

**BY-LAWS OF
WINDS HOMEOWNERS ASSOCIATION, INC.**

ARTICLE I

NAME AND LOCATION

Section 1. Name. The name of the corporation shall be Four Winds Homeowners Association, Inc. (the "Association").

Section 2. Location. The principal office of the Association shall be at W331 N6080 Hwy C, Nashotah, Wisconsin 53058. The Association may have offices at such other places as the Board of Directors of the Association (the "Board") may from time to time determine.

ARTICLE II

APPLICATION, MEMBERSHIP AND INITIAL ORGANIZATION

Section 1. Application. These By-Laws, together with the Declaration of Restrictive Covenants for Four Winds Subdivision, LLC, as amended (the "Declarations"), shall apply to, govern and control the Association and all present or future Lot owners, tenants, employees and other persons using any property owned by the Association. The mere acquisition, rental or occupancy of a lot in Four Winds Subdivision (hereinafter "Four Winds" or "Four Winds Subdivision") will signify the acceptance and ratification of these By-Laws by all such persons.

Section 2. Members. The Members of the Association shall consist of the Lot owners who have record title in their names or who are the purchasers under a recorded land contract.

Section 3. Initial Organization. Notwithstanding any provision set forth in these By-Laws to the contrary, Four Winds Subdivision, LLC (the "Developer") shall designate and appoint all members to the Board of Directors so long as the Developer owns any lot in Four Winds Subdivision, consisting of three (3) persons. Within one hundred and twenty (120) days after Developer no longer owns at least one lot in Four Winds Subdivision, a special meeting of the Members shall be called at which time all of the Members of the Board of Directors, designated and appointed by the Developer, shall resign and the Members shall elect such number of new Members of the Board of Directors as shall be necessary so that the Board of Directors shall consist of three (3) persons.

ARTICLE III

VOTING, MAJORITY OF OWNERS, QUORUM, PROXIES

Section 1. Voting. Each Member shall have one (1) vote for each Lot owned. If a Lot is owned by more than one person, is under lease or is owned by an entity other than individuals, the person entitled to cast the vote for the Lot shall be designated by a certificate signed by all of the record owners of the Lot or a duly authorized officer of the owner and filed with the Secretary of the Association. Such certificates shall be valid until revoked or superseded by a subsequent certificate or until a change in the ownership of the Lot concerned. A certificate designating the person entitled

to cast the vote of a Lot may be revoked by the owner thereof at any time. There shall be no cumulative voting. If the owners of any Lot cannot agree on how to vote, each such Lot shall lose its vote for the particular item voted upon.

Section 2. Quorum. Except as otherwise provided in these By-Laws, the presence in person or by proxy of Members holding more than ten percent (10%) of the votes shall constitute a quorum.

Section 3. Proxies. Votes may be cast in person or by proxy. Proxies must be filed with the Secretary before the appointed time of each meeting. Unless granted to a Lessee or a mortgagee, a proxy shall be effective only for one hundred eighty (180) days.

ARTICLE IV

MEETINGS

Section 1. Roster of Members. The Association shall maintain a current roster of names and addresses of every Member upon whom notice of meetings of the Association shall be served. Every Member shall furnish the Association with his or her name and current mailing address; no Member may vote at meetings of the Association until the foregoing information is furnished.

Section 2. Place of Meetings. Meetings of the Association shall be held at its principal office or such other suitable place convenient to the Members as may be designated by the Board.

Section 3. Annual Meetings. The annual meetings of the Association shall be held on the fourth Tuesday of September of each year (the "annual meeting"). At each annual meeting the Members shall elect one or more members of the Board in accordance with Article V hereof. The Members may also transact such other business of the Association as may properly come before them.

Section 4. Special Meetings. The President shall call a special meeting of the Members when directed by resolution of the Board or when a petition signed by a majority of the Members is presented to the Secretary. The notice of any special meeting shall state the time and place of such meeting and the purpose thereof. No business shall be transacted at a special meeting except as stated in the notice unless by consent of the holders of four-fifths (4/5) of the votes of Members present, either in person or by proxy.

Section 5. Notice of Meetings. The Secretary shall deliver or mail a notice of each annual or special meeting, stating the purpose thereof as well as the time and place where it is to be held, to each Member of record, at the address shown on the roster, at least ten (10) days but not more than thirty (30) days prior to such meeting, unless waivers are duly executed by all Members. The delivery or mailing of a notice in the manner provided in this Section shall be considered notice served and such notice shall be effective upon the date of delivery or mailing.

Section 6. Adjourned Meetings. If any meeting of the Association cannot be organized because a quorum has not attended, the Members who are present, either in person or by proxy, may adjourn the meeting to a time not less than forty-eight (48) hours from the time the original meeting was called.

Section 7. Order of Business. The order of business at all meetings of the Members shall be as follows:

- (a) Roll call.
- (b) Proof of notice of meeting or waiver of notice.
- (c) Reading of minutes of preceding meeting.
- (d) Reports of officers.
- (e) Reports of committees.
- (f) Election of directors (when applicable).
- (g) Unfinished business.
- (h) New business.

Section 8. Parliamentary Procedure. Except where inconsistent with these By-Laws, meetings of the Association shall be conducted in accordance with the latest revised edition of *Roberts Rules of Order*.

ARTICLE V

BOARD OF DIRECTORS

Section 1. Number and Qualification. The affairs of the Association shall be governed by a Board of Directors, of whom not more than one person is a non-Lot owner, subject to the provisions of Article II, Section 3 hereof.

Section 2. Election and Term of Office. The term of office of the Directors shall be fixed as follows:

(a) The terms of one of the Directors elected in accordance with Section 3 of Article II shall expire on the date of the annual meeting next succeeding the date of his election. Thereafter, the term of that Director elected or re-elected in succession of the Director shall be for two (2) years each and shall expire on the date of the annual meeting which is two (2) years next succeeding the date of such election or re-election.

(b) The term of two of the Directors elected in accordance with Section 3 of Article II shall expire on the date of the annual meeting which next succeeds the annual meeting at which the term of the Directors elected under paragraph (a) hereof shall expire. Thereafter, the term of each Director elected or re-elected in succession of these Directors shall be for two (2) years each and shall expire on the date of the annual meeting which is two years next succeeding the date of such election or re-election.

(c) At the time of the initial election of the Directors under paragraphs (a) and (b) hereof, each candidate for election as Director shall declare, before the votes are cast, the length of the term as Director for which he or she is a candidate.

Each Director shall hold office until his or her successor has been elected and has attended his or her first meeting of the Board. When more than one Director is to be elected at any meeting, each Member shall cast votes for candidates equal in number to the Directors to be elected; provided, however, that there shall be no cumulative voting. The candidates who are elected shall be those receiving the greatest number of votes, in decreasing order, until the number of Directors to be elected have been so elected.

Section 3. Powers and Duties. The Board shall have the powers and duties necessary to administer the Association and, among other duties, carry out the following:

(a) Make and enforce (including enforcement through the establishment of a system of fines) rules and regulations and amendments thereto from time to time respecting the operation, use and occupancy of the Association;

(b) Make and collect assessments from the Members in accordance with the provisions of the Declarations and expend said assessments for insurance, taxes, utility services for and maintenance, repair and operation of the Association or for such other purposes as shall fall within the responsibility of the Association and general powers of the Board;

(c) Execute contracts on behalf of the Association, employ necessary personnel, and carry out all functions and purposes necessary for the operation of the Association, including acquiring and conveying property, contracting for off-site recreational services and suing on behalf of all Members;

(d) Satisfy all liens against the Association property and pay necessary expenses connected therewith;

(e) Employ a professional property manager, management company or managing agent on a salaried basis to perform such duties as the Board shall authorize including, but not limited to, the duties listed in this Section; and

(f) Perform such other functions as are required or permitted by law or the Declarations.

Section 4. Fees. No fee or other compensation shall be paid to any member of the Board at any time except by specific resolution of the Association.

Section 5. Vacancies. Subject to Article II, Section 3 hereof, vacancies in the Board caused by any reason other than the removal of a Director by a vote of the members shall be filled by vote of the majority of the remaining Directors, even though they may constitute less than a quorum; and each person so elected shall be a Director until a successor is elected at the next annual meeting of the Association.

Section 6. Removal of Directors. At any regular or special meeting duly called, any one or more of the Directors elected by the Members may be removed, with or without cause, by Members holding more than fifty percent (50%) of the votes and a successor may then and there be elected to fill the vacancy thus created. Any Director whose removal has been proposed by the Members shall be given an opportunity to be heard at the meeting.

Section 7. Organization Meeting. The first meeting of a Board, after one or more Directors have been newly elected, shall be held within ten (10) days of such election at such place as shall be fixed by the Directors at the meeting at which such Directors were newly 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 8. Regular Meetings. Regular meetings of the Board may be held at such time and place as shall be designated from time to time, by a majority of the Directors, but at least

one such meeting shall be held during each fiscal year. Notice of regular meetings of the Board shall be given to each Director, personally or by mail, telephone or telegraph, at least three (3) days prior to the day named for such meeting.

Section 9. Special Meetings. Special meetings of the Board may be called by the President on three (3) days notice to each Director, given personally or by mail, telephone or telegraph, which notice shall state time, place and purpose of the meeting. Special meetings of the Board shall be called by the President or Secretary in like manner and on like notice on the written request of at least three (3) Directors.

Section 10. Waiver of Notice. Before or at any meeting of the Board, 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. 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 11. Board of Directors' Quorum. At all meetings of the Board, 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. If at any meeting of the Board there is less than a quorum present, then the majority of those present may adjourn the meeting from time to time. At any such adjourned meeting, any business which might have been transacted at the meeting as originally called may be transacted without further notice.

Section 12. Fidelity Bonds. The Board may require that all officers and employees of the Association and officers and employees of any professional manager handling or responsible for Association funds shall furnish adequate fidelity bonds. Such fidelity bonds shall name the Association as an obligee and be written in an amount equal to one hundred fifty percent (150%) of the estimated annual operating expenses of the Association, including reserves. The bonds shall contain waivers by the issuers of the bonds of all defenses based upon the exclusion of persons serving without compensation from the definition of "employees," or similar terms and expressions. The bonds shall further provide that they may not be canceled or substantially modified (including cancellation for nonpayment of premium) without at least ten (10) days prior written notice to the Association. The premiums on such bonds shall be paid by the Association.

ARTICLE VI

OFFICERS

Section 1. Designation and Election. The principal officers of the Association shall be a President, a Vice President, a Secretary and a Treasurer, all of whom shall be elected annually by the Board. The Directors may elect an Assistant Treasurer, an Assistant Secretary or such other officers as in their judgment may be necessary.

Section 2. Removal of Officers. Upon an affirmative vote of a majority of the members of the Board, any officer may be removed, either with or without cause, and his successor elected at any regular meeting of the Board or at any special meeting of the Board called for such purpose.

Section 3. 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. He shall have all of the general powers and duties which are usually vested in the office of President of an Association, including, but not limited to, the power to appoint committees from among the Members from time to time as he may in his discretion decide is appropriate to assist in the conduct of the affairs of the Association.

Section 4. Vice President. The Vice President shall take the place of the President and perform his duties whenever the President shall be absent or unable to act. If neither the President nor the Vice President is able to act, the Board shall appoint some 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.

Section 5. Secretary. The Secretary shall keep the minutes of all meetings of the Board and of the Association. He shall have charge of such books and papers as the Board may direct and he shall, in general, perform all the duties incident to the office of Secretary. The Secretary shall count the votes cast at any annual or special meeting of the Association or the Board.

Section 6. Treasurer. The Treasurer shall have responsibility for Association funds and securities and shall be responsible for keeping full and accurate accounts of all receipts and disbursements in books belonging to the Association. He shall be responsible for the deposit of all monies 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.

Section 7. Compensation. No officer shall receive compensation for services rendered to the Association unless the same be established by a resolution of the Members.

ARTICLE VII

BUDGET, ASSESSMENTS AND DEPOSITORIES

Section 1. Budget. The Board shall at least annually adopt a budget for the operation of the Association. Such budget will contain estimates of the cost of operating the Association and shall include all expense items, including, but not limited to, taxes; the maintenance and repairs for all berms and common areas in Four Winds Subdivision; the maintenance and repair of all improvements; the cost of insurance of all types; management, maintenance and security personnel; administration costs; and any other expense item inuring to the benefit of all Members. The Board shall determine what sums, if any, will be required for improvements, capital expenditures, reserves or replacement funds, or other operations not included in the above which shall be included in the budget.

Section 2. Assessment. The estimate of the charges to be paid during each year by each Member for the share of the expenses of the Association, in accordance with the provisions of the Declaration of Restrictive Covenants for Four Winds Subdivision, LLC, as amended, shall be assessed against each lot and paid at such time as provided in resolution by the Board. If such assessment proves inadequate, the Board at any time may levy a further assessment to be payable in such reasonable manner as the Board directs. Assessments and installments on such assessments shall be paid on or before the date when such assessments and installments are due. Any assessment or installment not paid within 30 days after the due date shall bear interest from the date of delinquency at the rate of fourteen percent (14%) per annum, and the Association shall file a claim

for a maintenance lien against such lot at any time within six months from the date of the levy of the assessment pursuant to Section 779.70 of the Wisconsin Statutes and the Association may bring an action at law against the owner personally obligated to pay the same or to foreclose the lien against the lot, together with all costs of such action.

Section 3. Depositories. The funds of the Association shall be deposited in a bank or banks or other depositories designated by the Board and shall be withdrawn therefrom only upon check or order signed by the professional property manager, management company or managing agent provided such manager company or agent is bonded or by such officers who shall from time to time be designated by the Board for that purpose. The Board may require that all payment of assessments imposed by the Board against Members be paid by such Members directly to a designated depository. For checks signed by officers, the Board may direct that checks of less than Five Hundred Dollars (\$500.00) for payment of the obligations of the Association bear only one (1) signature of a designated officer but checks for a greater amount must bear a signature and counter-signature of designated officers. The Board may from time to time establish dollar limitations in excess of which the professional property manager, management company or managing agent shall not have authority to draw checks. The Board shall notify the designated depository promptly upon the establishment of such limitation.

ARTICLE VIII

OBLIGATIONS OF THE LOT OWNERS

Section 1. Maintenance and Repair. Each Member shall immediately reimburse the Association for any expenditures incurred in repairing or replacing any part of the Association property in any manner damaged by him, any member of his family, any tenant, any employee or any other user or occupant of his Lot.

Section 2. Use of Common Areas and Facilities. No Member shall place or cause to be placed any objects of any kind on the Association property, unless approved in advance by the Board of Directors.

Section 3. Rules of Conduct.

(a) There shall be no advertisements or posters of any kind posted or displayed in or on the Association property.

(b) Residents and other persons using Association property shall exercise extreme care about making noises and in the use of musical instruments, radios, and other devices that may disturb other persons. All pets shall be kept on a leash at all times while on Association property. Any pet excrement on Association property shall be removed immediately by the occupant of the lot on which the pet resides. A violation of the provisions of this paragraph shall subject the Lot owner responsible for such violation to additional special assessments by the Board of Directors for the enforcement costs, including, but not limited to, reasonable attorney's fees incurred by the Association incident to the enforcement of this paragraph.

Section 4. Remedies. Failure to comply with any of these By-Laws or any other rules, regulations, covenants, conditions or restrictions imposed by the Declarations or the Board shall be grounds for action to recover sums due for damages or injunctive relief or both, maintainable by the Association or, in a proper case, by an aggrieved Member.

ARTICLE IX
AMENDMENTS

Section 1. By-Laws. These By-Laws may be amended by the owners of at least 60% of the total lots in Four Winds Subdivision and with the consent of the Developer so long as the Developer shall own any of the lots in Four Winds Subdivision. No amendment shall limit any of the rights granted to or reserved by the Developer herein.

ARTICLE X
CONFLICTS

These By-Laws are set forth to comply with the requirements of the Declarations. If these By-Laws conflict with the provisions of the Declarations, the Declarations will control.

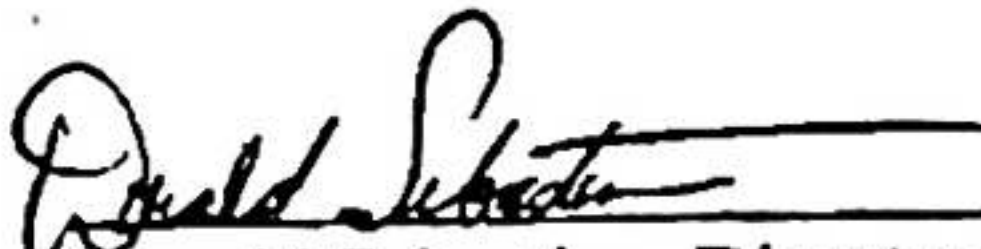
ARTICLE XI
FISCAL YEAR

The fiscal year of the corporation shall begin on the first day of January and end on the 31st day of December of each year.

ARTICLE XII
SEAL

The corporation shall not have a corporate seal.

Adopted this 18 day of May, 2004.


Donald Sebastian, Director


Judy Sebastian, Director


Delight Sebastian, Director