

# **SUNSET HILLS ASSOCIATION BY-LAWS**



*Revision: August 12, 2022*

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RE-STATED BY-LAWS  
SUNSET HILLS ASSOCIATION, INC.  
(Consolidated November 2006)

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PREAMBLE

PURPOSE: This corporation is formed (in 1933) to maintain, operate, provide for, and establish facilities and public utilities and common owned privileges, running with and belonging to each member in Sunset Hills, Sunset Hills B and Sunset Hills Shores. Herein all sections shall be referred to as Sunset Hills. These By-Laws are a compilation and re-statement incorporating all amendments to the By-Laws of the Association.

ARTICLE I - INTRODUCTION

A. NAME

The name of the corporation shall be "SUNSET HILLS ASSOCIATION, INC."

B. OFFICE LOCATION

The location of the principal office of the corporation in the State of Wisconsin, shall be in Sunset Hills Subdivision, Walworth County. The corporation may, in addition to its principal office in said State of Wisconsin, establish and maintain an office or offices in such other states and places as the Board of Directors may, from time to time, determine.

C. SEAL

The corporation shall have a seal on which shall be inscribed the name of the corporation, the word "WISCONSIN", and such other legend as may be required by law.

D. NON-PROFIT LIMITATION

This corporation shall have no capital stock, nor shall any interest, dividends, or pecuniary profits whatsoever be declared, paid or divided among its members. The fiscal year of this association shall be August 1<sup>st</sup> to July 31<sup>st</sup> of the following year.

ARTICLE II - ORGANIZATION

A. MEMBERSHIP

1) Eligibility

Only a person who is of good moral character may be granted membership in the association through the acquisition of an existing home in Sunset Hills Subdivisions, whether by deed, descent, or by contract of purchase, whether his contract is paid up or on

installments, and shall ipso-facto become a member of this corporation. (Existing homes shall be determined as of the effective date of the original By-Laws).

2) Existing Membership

Existing memberships on the effective date of these Re-Styled By-Laws shall be honored subject to the member's continued compliance with the By-Laws, Rules and Regulations of the Association.

3) Multiple Ownership

The Board of Directors shall have the right to deny membership and all of the benefits entitled to membership, including but not limited to, use of roads, parks, piers, and playgrounds where title to the property within the subdivision to which the membership is attached is held in joint tenancy or tenancy in common with persons other than the applicant's spouse or circumstances where the title ownership of the property is held in the name of a corporation, partnership, LLC or LLP, or other entity wherein ownership is by two or more unrelated persons, or similar ownership structure tending to increase the density of use, or right to use of association benefits and properties. For purposes of this section, "unrelated" shall mean other than husband and wife and immediate children of the husband and wife. In all respects membership shall be held in the name of one person. In the event of the death of that person, membership may be assigned to the surviving spouse of that member in the event that spouse had an ownership interest in the property prior to the death of the member, or in the event the surviving spouse acquires the interest of the deceased member in the property. In all other respects, upon death of the member, membership shall terminate and the person, persons, or entities obtaining the interest of the decedent in the property must re-apply for membership in the association.

4) Change of Ownership

The notice of change of ownership of property in said subdivision must be made to the Secretary of the Association.

5) Change of Title

Any member conveying, alienating or disposing of property in said subdivision, either by operation of law or by recording of a deed of conveyance in the office of the Registrar of Deeds in Walworth County, Wisconsin, shall ipso-facto cease to be a member of this corporation. The personal representatives of a deceased member or the trustee in bankruptcy of a bankrupt member, or any receiver appointed by any court of a competent jurisdiction for any member shall, during the term of this office or authority, exercise the privileges and be liable for the obligations and duties of such member.

Notwithstanding the foregoing, member may transfer title to their real estate in the subdivision to a revocable or an irrevocable trust in which they remain a beneficiary,

provided, however, that submission of a copy of the trust and request for approval shall be provided to the board not less than 30 days prior to the conveyance. The Board may, at its discretion, waive the submission of a copy of the trust, but in such an event, shall require a sworn certification by the member that the member is a beneficiary of the trust. (If an irrevocable trust, whether a copy of the trust be submitted, or a certification as provided above, the member shall additionally provide a sworn certification that the member shall immediately notify the Board in the event of a change in the trust which results in the member no longer being a current beneficiary of the trust.) The certifications to be provided herein shall be in a form satisfactory to the Board. If no objection is made by the Board, in writing, within 30 days of receipt of the copy of the trust (or certification as provided herein) and request for the proposed conveyance, the conveyance to the trust may occur and membership and all rights under that membership shall continue without interruption. Similarly, if an irrevocable trust and the original member who conveyed the property to the trust remains a beneficiary under the trust, all rights of membership shall continue without interruption. If a revocable trust shall change such that the original member is no longer a beneficiary, the membership shall thereupon terminate. Subject to this paragraph, the membership within the Association shall remain in the name of the individual first holding title and the membership shall terminate upon the death of that individual (except the circumstance where the surviving spouse of the individual is a beneficial owner and recipient of the interest of the individual at his or her death, and further, under the circumstance where the parties owning title are married and the membership is in the name of the spouse who is not assigned the property in Sunset Hills Subdivision, that property may, as part of a divorce, be assigned to the other spouse and the membership shall change to that spouse without interruptions). In the event of a failure to provide requisite notice to the Board of the intended conveyance, in the event of a non-approval of conveyance to the trust by the Board, or in the event of a failure of the member, in the case of a revocable trust, to provide the certification requiring notice of change as provided herein, that membership and all rights hereunder shall thereupon terminate (subject to the Board of Directors right to extend deadlines as further provided herein).

Further, notwithstanding the foregoing, in the event an existing member purchases an additional home within the subdivision, the membership associated with the original real estate may be transferred to the second real estate without interruption of the membership. Also, in the event a member determines to construct a new home within the subdivision and wishes to transfer membership to the newly constructed home, the member may sell the first home and must notify the Board of his or her intentions. At the time of sale of the first home, the member must own real property within the subdivision upon which the new home is to be constructed, and must begin construction within 30 - days of the sale of the first home. An Occupancy Permit must be obtained for the newly constructed home within 9-months of the sale of the first home. Provided the foregoing are met, there shall be no interruption of the membership and the membership may transfer

to the second property. The Board may establish a reasonable fee for the administrative expense associated with the transfer.

With respect to the transfer of memberships without interruption as provided in the foregoing paragraphs, absence of interruption shall be construed to mean that the member shall continue to have all rights and privileges associated with membership, including but not limited to, retention of boat slip, lift and ramp leases and positions on priority lists with respect hereto.

Notwithstanding the above, the Board of Directors shall have the right to extend such deadlines in the event the Board, in its sole discretion, deems extreme circumstances exist to justify an extension.

6) Eligibility for New Membership

A person or persons may apply for a new membership if he/she/they are owners of a home in the subdivision after the effective date of these By-Laws, Rules and Regulations, however, the land on which the home rests shall be two (2) or more contiguous lots totaling 10,000 square feet or one (1) lot of at least 10,000 square feet. Also, such applicant must meet all other provisions and agree to abide by all provisions of the By-Laws, Rules and Regulations of the Association as they exist from time to time. The above lot size restrictions do not apply to owners who take title to property in the subdivision for which the immediate prior owner was a member of the association by virtue of ownership of that same property. No home shall be built on a lot having dimensions at the road of less than sixty-five feet (65').

B. BOARD OF DIRECTORS

1) General

The property, business and affairs of this corporation shall be managed and controlled by a Board of Directors. The said Board of Directors shall consist of eleven (11) members, all of whom must be members of Sunset Hills and homeowners within the boundaries.

At the annual meeting following the adoption of these By-Laws by the members of the Association, an entire new Board of Directors shall be elected. Five (5) directors shall be elected to serve a term of one (1) year and six (6) directors to serve a term of two (2) years. In alternate years, after this first election, at each annual Fall meeting, five (5) and six (6) directors, respectively, are to be elected for a two (2) year term each so as to maintain an eleven (11) person Board of Directors.

Immediately after the election of the directors at each annual Fall meeting the five (5) officers, a president, vice-president, financial secretary, recording secretary, and treasurer, are to be elected by members of the Association from the members of the Board of Directors.

## 2) Election Procedure

The election procedure for officers and directors shall be as follows: all members voting for directors and officers must do so in person. The election shall be by ballot given out at the annual Fall meeting by the secretary or acting secretary as appointed by the president. Ballots for use in voting will be recognized as official only when initialed by the president, recording secretary, or acting secretary. It shall be the duty of the presiding officer to appoint an election committee. The election committee shall consist of one (1) judge and two (2) tellers. The judge shall be a member of the Board of Directors. The tellers shall be recognized members of the Association. The candidate receiving the largest number of votes for the respective office shall be declared elected and take office for the ensuing term.

Each officer and director shall hold office for the term for which elected and until a successor is duly elected and has qualified.

No person shall be a member of the Board of Directors who is not a member of Sunset Hills Association. No more than one (1) of the owners of record of any parcel or numbers of parcel constituting one (1) membership within said subdivision may be eligible to serve on the Board at any one time. If a vacancy occurs on the Board of Directors by reason of sale, transfer or alienation of ownership, death, resignation, removal, disqualification or inability to act, the remaining members of the Board by a majority vote shall fill such vacancy and the person so elected shall hold office for the expired term for which elected or until a qualified successor shall be duly elected.

## 3) Absentee Candidates

The name of an absentee member may be placed in nomination for membership to the Board of Directors at the general Fall meeting if a "consent of acceptance" is submitted in writing and signed by the candidate prior to the meeting. A consent of acceptance should include a valid reason for inability to attend the election meeting.

The name of an absentee member of the Board of Directors may be placed in nomination for an office if a "consent of acceptance" is submitted in writing and signed by him or her giving a valid reason for his or her inability to attend the meeting.

The name of an absentee member may be placed in nomination for both Board of Director and Officer, if said member has at any time previously served as a member of the Board. In either case, he or she must submit a "consent of acceptance". The "consent of acceptance" in all cases must be approved by a vote of the Board members present at a meeting.

## 4) Powers

The Board of Directors shall have the right, power, and authority to exercise any and



all powers as may be exercised or done by the corporation under its Articles of Incorporation, under the provisions of these By-Laws as amended from time to time, or as otherwise allowed under the laws of the State of Wisconsin.

In addition to the foregoing, the Board of Directors shall have the following special powers and rights, to-wit: to manage, operate, police and control all the land, buildings, parkways, roadways, passageways, parking spaces, park shore line, piers, and walks appertaining to or thereunto belonging and situated on the premises known as Sunset Hills Subdivisions in the County of Walworth and the State of Wisconsin, but not including the property privately owned by members in said subdivisions, for the private use of members of said Sunset Hills, their heirs, executors, administrators, successors and assigns, subject to such By-Laws, Rules and Regulations as may be lawfully adopted by the members thereof; to estimate the budget or expenses of operating said Sunset Hills Subdivisions and this corporation in advance each year, or more often, as membership dues and charged to the membership, or such other manner as shall be lawful; to collect delinquent membership dues by proceedings at law for a monetary judgment of damages, by simple levy, by maintenance lien and with respect thereto, all provisions for assessments and levy may be enforced through exercise of rights and procedures under Section 779.70 of the Wisconsin Statutes, or by collection proceedings otherwise authorized by these By-Laws of the laws of the State of Wisconsin; establish and levy annual dues for the maintenance of Association properties and anticipated expenses for the upcoming year and provide time parameters and procedures for the collection of same as hereinabove and here elsewhere provided, or as otherwise provided through the laws of the State of Wisconsin, including but not limited to interest penalties for non-payment; to establish new membership initiation fees; to purchase or otherwise acquire for the corporation, any property rights, or privileges which the corporation is authorized to acquire at such prices and on such terms and conditions, and for such consideration as it may see fit, subject to vote of members of the Association.

The Board of Directors shall have full power and control over the business affairs, property and management of the corporation, and shall direct its officers and shall have the power to recommend for adoption by the corporation, such By-Laws as the said Board, by a majority vote, shall have approved and shall state the conditions upon which members be expelled.

The Board of Directors may, at its discretion, pay for any property or rights acquired by the corporation, either wholly or partially, in money or in bonds, debentures or securities of the corporation subject to the vote of the members of the Association.

The Board of Directors shall accept for consideration any By-Laws or amendments submitted by any member.

The Board of Directors shall determine who shall be authorized to sign on the corporation's behalf, bills, notes, receipts, acceptances, checks, releases, contracts and documents.

The Board of Directors shall have the power to appoint any and all committees as they may see fit.

5) Removal

Any member of the Board of Directors may be removed at any time at a special meeting of the Association members called for such purpose by the affirmative vote of not less than two-thirds (2/3) of the members of the Association present at the meeting.

C. OFFICERS

1) President

The principal duties of the president shall be to preside at all meetings of the Association and meetings of the Board of Directors and to have general supervision of the affairs of the corporation.

2) Vice-President

The principal duties of the vice-president shall be to discharge the duties of the president in the event of the absence or disability, for any cause whatsoever, of the president.

3) Secretary

The secretary shall keep full minutes of all meetings of the members and Directors, and shall be ex-officio secretary of the Board; shall act as clerk thereof and record all votes and the minutes of all proceedings in a book to be kept for that purpose; and shall perform like duties for the standing committees. He or she shall give or cause to be given, notices of all meetings of the members and Board of Directors, and shall perform such other duties as may be prescribed by the Board of Directors.

It shall be the duty of the secretary to have copies of the By-Laws and amendments made available to members and mail to the membership at least two (2) weeks prior to any meeting in which By-Law changes are to be discussed, copies of the proposed new or amended By-Laws.

The secretary shall read the minutes of any Board meeting to the members at the general meeting upon the request of any officer, director or member of the Association.

4) Treasurer

The treasurer shall keep full and accurate accounts of receipts and disbursements in books belonging to the corporation. He or she shall disburse the funds of the corporation as ordered by the Board, taking proper vouchers and receipts for such disbursements and shall render to the president and directors, whenever they require it, an account of all of his transactions as treasurer and the financial condition of the corporation. He/she will

prepare an annual budget, to be presented to the Board of Directors for their concurrence. They will then present said budget to the membership for their approval. He/she may be required to give the corporation a bond in the sum, and with one or more sureties, satisfactory to the Directors, for the performance of the duties of his office, and the restoration to the corporation in case of death, resignation or removal from office, of all books, papers, vouchers, money and other property of whatever kind in his possession belonging to the corporation. All withdrawals or checks must be counter-signed with two (2) signatures, president and treasurer.

5) Financial Secretary

The financial secretary shall maintain accurate records of all properties located in Sunset Hills Subdivision, Walworth County, Lake Geneva, Wisconsin, in books belonging to the corporation. He/she shall mail regular and/or special notices of monies due to the last known address of each member and shall receive and deposit all such monies in the name of the corporation in such bank as may be designated by the Board of Directors and shall render to the president and directors, whenever they require it, an accounting of all transactions of the financial secretary. He/she may be required to give to the directors, for the performance of the duties of this office, and the restoration to the corporation in case of death, resignation or removal from office, of all books, papers, money and other property of whatever kinds in his/her possession belonging to the corporation.

6) Additional Duties

All officers of this corporation shall perform such additional duties as may from time to time be imposed or required by the Board of Directors, the president, or as may be prescribed from time to time by the By-Laws.

7) Compensation

The treasurer, financial secretary and recording secretary shall receive such compensation as the Board of Directors may deem proper, but no compensation shall be paid said officers unless authorized by resolution of the directors and included in the budget.

D. CONTRACT AUTHORIZATION AND LIMITATION OF LIABILITY

1) Contract Authorization

This corporation shall not enter into or be bound by any contract or contracts in excess of ten thousand (\$10,000.00) dollars except the same be authorized and ratified by resolution, in writing, of the Board of Directors at a regular meeting or special meeting of that body. No contracts or act of any officer, agent, caretaker, employee or any person whatsoever, shall be binding in any manner upon this corporation unless such contract or act shall be duly authorized or ratified by resolution, in writing, of the Board of Directors.

2) Limitations of Liabilities

No officer, director or any committee appointed by this corporation shall be personally or individually liable for any error or mistake, act or omission, for or on behalf of this corporation occurring within the scope of his official authority, or in the line of his duty as such officer, director or committee excepting for his own willful misconduct or violation of law.

E. MEETINGS

1) Annual / Special / Directors Meetings

a) Annual

The regular Spring meeting of the members of this corporation shall be held each year on the Saturday one weekend prior to Memorial Day weekend in the County of Walworth and State of Wisconsin, in the office of the Association, or such other place as the Board of Directors shall provide. The regular annual Fall meeting of the members of this corporation for the election of officers and directors and the transaction of other business, shall be held each year on the Saturday of the weekend prior to Labor Day weekend in the County of Walworth and the State of Wisconsin, in the office of the Association, or such other place as the Board of Directors shall provide. A notice from the Secretary of the Association shall be mailed at least 2-weeks prior to the date of each such meeting. This notice shall be mailed to the last known address of each member.

b) Special

Special meetings of the members may be called by the president or three (3) directors or any fifteen (15) members at any time, by request in writing of any officer of the Association, but written notice of the time and place of such special meeting, stating the business to be done thereat, shall be mailed fifteen (15) days before the date of such special meeting, to the address of each member as shown by the records of the corporation.

c) Board of Directors

The Board of Directors shall hold meetings as often and at the time and place as decided on by the Board, but said meetings must be held at least once each half year thereafter. Meetings of the Board of Directors may be called by the President or any three (3) directors upon notice as decided by the Board from time to time.

2) Quorum

a) Membership Meetings

A quorum for the transaction of any and all business at general meetings shall consist of at least twenty-one (21) members.

b) Directors Meetings

A quorum of the directors shall consist of seven (7) members of the Board of Directors.

c) Absenteeism of Directors

Any director who shall be absent from the meetings of the Board of Directors without reasonable excuse, for three (3) consecutive directors meetings, of which he has received notice, shall by resolution passed by a majority vote of the Board, be removed from office as a director of the corporation.

3) Order of Business

The order of business to be followed by the corporation and by the Board of Directors shall be as follows:

- a) Call to Order.
- b) Roll call.
- c) Reading of minutes of preceding meeting and action thereon.
- d) Announcement of new members.
- e) Reports of officers.
- f) Reports of committees.
- g) Unfinished business.
- h) Election of directors and officers.
- i) Reading communications and miscellaneous business.
- j) New business.
- k) Presenting the budget for the following year.
- l) Adjournment.

4) Voting, Generally

a) Eligibility

Each member in said subdivision shall be entitled to one vote on a matter in which the membership may vote. Notwithstanding the above, no one shall be entitled to vote at any meeting if in arrears in payment of dues levied by the corporation.

b) Voting

Except as otherwise expressly provided herein, all voting must be done in person and not by proxy. In instances where proxy voting is permitted hereunder, no proxy appointment shall be effective unless the appointment is (i) made in writing and signed by the member or the member's attorney-in-fact, and (ii) actually received by the recording secretary via personal delivery, or by regular or electronic mail, no less than three (3) days prior to the date of the scheduled meeting. In all other respects all proxy appointments shall be subject to the provisions of Wis. Stat. § 181.0724.

c) Majority Vote

The majority vote of those present at a meeting shall decide the issue except in those matters requiring a two-thirds (2/3) vote. Each director shall be entitled to one (1) vote on matters before the Board of Directors.

ARTICLE III - RULES & REGULATIONS

FOR ALL PURPOSES IN THESE BYLAWS THE TERM "BOAT" SHALL INCLUDE BUT NOT BE LIMITED TO "WATERCRAFT" IT BEING THE INTENT HEREOF THAT ANY FORM OF A WATER VESSEL TO BE DOCKED, TIED TO OR OTHERWISE MOORED TO THE PIERS, SHORE STATIONS OR BEACH OF SUNSET HILLS ASSOCIATION SHALL BE GOVERNED HEREBY.

A. BUILDING AND USE

1) Building Boundaries

The building line, as shown on plat of Sunset Hills Subdivisions shall include all porches, sun parlors, patios, or other occupied additions to the house. No home shall be built on a lot having dimensions at the road of less than sixty-five feet (65').

2) Boundaries

Any incorporation of land adjoining or in close proximity to the Sunset Hills Subdivision into the Association shall be only by approval and vote of a two-thirds (2/3) majority of membership at a special meeting called for this purpose; this meeting shall consist of not less than two-thirds (2/3) of the Association membership as exists on the records of the Association from time to time. For purposes of this section only, voting on the matter may be by proxy.

3) Roadway Limitations

So that the intent for which the subdivision was originally plotted may not be violated by any member of the subdivision, there shall be no changes made in the physical or working description of the subdivision of Sunset Hills. All entrances and exits shall be limited to those designated as entrances and exits in the original survey and design by W. Posey and directed by L. Chapman, known as Sunset Hills and Annex designed by Jensen

and Johnson, known as Sunset Hills Shores. No lot shall be used or constructed as a thoroughfare or a roadway for use by persons, whether they are members or guests, auto, trucks, animals, farm equipment, or otherwise, as an entrance or exit to or from the subdivision of Sunset Hills.

Any person constructing a residence or performing remodeling or other activity within the subdivision utilizing heavy equipment, trucks, etc. on the private roads of the Association shall first deposit a bond with the Association for damages in an amount determined by the Board from time to time.

There shall be no burning on or within three feet (3') of the private roads of the Association.

Any violation by a member or members of the boundaries that in any way is detrimental to the welfare of the subdivision or its members may, at the discretion of the Board of Directors, result in the loss of membership by the offending member(s).

4) Gambling and Liquor Sales

No professional gambling or sale of intoxicating drinks will be permitted in any areas of Sunset Hills Subdivisions.

5) Restrictions

It shall unlawful and illegal for any member to commercialize his property in any manner. For purposes of this restriction, commercialization shall include, but not limited to, use of property for wholesale or retail sales; use of property as an office for service related businesses; manufacturing, permitting the property to be occupied by persons not related to member such that compensation is exchanged on a per day, per week, per month, or other basis, or to enter into an agreement, oral or written, by which such persons are granted use and benefit of any private drive, park, playground, pier or other privilege of Sunset Hills membership. Consistent herewith, members may not allow use of guest passes for Association properties by renters of property located in the subdivision. Violation shall be subject to the penalty provisions of these By-Laws, Rules and Regulations.

B. SWIMMING POOL REGULATIONS AND RESTRICTIONS

Before a member can construct a swimming pool with a capacity of more than 200 gallons, he/she must obtain the approval of the Board of Directors. The condition under which this approval will be given is that draining of swimming pools on any properties in the subdivision is forbidden. All water from swimming pools will have to be drained and removed by truck.

C. BOAT SPACE

1) Eligibility

The member with rights to a boat space Sunset Hills Association shall file with the Association the boat manufacturer's documentation verifying the boat length and weight. This only need be filed once. Notwithstanding the foregoing if a boat is replaced for which boat space rights continue to apply the boat manufacturer's documentation verifying the boat length and weight shall be filed with the Board at to that boat.

Boat slips, lifts, or ramps, hereinafter referred to as boat spaces, will be assigned only to Association members who are registered boat owners. Only boats titled to that member may be placed in the boat space. Any boat which will be placed on a given space shall be identified by the boat identification numbers thereon, with such identification kept on record with the Association. No boat shall be allowed at any space which has not been so placed on the registries of the Association.

Notwithstanding that fact that the membership within the Association is derived by virtue of ownership of real estate under the Multiple Ownership provisions contained in the By-Laws under ARTICLE III - ORGANIZATION, paragraph A. MEMBERSHIP, subparagraph (3) Multiple Ownership, the entitlement to a boat space or placement on the waiting list for a boat space shall be limited to one named individual person whether or not the real estate ownership is by joint tenancy, tenancy-in-common, corporate, limited liability company, limited liability partnership, or partnership ownership, or owner ship in trust for the benefit of two or more persons or other legal entity. The assignment to the boat space or placement on the waiting list shall be specific to the person named on the application. In the event of death of that person, the entitlement to the boat space and/or retention of the placement on the waiting list may pass to the surviving spouse of the person so named, if that surviving spouse is a joint owner, owner by tenancy-in-common, beneficiary of the trust owner, member of a limited liability company, partner in a limited liability partnership, shareholder of the corporation, or partner within the partnership or heir and recipient of the decedent's interest in the property, but shall not pass to children, siblings, parents, or any other person notwithstanding the fact that such other person may be a joint tenant, tenant-in-common, beneficiary under trust, shareholder within a corporation, member of a limited liability company, partner in a limited liability partnership, or partner or other beneficial owner of the real estate within the subdivision. Any such person not a surviving spouse must reapply for placement on the waiting list and must comply with all other terms and provisions of the By-Laws with respect hereto.

Prior to the placing of any boat in a boat space, the owner shall file annually with the Association, a Certificate of Insurance verifying that liability insurance is in effect with respect to such boat, a copy of the current boat registration and manufacturer documentation verifying the boat length and weight. The insurance carrier shall notify the Association if the insurance falls into lapse. Insurance coverage shall be a continuing condition of boat slip, lift and ramp usage.

Any changes in boat ownership/registration must be reported to the Association



immediately.

Those persons leasing space(s) for a given season shall have a right of first refusal to release said space for the following season provided notice of an intent to so lease the space is given to the Chairman of the Boat & Pier Committee no later than April 15th of the given boat season, except as extended by the Board of Directors if the Board deems extreme circumstances exist to justify an extension. At the time of exercise of the right of first refusal, the member so exercising shall be current in all obligations to the Association under its By-Laws, Rules and Regulations, and shall be the registered owner of a boat conforming in size to the requirements of these rules and regulations. The Boat Committee Chairman shall keep a listing of persons desirous of a boat space. Available boat spaces shall be assigned according to said listings with the Boat Committee Chairman on a first-come, first-served basis. Any person or person's position on the priority listing shall not be subject to assignment. To be included on the list of interested persons, a member shall pay the Association a fee as determined by the Board from time to time.

No boat exceeding seventeen feet and six inches (17'6") nor exceeding 2,300 lbs. in weight shall be placed on a lift.

For boats placed on slips prior to April 15, 2006 (4/15/06) the slip shall not be occupied by boats exceeding twenty-three feet (23') in hull length, nor less than seventeen feet (17') in hull length. For boats first placed on an Association slip on April 15, 2006 (4/15/06) and after, the slip shall not be occupied by boats exceeding twenty-three feet eleven inches (23'11") in hull length, nor less than nineteen feet (19') in hull length. Notwithstanding the above limitations, no boat shall be allowed to utilize a boat slip if the boat, when properly moored, docked or placed, exceeds or overhangs the confines of the boat slip.

Members utilizing slips are required to purchase their own shore station for use in conjunction therewith.

Any member owing association dues and/or boat slip, lift or ramp dues after April 15th of a given boat season shall ipso facto be declared delinquent. Written notice of said delinquency shall be forwarded to the member by U.S. registered or certified mail by the secretary to the owner's address as shown by the records of the corporation. In the event such delinquency has not been remedied within thirty (30) days of such notice, the member shall automatically be deemed to have lost his/her rights to said boat space. Such individual or individuals may, however, once again in good standing, request to be placed on a list of interested persons maintained by the Boat & Pier Committee Chairman. No person shall be given treatment or rights different from any other member of the Association simply by virtue of the fact that he/she may have had a boat space interest in the past. Interest in or rights to boat spaces shall not be assignable. Therefore, when an individual ceases to be a member of the Association, such person's rights in the boat space shall be deemed lost. If an individual sells his/her boat and does not acquire another

registered in his/her name, within thirty (30) days, he/she shall lose their right to said boat space. Similarly, failure of an individual to maintain a boat in an assigned space for a cumulative period of thirty (30) days within a boat season shall also result in a loss of rights to said boat space unless the Board deems extreme circumstances exist to justify an extension of the thirty (30) day period. Any persons losing rights to a boat space, upon latter attainment of eligibility for a boat space, such individual or individuals may again apply and be placed on the list of interested persons maintained by the Boat & Pier Committee Chairman.

2) Regulations

- a) The member who has been assigned a given slip, lift, or ramp, shall assume full responsibility for damage caused by his/her use thereof. Acceptance of the boat space shall be deemed acceptance of this responsibility.
- b) Notwithstanding the above, any boat space assigned to a given member must be occupied by July 1st of that given boating season or within thirty (30) days on notification of boat space availability if said thirtieth (30th) day is later. If no boat is placed in a given space by such date, the member's rights to that boat space will be deemed lost.
- c) Notwithstanding the above, the Board of Directors shall have the right to extend such deadline in the event the Board, in its sole discretion, deems extreme circumstances exist to justify an extension of that July 1st deadline.
- d) In the event a boat space will not be occupied, on a temporary basis, members are urged to so notify the Chairman of the Boat & Pier Committee. In such event, the Boat & Pier Committee Chairman may allow the space to be temporarily utilized by a person or persons on the Chairman's list of persons interested on a first-come, first-served basis, for a fee to be determined by the Board of Directors. In such event, responsibilities for damage caused to the space shall thereupon be that of the temporary user.
- e) The Boat & Pier Committee Chairman shall, each season, prepare a diagram of the pier, listing owners of each boat space and the boat to be placed in each space, by its identification number. The Chairman, or his assistant, shall inspect the pier and verify proper usage of the spaces on a regular basis, such being at a minimum: weekly.
- f) Only one (1) watercraft shall be moored in a boat space at any time.
- g) In the event any member allows his guests or invitees to use the pier/boat space properties in a fashion as will increase insurance premiums, or cause unreasonable risks to persons or property, the Boat & Pier Committee Chairman shall so notify the member. Upon a second such act within a boating season, said member's rights to the boat space(s) shall be deemed lost.

- h) Boat lifts shall be chained and locked at all times, when not in use.
- i) A maximum of fifteen (15) minutes will be permitted for docking at a pier or loading and unloading. A violation of this order shall cause the Chairman of the Boat & Pier Committee to so notify the owner. Upon a second violation within a boating season, such member's boat rights shall be deemed lost.
- j) Approaches and departures shall be conducted in a safe and responsible manner, with consideration to other boaters, fishermen, and users of Geneva Lake. Boat owners shall abide by all rules and regulations established by the Boat & Pier Committee. Any violation of the Rules and Regulations shall be brought to the attention of the Board of Directors. Unless otherwise specified herein, the Board of Directors, thereupon, has authority to terminate a member's rights.
- k) All boats must be removed from a boat space by October 15th.
- l) No member may lease, assign or convey a slip, lift or ramp, to any persons or entity, or allow the use of the slip, lift or ramp, by any other person or entity.
- m) No canopy or other improvements to the slip, lift or ramp is allowed, with the exception of placement of a shore station.
- n) Maintenance of shore stations, lifts, slips and ramps, shall be the obligation of the member assigned same, who, by accepting the space, shall be deemed to have agreed to hold the Association harmless therefore.
- o) In the event of a trade of boat spaces between members leasing spaces, such members shall, upon such trade, notify the Chairman of the Boat & Pier Committee who shall thereupon make appropriate notation of same in his records.
- p) The Board of Directors may adopt such other and further rules and regulations as they deem proper from time to time. A copy of these By-Laws, Rules & Regulations shall be provided members assigned boat spaces, upon request. All members are deemed to have full knowledge and notice of same.
- q) No watercraft shall be allowed between the Association piers nor moored to the pier(s) in any location other than the boat space of the member.

Notwithstanding any of the above provisions, the Board may deny future assignment of lease spaces, or unilaterally terminate leases or suspend privileges, at its sole discretion, by the filing of a violation of any of these provisions or rules and regulations of the Board of Directors as approved from time to time.

#### D. SUSPENSIONS AND PENALTIES

##### 1) Generally

Any member owing membership dues against his/her property after thirty (30) days from the notice of said dues, shall be declared delinquent, provided written notice has been forwarded to him/her by U.S. registered or certified mail, by the secretary, to his/her address as shown in the records of the corporation. If such member continues in default for a period of thirty (30) days, he shall, by vote of a majority of the Directors, be suspended from membership in the corporation and from all the privileges and benefits as a member in Sunset Hills Subdivision until all dues, penalties and expenses are paid.

Any member in violation of the By-Laws, Rules and Regulations shall be given written notice by the secretary by U.S. registered or certified mail to his/her address as shown in the records of the corporation. He/she shall have a period of thirty (30) days to correct the situation. After the thirty (30) days, he/she may, by a vote of eight (8) members of the eleven (11) member Board of Directors present at a meeting, be suspended from membership in the corporation and from all the privileges and benefits as a member in Sunset Hills Association until he/she is in compliance with the By-Laws, Rules and Regulations as determined by the Board of Directors.

The Board of Directors shall have the power and authority to discontinue services or other benefits of the corporation, or to proceed with legal proceedings, or seek other remedies authorized by the laws of the State of Wisconsin, as penalties against or remedies for violations of these By-Laws, Rules & Regulations, by a member or members.

This list of remedies is not intended as exhaustive, nor does it place any obligation of election or remedies upon the Board, nor the Association. All remedies are cumulative and not exclusive.

2) Violations by Guests, etc.

Notwithstanding any other provision of the By-Laws, Rules & Regulations, the members of the Association are responsible for the actions of their family members, guests or invitees. Violation of these By-Laws, Rules & Regulations by such family members, guests or invitees shall be imputed against the member(s) as if the member himself/herself perpetrated the violation.

ARTICLES IV - MISCELLANEOUS

A. SALE OF PROPERTY ACQUIRED BY THE ASSOCIATION

All properties acquired by the Association through foreclosure, purchase, or any other legal means, may be offered for sale to the members of the Association, from time to time, subject to the following:

The order in which said properties shall be offered for sale to the members is as follows:

First: To the member whose dwelling or property is adjoining.

Second: To the member whose dwelling is nearest to the property being offered for sale.

Third: Should two (2) or more members have dwellings adjoining or equidistant to the property in question, the owner of the lesser Number of lots shall be given first choice.

Fourth: Should members in the vicinity of the property in question refuse to purchase said property, then the secretary must offer the property for sale to the members at the first general meeting.

Fifth: Should any lots remain unsold three (3) months after posting at the general meeting, the Board of Directors may offer the property for sale to the general public.

The price of these properties shall be set by the Board of Directors and is not to be an amount less than the cost of the tax delinquencies, all unpaid membership dues, secretarial services and all other expenses incurred in the process of acquiring and disposing of the property.

B. AMENDMENTS

These By-Laws may be changed or amended by a resolution of the Board of Directors setting forth such amendment or amendments and adopted at a meeting of the members of this corporation by a vote of at least two-thirds (2/3) of all the members on record who are present at the meeting and entitled to vote, provided due notice of any proposed amendment has been given in the call of the meeting. Voting on such matters may be made in person or by proxy.

C. GENDER; PLURAL / SINGULAR

For all purposes, all words in these By-Laws, Rules & Regulations used in any gender shall include all genders. Unless the context otherwise requires, all words used in the singular shall include the plural and vice-versa.

D. EFFECTIVE DATE

The By-Laws passed by a majority of the members shall become binding on the corporation and all the members thereof after publication. Said By-Laws must be made available to all members.

APPENDIX A - PLATS

