

BYLAWS

RIVER MEADOWS OWNERS ASSOCIATION, INC.

ARTICLE I

DEFINITIONS

Section 1. "Association" shall refer to River Meadows Owners Association, Inc., its successors and assigns.

Section 2. "Landscape Easement" shall mean those portions of River Meadows, River Meadows – Addition No. 1 and River Meadows – Addition No. 2 as shown on the final plats of River Meadows, River Meadows – Addition No. 1 and River Meadows – Addition No. 2 and designated on the final plats as landscape easements.

Section 3. "Developer" shall refer to Ken Sagal, or his successors and assigns.

Section 4. "Restrictive Covenants" shall refer to the Restrictive Covenants applicable to the Properties recorded in the Office of the Register of Deeds for Racine County, Wisconsin.

Section 5. "Lot" shall refer to Lots 1 through 81 shown upon the recorded plats of River Meadows, River Meadows – Addition No. 1 and River Meadows – Addition No. 2.

Section 6. "Member" shall refer to those persons entitled to membership as provided in the Articles of Incorporation.

Section 7. "Owner" shall refer to the record owner, whether one or more persons or entities, of the fee simple title to any Lot which is a part of the Properties, including contract sellers, but excluding those having an interest merely as security for the performance of an obligation.

Section 8. "Sign" shall refer to that particular sign located within the road right of way of Old Farm Rd., at its intersection with Four Mile Road.

Section 9. "Properties" shall refer to that certain real property shown on: (a) the Plat of Subdivision for River Meadows recorded with the Racine County Register of Deeds as Document No. 1560671, (b) the Plat of Subdivision for River Meadows Addition No. 1 recorded with the Racine County Register of Deeds as Document No. 1709630, (c) the Plat of Subdivision for River Meadows Addition No. 2 recorded with the Racine County Register of Deeds as Document No. 1809560, and (d) such additions to those properties as may hereafter be brought within the jurisdiction of the Association.

Section 10. "Trees" shall refer to those particular trees located within the road right of way of Old Farm Rd., at its intersection with Four Mile Road.

ARTICLE II

PRINCIPAL OFFICE

The principal and registered office of the corporation shall be located at 6634 Fieldstone Court, Racine, Wisconsin, 53402, but meetings of members and directors may be held at such places within the state of Wisconsin, County of Racine, as may be designated by the Board of Directors.

ARTICLE III

MEETING OF MEMBERS

Section 1. Annual Meeting. The first annual meeting of the members shall be held on or about _____, 2006, and each subsequent regular annual meeting of the members shall be held on the same day of the same month of each year thereafter, at the hour of 7:30 o'clock P.M. If the day for the annual meeting of the members is a legal holiday, the meeting will be held at the same hour on the first day following which is not a legal holiday.

Section 2. Special Meetings. Special meetings of the members may be called at any time by the President or by the Board of Directors, or upon written request of the members who are entitled to vote one-fourth (1/4) of all of the votes of the membership.

Section 3. Notice of Meetings. Written notice of each meeting of the members shall be given by, or at the direction of, the Secretary or person authorized to call the meeting, by mailing a copy of the notice, postage prepaid, at least fifteen (15) days before the meeting to each member entitled to vote at the meeting, addressed to the member's address last appearing on the books of the Association, or supplied by the member to the Association for the purpose of notice. The notice shall specify the place, day and hour of the meeting, and, in the case of a special meeting, the purpose of the meeting.

Section 4. Quorum. The presence at the meeting of members entitled to cast, or of proxies entitled to cast, of one-third (1/3) of the votes of the membership shall constitute a quorum for any action except as otherwise provided in the Articles of Incorporation or these By-Laws. If, however, a quorum shall not be present or represented at any meeting, the members entitled to vote at the meeting shall have the power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum shall be present or be represented. Every act or decision done or made by a majority of the members present at a meeting at which a quorum is present shall be regarded as the act of the members.

Section 5. Proxies. At all meetings of members, each member may vote in person or by proxy. All proxies shall be in writing and filed with the Secretary. Every proxy shall be revocable and shall automatically cease upon conveyance by the member of the member's Lot.

ARTICLE IV

BOARD OF DIRECTORS: SELECTION: TERM OF OFFICE

Section 1. Number. The affairs of this Association shall be managed by a Board of three (3) directors, who need not be members of the Association.

Section 2. Term of Office. At the first annual meeting the members shall elect one director for a term of one year, one director for a term of two years, and one director for a term of three years; and at each annual meeting thereafter the members shall elect one director for a term of three years.

Section 3. Removal. Any director may be removed from the Board, with or without cause, by a majority vote of the members of the Association. In the event of death, resignation or removal of a director, a successor shall be selected by the remaining members of the Board and shall serve for the unexpired term of the predecessor.

Section 4. Compensation. No director shall receive compensation for any service the director may render to the Association. However, any director may be reimbursed for actual expenses in the performance of duties as a director.

Section 5. Action Taken Without a Meeting. The directors shall have the right to take any action in the absence of a meeting which they could take at a meeting by obtaining the written approval of all the directors. Any action so approved shall have the same effect as though taken at a meeting of the directors.

ARTICLE V

NOMINATION AND ELECTION OF DIRECTORS.

Section 1. Nomination. Nomination for election to the Board of Directors shall be made by a Nominating Committee. Nominations may also be made from the floor at the annual meeting. The Nominating Committee shall consist of a Chair, who shall be a member of the Board of Directors, and two or more members of the Association. The Nominating Committee shall be appointed by the Board of Directors prior to each annual meeting of the members, to serve from the close of the annual meeting until the close of the next annual meeting, and such appointment shall be announced at each annual meeting. The Nominating Committee shall make as many nominations for election to the Board of Directors as it shall in its discretion determine, but not less than the number of vacancies that are to be filled. Such nominations may be made from among members or non-members.

Section 2. Election. Election to the Board of Directors shall be by secret written ballot. At such election the members or their proxies may cast, in respect to each vacancy, as many votes as they are entitled to exercise under the provisions of the Restrictive Covenants. The persons receiving the largest number of votes shall be elected. Cumulative voting is not permitted.

ARTICLE VI

MEETINGS OF DIRECTORS

Section 1. Regular Meetings. A regular meeting of the Board of Directors shall be held, without other notice than these By-laws, immediately after the annual meeting of members. The place of this regular meeting shall be the same as the place of the meeting of members which precedes it, or such other suitable place as may be announced at the meeting of members. The Board of Directors may provide, by resolution, the time and place, either within or without the State of Wisconsin, for the holding of additional regular meetings without other notice than the resolution.

Section 2. Special Meetings. Special meetings of the Board of Directors shall be held when called by the President of the Association, or by any two directors, after not less than three (3) days notice to each director.

Section 3. Quorum. A majority of the number of directors shall constitute a quorum for the transaction of business. Every act or decision done or made by a majority of the directors present at a meeting at which a quorum is present shall be regarded as the act of the Board.

ARTICLE VII

POWERS AND DUTIES OF THE BOARD OF DIRECTORS

Section 1. Powers. The Board of Directors shall have power to:

(a) Adopt and publish rules and regulations governing the maintenance of the Landscape Easement, Sign and Trees, and to establish penalties for the infraction of the rules and regulations;

(b) Exercise for the Association all powers, duties, and authority vested in or delegated to this Association and not reserved to the membership by other provisions of these By-Laws, the Articles of Incorporation, or the Restrictive Covenants;

(c) Declare the office of a member of the Board of Directors to be vacant in the event such member shall be absent from three (3) consecutive regular meetings of the Board of Directors;

(d) Fill a vacancy on the Board of Directors to serve for the unexpired term of the vacant position;

(e) Employ a manager, an independent contractor, or such other employees as the Board of Directors deems necessary, and to prescribe their duties; and

(f) Prosecute an action at law or in equity against any Owner violating or attempting to violate the Restrictive Covenants.

Section 2. Duties. It shall be the duty of the Board of Directors to:

(a) Keep a complete record of all its acts and to present a statement of those acts and affairs to the members at the annual meeting of the members, or at any special meeting when the statement is requested in writing by one-fourth (1/4) of the members who are entitled to vote;

(b) Supervise all officers, agents and employees of this Association and to see that their duties are properly performed;

(c) In order to meet its obligations, to:

(1) fix the amount of the annual assessment against each Lot at least thirty (30) days in advance of each annual assessment period;

(2) send written notice of each assessment to every Owner subject to the assessment at least thirty (30) days in advance of each annual assessment period; and

(3) file a lien against any property for which assessments are not paid within thirty (30) days after due date and foreclose the lien or bring an action at law against the Owner personally obligated to pay the lien;

(d) Notwithstanding the Board's right to assess, as provided in Article VII, Section 2(c) of these Bylaws, the Board may direct that the maintenance for the Landscape Easement be borne by the owner of the lot on which the Landscape Easement lies, as shown on the applicable final plat. In the event that the owner of the lot on which the Landscape Easement lies does not maintain the Landscape Easement in accordance with a harmonious theme for the entire Landscape Easement as established by the Board of Directors, the Board of Directors may, at its sole discretion, perform the necessary maintenance within the Landscape Easement and charge the owner of the lot on which the Landscape Easement lies the cost for such maintenance, which cost shall be a lien against such lot until paid in full. The collection of a lien under this section shall be governed under Article XI.

(e) Issue, or to cause an appropriate officer to issue, upon demand by any person, a certificate setting forth whether or not any assessment has been paid. A reasonable charge may be made by the Board for the issuance of these certificates. If a certificate states an assessment has been paid, the certificate shall be conclusive evidence of such payment;

(f) Procure and maintain appropriate liability and hazard insurance for the Landscape Easement, Sign and Trees, if any;

(g) Cause all officers or employees having fiscal responsibilities to be bonded, as it may deem appropriate;

(h) Cause the Landscape Easement, Sign and Trees to be maintained.

ARTICLE VIII

OFFICERS AND THEIR DUTIES.

Section 1. Enumeration of Officers. The officers of this Association shall be a President and Vice-President, who shall at all times be members of the Board of Directors, a Secretary, and a Treasurer, and such other officers as the Board may from time to time by resolution create.

Section 2. Election of Officers. The election of officers shall take place at the first meeting of the Board of Directors following each annual meeting of the members.

Section 3. Term. The officers of this Association shall be elected annually by the Board, and each shall hold office for one (1) year unless the officer shall sooner resign, or shall be removed, or otherwise disqualified to serve.

Section 4. Special Appointments. The Board may elect such other officers as the affairs of the Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board may, from time to time, determine.

Section 5. Resignation and Removal. Any officer may be removed by the Board from office with or without cause. Any officer may resign at any time by giving written notice to the Board, the President or the Secretary. The resignation shall take effect on the date of receipt of the notice or at any later time specified in the notice; and, unless otherwise specified in the notice, the acceptance of the resignation shall not be necessary to make it effective.

Section 6. Vacancies. A vacancy in any office may be filled by appointment by the Board. The officer appointed to the vacancy shall serve for the remainder of the term of the officer he or she replaces.

Section 7. Multiple Offices. The offices of Secretary and Treasurer may be held by the same person. No person shall simultaneously hold more than one of any of the other offices except in the case of special offices created pursuant to Section 4 of this Article.

Section 8. Duties. The duties of the officers are as follows:

(a) President. The President shall preside at all meetings of the Board of Directors; shall see that orders and resolutions of the Board are carried out; shall sign all leases, mortgages, deeds and other written instruments and shall co-sign all checks and promissory notes.

(b) Vice-President. The Vice-President shall act in the place and stead of the President in the event of the President's absence, inability or refusal to act, and shall exercise and discharge such other duties as may be required of the Vice-President by the Board.

(c) Secretary. The Secretary shall record the votes and keep the minutes of all meetings and proceedings of the Board and of the members; serve notice of meetings of the Board and of the members; keep appropriate current records showing the members of

the Association together with their addresses, and shall perform such other duties as required by the Board.

(d) Treasurer. The Treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by resolution of the Board of Directors; co-sign all checks and promissory notes of the Association; keep proper books of account; and shall prepare an annual budget and a statement of income and expenditures to be presented to the membership at its regular annual meeting, and deliver a copy of each to the members.

ARTICLE IX

COMMITTEES

The Board of Directors may appoint such committees (including a Nominating Committee pursuant to Article V of these By-laws) as the Board deems appropriate in carrying out its purpose.

ARTICLE X

BOOKS AND RECORDS

The books, records and papers of the Association shall at all times, during reasonable business hours, be subject to inspection by any member. The Restrictive Covenants, the Articles of Incorporation and the By-Laws of the Association shall be available for inspection by any member at the principal office of the Association, where copies may be purchased at reasonable cost.

ARTICLE XI

ASSESSMENTS

Each member is obligated to pay to the Association annual and special assessments which are secured by a continuing lien upon the property against which the assessment is made. Any assessments which are not paid when due shall be delinquent. If the assessment is not paid within thirty (30) days after the due date, the assessment shall bear interest from the date of delinquency at the rate of twelve (12%) percent per year, and the Association may file the lien with the Racine County Register of Deeds or Racine County Circuit Court, as may be appropriate, and may bring an action at law against each Owner personally obligated to pay the lien or foreclose the lien against the property, and interest, costs, and reasonable attorney's fees of any such action shall be added to the amount of the assessment. No Owner may waive or otherwise escape liability for the assessments by non-use of the Landscape Easement, Sign or Trees, or abandonment of a Lot.

ARTICLE XII

CORPORATE SEAL

The Association shall have no corporate seal.

ARTICLE XIII

AMENDMENTS

Section 1. These By-Laws may be modified or amended by vote of at least 51% of the authorized votes of all Owners, which vote shall be taken at a meeting of Owners duly held for that purpose.

Section 2. In the case of any conflict between the Articles of Incorporation and these By-Laws, the Articles of Incorporation shall control; and in the case of any conflict between the Restrictive Covenants and these By-laws, the Restrictive Covenants shall control.

ARTICLE XIV

MISCELLANEOUS

The fiscal year of the Association shall begin on the first day of January and end on the thirty-first day of December of every year, except that the first fiscal year shall begin on the date of incorporation.

Signed by all of the Directors of River Meadows Owners Association, Inc. on _____, 2006.

, director

, director

, director

CERTIFICATION

I, the undersigned, certify:

1. I am the duly elected and acting secretary of River Meadows Owners Association, Inc., a Wisconsin corporation; and
2. The foregoing By-Laws are the original By-Laws of the River Meadows Owners Association, Inc., adopted at a meeting of the Board of Directors, held on _____, 2006.

Dated: _____, 2006.

, Secretary