurring or imposition of such costs, expenses, or liabilities, except in relation to matters as to which he shall be finally adjudged in such action, suit proceeding, investigation or inquiry to be liable for willful misconduct toward the Association in the performance of his duties; or in the absence of such final adjudication, any determination of such liability by the opinion of legal counsel selected by the Association. The foregoing right of indemnification shall be in addition to and not in limitation of all rights to which such persons may be entitled as a matter of law and shall inure to the benefit of the legal representatives of such person.

ARTICLE VIII – Fiscal Year

Section 1. Fiscal Year. The fiscal year of the Association shall be such as may from time to time be established by the Board of Directors.

ARTICLE IX – Audit

Section 1. Auditor. The Association may at any meeting appoint some persons or a firm or corporation engaged in the business of auditing to act as auditor of the association and to perform such audits and fiscal duties as may be requested of him by the Association.

ARTICLE X – Initial Rules and Regulations

Section 1. No Unit owner shall permit or suffer anything to be done or kept in his Unit which will increase the rate of insurance on the Common Elements, or which will obstruct or interfere with the rights of other unit owners, or annoy them by unreasonable noises, or otherwise, nor shall any Unit owner commit or permit any nuisance, immoral or illegal act in or about the condominium property.

Section 2. No Unit owner shall cause anything to be hung, displayed or placed on the interior or exterior walls, doors or windows of a Unit, without the prior written consent of the Board of Directors of the Association.

Section 3. No Unit owner shall show or place any signs of advertisements or notices of any type, on the Common Elements of his Unit.

Section 4. The roadways located on the condominium property shall not be obstructed or used for any other purpose than for ingress to and egress from the units. Children shall not be permitted to loiter or play on said roadways.

Section 5. No owner or occupant shall make or permit any disturbing noises to be made on the common property or in his Unit by himself, his family, friends, tenants, servants or other invitees; nor do or permit anything to be done by such persons that would interfere with the rights, comforts or convenience of other owners or occupants.

Section 6. All damage to the common areas and facilities caused by moving and/or carrying of articles therein or therefrom shall be paid for by the owner or person in charge of such articles.

Section 7. Dogs, cats, and other domestic pets are not allowed in the condominium.

Section 8. No vehicle belonging to an owner or to a member or his family or guest, subtenant, or employee of an owner shall be parked in such a manner to impede or prevent access to another's unit.

Section 9. The owners shall not cause or permit the blowing of any horn from any vehicle in which his guests, family, tenants, invitees, or employees shall be occupants, approaching or upon any of the driveways or parking areas serving the building, except as may be necessary for the safe operation thereof.

Section 10. The Association of Owners reserves the right to make such other rules and regulations from time to time as may be deemed necessary for the safety, care and cleanliness of the premises and for securing the comfort and convenience of all the occupants thereof.

ARTICLE XI – By-Laws

Section 1. Amendment. These By-Laws may be amended, modified, or revoked in any respect by the affirmative vote of Unit Owners having 67% or more of the votes. It is further provided that the contents of these By-Laws shall always contain those particulars which are required to be contained herein by the Condominium Ownership Act; and that no modification of or amendment to the By-Laws shall be contrary to or inconsistent with, the provisions of the Declaration of Condominium of Lake Forest Resort & Club, including all valid amendments thereto. The Board, on a majority vote, is authorized to correct any typographical errors in these By-Laws, without following the formal amendment process as required above.