

BYLAWS
OF
GLOVERDALE MASTER ASSOCIATION, INC.

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MASTER BYLAWS

SECTION 1 GENERAL

This document constitutes the Master Bylaws of Gloverdale Master Association, Inc., a Wisconsin nonstock corporation (the “Master Association”). The Master Association is organized pursuant to the Wisconsin Nonstock Corporation Law, Wisconsin Statutes Chapter 181, and statutes amendatory thereof, to perform certain administrative, community, maintenance and operational functions on behalf of its Members as described in the Master Declaration of Gloverdale (the “Master Declaration”). The capitalized terms used in these Master Bylaws shall have the same meaning as they have in the Master Declaration, if not otherwise defined herein. References to Section numbers shall refer to sections of these Master Bylaws, unless expressly otherwise indicated.

SECTION 2 MEMBERSHIP

2.1 Members Defined. All Persons described as Owners in Section 3.4 of the Master Declaration shall be Members of the Master Association. One membership is allocated to each Unit. The rights and obligations accruing to the memberships are described in the Master Declaration and these Master Bylaws. No Person shall be a Member solely by reason of holding a security interest in the Unit. A Person shall cease to be a Member at such time as that Person is no longer an Owner.

2.2 Registration. Each Owner, upon taking title to a Unit, shall register with the Secretary of the Master Association, in writing, within thirty days after taking title to a Unit, (i) the name and address of each Owner of the Unit; (ii) the nature of such Owner’s interest or estate in each Unit owned; and (iii) the address at which the Owner desires to receive notice of any meeting of the Owners, if other than the Unit address. Each Owner shall have a continuing obligation to advise the Master Association in writing of any changes in the foregoing information, and shall be obligated to provide the names of the Occupants of the Unit upon request of the Master Association.

2.3 Transfers. The interests, rights and obligations of an Owner as a Member of the Master Association may be assigned, pledged, encumbered or transferred, but only along with and as a part of the title to the Owner’s Unit or as otherwise specifically authorized by the Master Governing Documents or by law.

SECTION 3 VOTING

3.1 Entitlement. One (1) vote in the affairs of the Master Association shall be allocated to each Unit. However, no vote shall be exercised as to a Unit while the Unit is owned by the Master Association.

3.2 Voting Authority. At any meeting of the Owners, an Owner included on the voting register presented by the Secretary in accordance with Section 4.6, or the holder of such Owner's proxy, shall be entitled to cast the vote which is allocated to the Unit owned by the Owner. If there is more than one Owner of a Unit, only one of the Owners may cast the vote. If the Owners of a Unit fail to agree as to who shall cast the vote, or fail to register pursuant to Section 2.2, the vote shall not be cast.

3.3 Voting by Proxy. An Owner may cast the vote which is allocated to the Owner's Unit and be counted as present at any meeting of the Owners by executing a proxy naming another person entitled to act on that Owner's behalf, and delivering the same to the Secretary, in writing or by authenticated electronic communication, before the commencement of any such meeting. All proxies granted by an Owner shall be effective until the earliest of the following events: (i) revocation by the granting Owner by written notice or by personally attending and voting at the meeting for which the proxy is effective; (ii) the date specified in the proxy, if any; (iii) the time at which the granting Owner is no longer an Owner; or (iv) any other applicable event specified in Wisconsin Statutes Section 181.0724.

3.4 Voting by Ballot. The vote on any issue may be determined by written ballots mailed or hand delivered to the Owners along with a notice of the vote, subject to the following requirements.

3.4.1 The notice of the vote shall: (i) clearly state the proposed action; (ii) indicate the number of responses needed to meet the quorum requirements; (iii) state the percentage of approvals necessary to approve each matter; and (iv) specify the time by which a ballot must be received by the Master Association in order to be counted.

3.4.2 The ballot shall: (i) set forth each proposed action, and (ii) provide an opportunity to vote for or against each proposed action.

3.4.3 The Master Board shall set the time for the return of the ballots, which shall not be less than fifteen (15) nor more than thirty (30) days after the date of mailing or hand delivery of the ballots to the Owners. The Master Board shall provide notice of the results of the vote to the Owners within ten (10) days after the expiration of the voting period.

3.4.4 Approval by written ballot under this Section is valid only if (i) the number of votes cast by ballot equals or exceeds the quorum required to be present at a meeting authorizing the action, and (ii) the number of approval votes equals or exceeds the number of votes that would be required to approve the matter at a meeting at which the total number of votes cast was the same as the number of votes cast by ballot.

3.5 Vote Required. A majority of the votes cast at any properly constituted meeting of the Owners, or cast by mail in accordance with Section 3.4, shall decide all matters properly brought before the Owners, except where a different vote or voting procedure is required by the Master Governing Documents or the Act. The term "majority" as used herein shall mean in excess of fifty percent (50%) of the votes cast by the Owners voting in accordance with the voting procedures set forth in this Section 3 and the allocation of voting power set forth in the Master Declaration. Cumulative voting shall not be permitted.

SECTION 4 MEETINGS OF OWNERS

4.1 Place. All meetings of the Owners shall be held at the office of the Master Association or at such other place in the State of Wisconsin reasonably accessible to the Owners as may be designated by the Master Board in any notice of a meeting of the Owners.

4.2 Annual Meetings. An annual meeting of the Owners shall be held in each fiscal year of the Master Association on a date, and at a reasonable time and place, designated by the Master Board. At each annual meeting of the Owners, (i) the persons who are to constitute the Master Board shall be appointed subject to and in accordance with Section 6; (ii) a report shall be made to the Owners on the activities and financial condition of the Master Association; and (iii) any other matter which is included in the agenda for the annual meeting, and is a proper subject for decision by the Owners, shall be considered and acted upon at the meeting.

4.3 Special Meetings. Special meetings of the Owners may be called by the President as a matter of discretion. Special meetings of the Owners shall be called by the President or Secretary within thirty (30) days following receipt of a request, delivered in writing or by authenticated electronic communication, by a majority of the members of the Master Board or by Owners entitled to cast at least twenty-five percent (25%) of all the votes in the Master Association. The meeting shall be held within sixty (60) days following receipt of the request. The request shall state the purpose of the meeting, and the business transacted at the special meeting shall be confined to the purposes stated in the notice. The purpose for which the meeting is requested and held must be lawful and consistent with the Master Association's purposes and authority under the Master Governing Documents.

4.4 Notice of Meetings. Not less than twenty-one (21) days nor more than thirty (30) days in advance of any annual meeting of the Owners, and at least seven (7) days, but no more than thirty (30) days, in advance of any special meeting of the Owners, the Secretary shall send, to all Persons who are Owners as of the date of sending the notice, notice of the time, place and agenda of the meeting, by United States mail, or by hand delivery, at the Owner's Unit address or to such other address as the Owner may have designated in writing to the Secretary. Notice of meetings to vote upon amendments to the Articles of Incorporation shall also be given separately to each officer and director of the Master Association.

4.5 Quorum/Adjournment. The presence of Owners in person or by proxy or as otherwise permitted by the Act, who have the authority to cast at least twenty-five percent (25%) of all the votes in the Master Association shall be necessary to constitute a quorum at all meetings of the Owners for the transaction of any business, except that of adjourning the meeting to reconvene at a subsequent time. Any meeting may be adjourned from time to time, but until no longer than fifteen (15) days later, without notice other than announcement at the meeting as initially called. If a quorum is present at the reconvened meeting, any business may be transacted which might have been transacted at the meeting as initially called had a quorum then been present. A quorum, having once been established at a meeting or a reconvened meeting, shall continue to exist for that meeting, notwithstanding the departure of any Owner who was present when the quorum was established. The Master Association may not be counted in determining a quorum as to any Unit owned by the Master Association.

4.6 Voting Register. The Secretary shall have available at the meeting a list of the Unit numbers, the names of the Owners, the vote attributable to each Unit and the name of the person (in the case of multiple Owners) authorized to cast the vote.

4.7 Agenda. The agenda for meetings of the Owners shall be established by the Master Board, consistent with the Master Governing Documents, and shall be sent to all Owners along with the notice of the meeting.

4.8 Meetings by Remote Communication; Participation by Remote Communication. The Master Board may determine to hold a regular or special meeting of the Owners solely by any combination of means of remote communication through which Owners (or their proxies) may participate, if notice of the meeting is given to every Owner entitled to vote as otherwise required for a meeting (except to the extent waived), and if the number of Owners participating in the meeting constitute a quorum. In addition to meetings held solely through means of remote communication, an Owner (or proxy) not physically present in person or by proxy at a regular or special meeting of the Owners may participate in the meeting by means of remote communication authorized by the Master Board. Participation by an Owner pursuant to either of the preceding sentences constitutes presence at the meeting in person or by proxy (if all other proxy requirements are met). The Master Board may implement reasonable measures to assure full participation, to verify legitimacy of participants and proceedings, and as the Master Board otherwise deems appropriate.

SECTION 5 ANNUAL REPORT

The Master Board shall prepare an annual report, a copy of which shall be provided to the Master Developer and each Owner at or prior to the annual meeting. The report shall contain, at a minimum:

5.1 Reserve Funds. A statement of the balance in any reserve or replacement fund and any portion of the fund designated for any specified project by the Master Board.

5.2 Financial Statements. A copy of the statement of revenues and expenses for the Master Association's last fiscal year, and a balance sheet as of the end of said fiscal year.

5.3 Litigation and Judgments. A statement of the status of any pending litigation or judgments to which the Master Association is a party.

5.4 Insurance. A statement of the insurance coverage provided by the Master Association.

5.5 Status of Assessments. A statement of the total past due Master Assessments, current as of not more than sixty (60) days prior to the date of the meeting.

SECTION 6 BOARD OF DIRECTORS

6.1 Number and Qualifications. The affairs of the Master Association shall be governed by the Master Board. During the Master Developer Control Period, the Master Board shall consist of the persons initially designated as directors by the incorporator of the Association or appointed by Master Developer to replace them, subject to the rights of Owners to elect directors as set forth in Section 6.2. Upon the expiration of the terms of the members of the first Master Board, the Master Board shall be composed of five (5) directors, a majority of whom shall be Owners, or a duly authorized representative of the Owner if the Owner is a Person other than a natural person. No two directors may be Owners of the same Unit.

6.2 Term of Office. The terms of office of the members of the Master Board shall be as follows:
6.2.1 The terms of all directors appointed during the Master Developer Control Period shall terminate upon the earliest of (i) voluntary surrender of control by the Master Developer, or (ii) the first date when the Master Developer no longer owns a Unit for sale and no longer has the right to add Additional Property to the Property; provided, that the directors shall continue in office until a successor is elected in accordance with the terms hereof.

6.2.2 The first terms of office of the directors elected by the Owners upon the termination of the Master Developer Control Period shall be one (1) year for two (2) of the directors, two (2) years for two (2) of the directors and three (3) years for one (1) of the directors. Each term of office thereafter shall be three (3) years and shall expire upon the election of a successor at the appropriate annual meeting of the Owners; provided, that a director shall continue in office until a successor is elected. A number of nominees equal to the number of vacancies, and receiving the greatest numbers of votes, shall be elected, notwithstanding that one or more of them does not receive a majority of the votes cast. The nominee or nominees receiving the greatest numbers of votes shall fill the longer terms. A director appointed or elected to fill an uncompleted term shall serve until the natural termination of that term, unless removed in accordance with these Master Bylaws. There shall be no cumulative voting for directors.

6.3 Nominations. Except for directors appointed by the Master Developer, nominations for election to the Master Board at each subsequent annual meeting shall be made by the Master Board, or by a nominating committee appointed by the Master Board; provided, that Owners may also make nominations at any time at or before the annual meeting. Nominations shall be made only with the consent of the nominee. Any nominating committee shall consist of Owners who are representative of the general membership of the Master Association, and shall establish fair and reasonable procedures for the submission of nominations.

6.4 Powers. The Master Board shall have all powers necessary for the administration of the affairs of the Master Association and shall act on behalf of the Master Association except as expressly limited by the Master Governing Documents. The powers include those vested in the Master Association by law or by the Master Governing Documents, and those powers delegated to and accepted by the Master Association by a Neighborhood Association or Neighborhood Developer in compliance with the Master Governing Documents. Except as

relinquished by the Master Association in accordance with Section 8.1, the powers include the following:

6.4.1 Maintain, repair and replace the Master Common Elements and all Improvements thereon and to provide such other maintenance, repair and replacement as the Master Association is obligated to provide under Section 9 of the Master Declaration;

6.4.2 Administer and enforce the covenants, conditions, restrictions, easements, and other rights and obligations, set forth in the Master Governing Documents;

6.4.3 Maintain, repair, replace and improve such parts of a Neighborhood as may be authorized by the Neighborhood Governing Documents for the Neighborhood or by the Master Governing Documents;

6.4.4 Administer and enforce the covenants, conditions, restrictions, easements and other rights and obligations set forth in any Neighborhood Governing Documents if (i) the Master Association determines that the applicable Neighborhood Association has failed to administer or enforce a covenant, condition, restriction, easement or other right or obligation set forth in the applicable Neighborhood Governing Documents; (ii) such failure to administer and enforce is found by the Master Association to cause material harm, nuisance, damage, loss of value or adverse impact on the Property; and (iii) the Neighborhood Association fails to administer or enforce such covenant, condition, restriction, easement, or other right or obligation within thirty (30) days following the Master Association's written notice to the Neighborhood Board;

6.4.5 Exercise any powers delegated to the Master Association by a Neighborhood Association in accordance with the Neighborhood Governing Documents, the Master Governing Documents;

6.4.6 Adopt, amend and revoke Master Rules not inconsistent with the Master Governing Documents, as follows: (i) regulating the use of the Master Common Elements; (ii) regulating the use of the Property, and conduct which may jeopardize the health, safety or welfare of others, or which involves excessive noise or other disturbing activity; (iii) regulating conduct which may damage the Property; (iv) implementing the Master Governing Documents, and exercising the powers granted by the Master Governing Documents; (v) regulate the exterior appearance of the Dwellings, Buildings and Units; and (vi) otherwise facilitating the operation of the Property;

6.4.7 Adopt and amend budgets for revenues, expenditures and reserves, and levy and collect Master Assessments;

6.4.8 Hire and discharge managing agents and other employees, agents and independent contractors;

6.4.9 Subject to Section 11.6 of the Master Declaration, institute, defend or intervene in litigation or administrative proceedings in its own name on behalf of itself or the Owners on matters affecting the Master Association or the Owners;

6.4.10 Make contracts and incur liabilities, including but not limited to contracts with other Persons to provide central garbage and recycling services, and/or central telecommunication receiving and distribution systems (e.g., cable television, high speed data/Internet/intranet services, telephone, and security monitoring) and related components, including associated infrastructure, equipment, hardware, and software, to serve the Gloverdale community;

6.4.11 Make use of computers, the Internet, and expanding technology to facilitate community interaction and encourage participation in Master Association activities. For example, the Master Association may maintain a community intranet or Internet home page, maintain an “online” newsletter or bulletin board, and offer other technology-related services and opportunities for Owners and Occupants to interact and participate in Master Association-sponsored activities;

6.4.12 Grant public or private utility, communications and other easements, leases and licenses through, over or under the Master Common Elements;

6.4.13 Impose charges for late payment of Master Assessments and, after notice and an opportunity to be heard, levy reasonable fines for violations of the Master Governing Documents;

6.4.14 Impose reasonable charges for the review, preparation and recordation of amendments to the Master Declaration or these Master Bylaws, resale certificates required by law, statements of unpaid Master Assessments, or furnishing copies of Master Association records;

6.4.15 Provide for the indemnification of its officers, directors and committee members, and maintain directors’ and officers’ liability insurance;

6.4.16 Provide for reasonable procedures governing the conduct of Owners’ and directors’ meetings, and the election of directors;

6.4.17 Appoint, regulate and dissolve committees to assist it in its duties;

6.4.18 Borrow money for the needs of the Master Association and encumber the assets of the Master Association as security for such borrowings; and

6.4.19 Exercise any other powers conferred by law or by the Master Governing Documents, which are necessary or beneficial for the governance and operation of the Master Association.

6.5 Meetings and Notices. An annual meeting of the Master Board shall be held promptly following each annual meeting of the Owners. At each annual meeting, the officers of the Master Association shall be elected.

6.5.1 Regular meetings of the Master Board shall be held at least quarterly at such times as may be fixed from time to time by a majority of the members of the Master Board. A schedule, or any amended schedule, of the regular meetings shall be provided

in Section 6.5.5 to the directors, and made available for the information of Owners, as provided in Section

6.5.2 Special meetings of the Master Board shall be held when called (i) by the President, or (ii) by the Secretary within ten (10) days following a request, delivered in writing or by authenticated electronic communication, signed or consented to by a majority of the directors. Notice of any special meeting shall be given to each director not less than three (3) days in advance thereof, subject to Section 6.5.4. Notice to a director shall be deemed to be given when deposited in the United States mail postage prepaid to the Unit address of such director, when personally delivered, orally or in writing, by a representative of the Master Board, or when sent any other means authorized by the Act.

6.5.3 Each meeting of the Master Board may include an “open forum” during which Owners may address or make inquiry of the Master Board. The Master Board may establish reasonable time limits for the open forum and speakers’ times, and may open the forum to persons other than Owners, in its discretion.

6.5.4 Any director may at any time waive notice of any meeting of the Master Board verbally, in writing, by authenticated electronic communication, or by attendance at the meeting. If all the directors are present at a meeting of the Master Board, no notice shall be required, and any business may be transacted at such meeting.

6.5.5 A conference among directors by a means of communication through which all of the directors may participate in the meeting is a Master Board meeting, if (i) the same notice is given of the conference as would be required for a meeting, and (ii) the number of directors participating in the conference is a quorum. A director may participate in a Board meeting by means of conference telephone or, if authorized by the Board, by such other means of remote communication, in each case through which that director, other directors so participating, and all directors physically present at the meeting may participate with each other during the meeting. Participation in a meeting by this means constitutes personal presence at the meeting.

6.5.6 To the extent practicable, the Master Board shall give reasonable notice to the Owners of the date, time, and place of a Master Board meeting. If the date, time and place of meetings are provided for in the Governing Documents, announced at a previous meeting of the Master Board, posted in a location accessible to the Owners and designated by the Master Board from time to time, or if an emergency requires immediate consideration of a matter by the Master Board, notice is not required. “Notice” has the meaning given in Section 11.1 of these Master Bylaws. Notwithstanding the foregoing, meetings may be closed at the discretion of the Master Board to discuss the following:

6.5.6.1 Personnel matters;

6.5.6.2 Pending or potential litigation, arbitration or other potentially adversarial proceedings among Owners, or between the Master Association and Owners or third parties, other matters in which the Master Association or any Owner may have an adversarial interest, or involving consultation with legal

counsel for the Master Association, if the Master Board determines that closing the meeting is necessary to discuss strategy, to preserve attorney-client privilege, or to otherwise protect the position of the Master Association or the privacy of an Owner or other Person;

6.5.6.3 Criminal activity arising within the Property if the Master Board determines that closing the meeting is necessary to protect the privacy of the victim or that opening the meeting would jeopardize investigation of the activity; or

6.5.6.4 Strategic matters relating to potential public laws, rules, regulations or ordinances that could materially affect the Master Association or the Owners, or the Property.

Nothing in this Section imposes a duty on the Master Board to provide special facilities for meetings. The failure to give notice as required by this Section shall not invalidate the Master Board meeting or any action taken at the meeting. Furthermore, this Section shall not limit or otherwise apply to actions of the Master Board taken without a meeting as authorized by Section 6.7.

6.6 Quorum and Voting. The presence of a majority of the members of the Master Board shall be required to constitute a quorum for the transaction of business at any meeting. A quorum, once established, shall continue to exist, regardless of the subsequent departure of any director. Each director shall have one vote, and proxies are prohibited. The vote of the majority of the directors present at any meeting at which a quorum is present shall be sufficient to adopt any action not requiring Owner approval.

6.7 Action Taken Without a Meeting. The Master Board shall have the right to take any action in the absence of a meeting which it could take at a meeting when authorized in a writing signed by two-thirds (2/3rds) of all directors then serving.

6.8 Vacancies. Except with respect to directors appointed by the Master Developer during the Master Developer Control Period, a vacancy in the Master Board due to resignation or incapacitation of a director elected by the Owners prior to the expiration of the director's term shall be filled by a person elected within thirty (30) days following the occurrence of the vacancy by a majority vote of the remaining directors, regardless of their number. Each person so elected shall serve out the term vacated.

6.9 Removal. Except with respect to directors appointed by the Master Developer during the Master Developer Control Period, a director elected by the Owners may be removed from the Master Board, with or without cause, by a majority vote at any annual or special meeting of the Owners; provided, (i) that the notice of the meeting at which removal is to be considered states such purpose; (ii) that the director to be removed has a right to be heard at the meeting; and (iii) that a new director is elected at the meeting by the Owners to fill the vacant position caused by the removal. A director elected by the Owners may also be removed by a majority vote of the Master Board if such director (i) has more than two (2) unexcused absences from Master Board meetings and/or Owners meetings during any twelve (12) month period, or (ii) is more than thirty (30) days past due with respect to the payment of Master Assessments or

installments thereof on the director's Unit. Such vacancies shall be filled by the vote of the Owners as previously provided in this Section.

6.10 Compensation. The directors shall receive no compensation from the Master Association for their services in such capacity. A director or an entity in which the director has an interest may, upon approval by the Master Board, be reasonably compensated under a contract for goods and services furnished to the Master Association in a capacity other than as a director; provided (i) that the contract is approved by the members of the Master Board, excluding the interested director, and (ii) that the director's interest is fully disclosed to the Master Board prior to approval. Directors may be reimbursed for out-of-pocket expenses incurred in the performance of their duties.

6.11 Fidelity Insurance. Fidelity insurance coverage for unlawful taking of Master Association funds and other dishonest acts shall be obtained and maintained on all directors and officers authorized to handle the Master Association's funds or other monetary assets.

6.12 Standards of Conduct. In the spirit of fairness and good faith, it is the duty of each member of the Master Board to represent and act on behalf of the entire community for the good of the Gloverdale community as a whole. Accordingly, each Master Board director shall discharge the duties of the position of director in good faith, in a manner that the director reasonably believes to be in the best interests of the Master Association as a whole, and with the care an ordinarily prudent person in a like position would exercise under similar circumstances.

SECTION 7 OFFICERS

7.1 Principal Officers. The principal officers of the Master Association shall be a President, a Vice President, a Secretary and a Treasurer, all of whom shall be elected by the Master Board. The Master Board may from time to time elect such other officers and designate their duties as in their judgment may be necessary to manage the affairs of the Master Association. Only the President and Vice President must be members of the Master Board. A person may hold more than one office simultaneously, except those of President and Vice President.

7.2 Election. The officers of the Master Association shall be elected annually by the Master Board at its annual meeting and shall hold office at the pleasure of the Master Board.

7.3 Removal. Any officer may be removed by the Master Board, with or without cause, and a successor elected, at any regular meeting of the Master Board, or at any special meeting of the Master Board called for that purpose.

7.4 President. The President shall be the chief executive officer of the Master Association, and shall preside at all meetings of the Master Board and the Master Association. The President shall have all of the powers and duties which are customarily vested in the office of president of a corporation, including without limitation the duty to supervise all other officers and to execute on behalf of the Master Association all contracts and similar obligations approved by the Master Board. The President shall have such other duties as may from time to time be prescribed by the Master Board.

7.5 Vice President. The Vice President shall take the place of the President and perform the duties of the office whenever the President shall be absent or unable to act. The Vice President shall also perform such other duties as shall from time to time be prescribed by the Master Board.

7.6 Secretary. The Secretary shall be responsible for recording the minutes of all meetings of the Master Board and the Master Association. The Secretary shall be responsible for keeping the books and records of the Master Association, and shall give all notices required by the Master Governing Documents or the Act unless directed otherwise by the Master Board. The Master Board may delegate the Secretary's administrative functions to a managing agent; provided that such delegation shall not relieve the Secretary of the ultimate responsibility for the Secretary's duties.

7.7 Treasurer. The Treasurer shall be responsible for the financial operations of the Master Association, and shall be covered by a bond or insurance in such sum and with such companies as the Master Board may require. The Treasurer shall (i) be responsible for keeping the Master Association's financial books, Master Assessment rolls and accounts; (ii) cause an annual financial report to be prepared, subject to review by the Master Association's accountants; (iii) cause the books of the Master Association to be kept in accordance with generally accepted accounting practices and submit them to the Master Board for its examination upon request; (iv) cause all moneys and other monetary assets of the Master Association to be deposited in the name of or to the credit of the Master Association in depositories designated by the Master Board; (v) cause the proper obligations of the Master Association to be paid when due; and (vi) perform all other duties incident to the office of Treasurer. The Master Board may delegate the Treasurer's administrative functions to a managing agent; provided that such delegation shall not relieve the Treasurer of the ultimate responsibility for the Treasurer's duties.

7.8 Compensation. Officers shall receive no compensation for their services in such capacity, unless authorized by resolution of the Master Board, with the officer to be compensated abstaining from the vote if such officer is also a director. An officer or an entity in which the officer has an interest may also be reasonably compensated under a contract for goods and services furnished to the Master Association in a capacity other than as an officer; provided (i) that the contract is approved by the members of the Master Board, excluding the interested party, and (ii) that the officer's interest is disclosed to the Master Board prior to approval. Officers may be reimbursed for out-of-pocket expenses incurred in the performance of their duties.

7.9 Standards of Conduct. In the spirit of fairness, it is the duty of each officer to represent and act on behalf of the entire community for the good of the Gloverdale community as a whole. Accordingly, each Master Association officer shall discharge the duties of the position of officer in good faith, in a manner that the officer reasonably believes to be in the best interests of the Master Association as a whole, and with the care an ordinarily prudent person in a like position would exercise under similar circumstances.

SECTION 8 OPERATION AND ADMINISTRATION

8.1 Transfer of Master Association Powers. The Master Association shall have all power and authority granted by the Master Governing Documents and the Act, or otherwise delegated to it by a Neighborhood Association in accordance with the applicable Neighborhood Governing Documents; provided, that any delegation of authority or power by a Neighborhood Association must be authorized by and in compliance with the Master Governing Documents. Notwithstanding the foregoing, the Master Association has authority to delegate or relinquish certain of its powers to one or more Neighborhood Associations, in accordance with the following qualifications and procedures:

8.1.1 The Master Association may, temporarily or permanently, relinquish to a Neighborhood Association any or all of the powers enumerated in Section 6.4, but only to the extent that the powers relate to the operation and administration of the Neighborhood Association. A relinquishment of powers under this Section shall not relinquish nor impair any powers of the Master Association to operate and manage its own affairs, the Master Common Elements or the Property as a whole.

8.1.2 The Master Association's powers may only be relinquished by or redelegated to the Master Association (i) upon the approval of the Master Board and the applicable Neighborhood Board, and (ii) pursuant to a written document specifically describing the powers being relinquished or redelegated, the time period (if any) for which the powers are relinquished or redelegated, and any other limitations on the transfer of the powers. The document memorializing the transfer of powers, shall be executed in a sufficient number of copies such that the Master Association and the applicable Neighborhood Association have an executed copy for their respective corporate records.

8.2 Assessment Procedures. The first Master Board shall determine when the first Master Assessment is levied and shall levy the Master Assessment. Thereafter, the Master Board shall annually prepare a budget of Master Common Expenses, and levy Master Assessments for such Master Common Expenses among the Units as provided in the Master Declaration.

8.2.1 The Master Board shall advise the Owners of each Master Assessment at least thirty (30) days prior to the due date of the first installment of the Master Assessment. The failure of the Master Board to timely levy or give notice of a Master Assessment shall not relieve the Owners of their obligations to continue paying Master Assessment installments in the amount currently levied, as well as any increases subsequently levied.

8.2.2 Except as otherwise provided by the Master Declaration, the annual budget shall include, among other things, (i) a general operating reserve, and (ii) an adequate replacement reserve fund for the replacement of any part of the Property that the Master Association is obligated to replace. The Master Association shall furnish copies of each budget on which the Master Assessment is based to the Owners upon request.

8.2.3 Subject to any limitations contained in the Master Declaration, the Master Board may amend the budget and Master Assessment, and/or levy a special Master Assessment, limited Master Assessment or Neighborhood Assessment at any time. The levy shall be deemed to occur upon the date specified in the resolution which fixes the Master Assessment.

8.3 Payment of Master Assessments. Annual Master Assessments shall be payable in monthly, quarterly or annual installments, as established by the Master Board, in advance on the first day each month or other period for which the Master Assessments is made, as designated by the Master Board. Special Master Assessments, limited Master Assessments and Neighborhood Assessments shall be due and payable as designated by the Master Board. Except as provided in the Master Declaration, all Owners shall be absolutely and unconditionally obligated to pay Master Assessments. No Owner shall have any right of withholding, offset or deduction with respect to any Master Assessment, late charges, interest or costs, regardless of any claims alleged against the Master Developer, the Master Association or their respective officers or directors. Any such rights or claims may be pursued only by separate action.

8.4 Default in Payment of Master Assessments. If an Owner does not make payment on or before the date when any Master Assessment or installment thereof is due, subject to such grace periods as may be established, the Master Association may assess, and such Owner shall be obligated to pay, a late charge as provided in the Master Declaration for each such unpaid Master Assessment or installment thereof, together with all expenses, including reasonable attorneys fees and other professional fees and costs, incurred by the Master Board in collecting any such unpaid Master Assessment. If there is a default of more than thirty (30) days in payment of any Master Assessment, the Master Board may accelerate any remaining installments of the Master Assessment upon prior written notice thereof to the Owner, as provided in the Master Declaration, and the entire unpaid balance of the Master Assessment and late charges shall become due and payable upon the date stated in the notice unless all past due amounts, including late charges, reasonable attorneys' fees and other professional fees and costs incurred by the Master Board, are paid prior to said date. The Master Association may also pursue any other remedy authorized by the Master Governing Documents or by law.

8.5 Foreclosure of Liens for Unpaid Master Assessments. The Master Association has the right to foreclose a lien against a Unit for Master Assessments imposed by the Master Association as more fully described in the Master Declaration.

8.6 Records. The Master Board shall cause to be kept at the registered office of the Master Association, and at such other place as the Master Board may determine, records of the actions of the Master Board, minutes of the meetings of the Master Board, minutes of the meetings of the Owner and detailed and accurate records of the receipts and expenditures of the Master Association. With the exception of records that may be privileged or confidential information, all Master Association records, including receipts and expenditures and any vouchers authorizing payments, shall be available for examination by the Owners upon reasonable notice and during normal business hours. Separate accounts shall be maintained for each Unit setting forth the amount of the Master Assessment against the Unit, the date when due, the amount paid thereon and the balance remaining unpaid.

8.7 Enforcement of Obligations. All Owners and Occupants, and their invitees, are obligated and bound to comply with the Master Governing Documents and the Master Rules. The Master Association may impose any or all of the charges and remedies authorized by the Master Governing Documents or by law to enforce and implement its rights and to otherwise enable it to manage and operate the Master Association.

SECTION 9

AMENDMENTS

These Master Bylaws may be amended, and the amendment shall be effective, upon the satisfaction of the following conditions:

9.1 Approval. The amendment must be approved (i) by the Master Board; (ii) by in excess of fifty percent (50%) of the total votes of all Owners; (iii) by the Master Developer as provided in the Master Declaration; and (iv) Mortgagees, if required by the Master Declaration..

9.2 Notice. A copy of the proposed amendment and, if a meeting is to be held, notice of such meeting, shall be mailed by U.S. mail, or hand delivered to all Owners.

9.3 Effective Date. The amendment shall be effective on the date that the required approvals are received. The amendment need not be recorded.

SECTION 10

INDEMNIFICATION

The Master Association shall, to the extent the alleged liability is not covered by insurance, indemnify every individual acting in any official capacity on behalf of the Master Association, pursuant to the provisions of the Articles of Incorporation of the Association and Wisconsin Statutes Sections 181.0871 through 181.0889.

SECTION 11

MISCELLANEOUS

11.1 Notices. Unless specifically provided otherwise the Act, the Master Declaration or these Master Bylaws, all notices required to be given by or to the Master Association, the Master Board, the officers of the Master Association or the Owners shall be in writing and shall be effective upon hand delivery, or upon mailing if properly addressed with postage prepaid and deposited in the United States mail; except that registrations pursuant to Section 2.2 shall be effective upon receipt by the Master Association.

11.2 Severability. The invalidity or unenforceability of any part of these Master Bylaws shall not impair or affect in any manner the validity, enforceability or effect of the balance of these Master Bylaws.

11.3 Captions. The captions herein are inserted only as a matter of convenience and for reference and in no way limit or proscribe the scope of these Master Bylaws or the intent of any provision hereof.

11.4 Conflicts in Documents. In the event of any conflict among the provisions of the Master Declaration and these Master Bylaws, the Master Declaration shall control. The Master Governing Documents shall control as against any Neighborhood Governing Documents.

11.5 Waiver. No restriction, condition, obligation or provision contained in these Master Bylaws shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches thereof which may occur.

11.6 No Corporate Seal. The Master Association shall have no corporate seal.

11.7 Fiscal Year. The fiscal year of the Master Association shall be as determined by the Master Board.

[Signature page follows]

The undersigned certifies that these Master Bylaws were adopted by the Master Board of Gloverdale Master Association, Inc., a Wisconsin nonstock, nonprofit corporation, effective as of the date hereof.

Dated effective: January 29, 2024

Cindy Larson
Secretary
Gloverdale Master Association