

BY-LAWS OF

PRETTY LAKE ADVANCEMENT ASSOCIATION ARTICLE I

Name and Location

Pursuant to the Articles of Incorporation of Pretty Lake Advancement Association, the following are adopted as the By-Laws of Pretty Lake Advancement Association, hereinafter referred to as the "Association." The principal office of the Association and the mailing address of the Association shall be W376 S5226 Pretty Lake Road, Dousman, WI 53118, but meetings of Members and

Directors may be held at other places within the State of Wisconsin.

ARTICLE II

Definitions

2.1 ASSOCIATION. Pretty Lake Advancement Association, a corporation formed under the nonstock corporation statute, Chapter 181 Wisconsin Statutes, as the same now exists or may be hereafter amended.

2.2 BOARD. The Board of Directors of the Association.

2.3 COMMON AREAS. All land and appurtenant structures and facilities owned by the Association including two (2) Private Lake Access Right-of-Ways, two (2) Private Road Right-of-Ways and the outer area of Cedar Circle Park.

2.4 NOTICE. Delivery of information to Members as required in these By-Laws in person, or by U.S. Mail or by email if email is acceptable to the Member.

2.5 QUORUM. The minimum number of Sustaining Members that must be physically present at a meeting to make the proceedings of that meeting valid and binding.

2.6 RECORD OWNER. The owner(s) named as the grantee on the last deed of record to the Property, as published by the County's Assessor or through the County's Land Information System.

2.7 DISTINCT RECORD OWNER. A Record Owner different from all other Record Owners. Incidental differences such as the inclusion or exclusion of an initial, the use or nonuse of an abbreviation, or differences in the listed order of the same listed persons on two Property deeds shall not constitute "difference".

2.8 PLAT. The plat of Pretty Lake Subdivision, recorded in the office of the Waukesha County Register of Deeds as document # 315468.

2.9 SUBDIVISION. Except when used within the proper name "Pretty Lake Subdivision", Subdivision shall mean that certain real estate in the Town of Ottawa, County of Waukesha, State of Wisconsin, and more particularly described as Pretty Lake Subdivision: Lots 1 to 140; Outlots A, B, C, D, E, and F; Pretty Lake Addition, Lots 141 to 157; any property formed through the legal division or combination, in whole or in part, of the aforementioned Lots and Outlots; and all other properties publicly accessed via Pretty Lake Road, West Pretty Lake Road, East Pretty Lake Road and Cedar Circle.

2.10 PROPERTY. A real property parcel, identified by a Tax Key, and located within the Subdivision.

ARTICLE III Members, Voting and Meetings

3.1 MEMBERS. The rights and qualifications of the Members are as follows:

3.1 A. DEFINED. Members of the Association shall be the Record Owner of fee title to any Property in the Subdivision; provided, however that in the case of a Property being sold by land contract, the purchaser under such land contract shall be deemed the Member. Notwithstanding the provisions of this section, no Membership shall be appurtenant to Common Areas or community-owned or government-owned Properties including Lake Access Right-of-Ways, Private Road Right-of-Ways or Cedar Circle Park. Further, neither community organizations nor units of government shall be Members of the Association. Town of Ottawa, Pretty Lake Protection and Rehabilitation District, and Pretty Lake Advancement Association shall not be Members of the Association.

3.1 B. CLASSES OF MEMBERS. There are two classes of Members, Sustaining Members and Social Members, with the class of Membership determined annually by the Member's payment or non-payment of annual dues. Sustaining Members for any current fiscal year are those who have paid Association dues for the current fiscal year. Social Members for any current fiscal year are those who have not paid Association dues for the current fiscal year. Members owning more than one Property in the Subdivision secure Sustaining Membership for the fiscal year by a single payment of Association dues in that fiscal year. Only Sustaining Members (those Members who paid dues for the fiscal year) may vote at Annual and Special Meetings held during that fiscal year.

3.1 C. ONE MEMBERSHIP AND ONE VOTE PER DISTINCT RECORD OWNER. If the same Record Owner owns more than one Property in the Subdivision, that Record Owner shall have only one (1) Membership interest in the Association and, if that Member is a Sustaining Member, will be entitled to only one (1) vote regardless of the number of Properties owned in the Subdivision. If a Distinct Record Owner is more than one person or entity, the Membership shall be shared but the Record Owner, if a Sustaining Member, shall be entitled to only one (1) vote. Voting rights may not be split.

3.1 D. Membership List. The Association shall maintain a current Membership List showing the name of the Record Owner pertaining to each Property and the address to which notice of meetings of the Association shall be sent ("Membership List"). Each Record Owner shall provide the Association's Secretary with the U.S. Mail or email address to which written or electronic meeting notices may be sent.

3.1 E. TRANSFER OF MEMBERSHIP. Each Membership shall be appurtenant to the Property upon which it is based and shall be transferred automatically upon conveyance of that Property. Membership in the Association may not be transferred, except in connection with the transfer of the ownership of a Property. Upon transfer of the ownership of a Property, the Association shall, as soon as possible thereafter, be given written notice of such transfer including the Tax Key of the transferred Property, the name of the new Record Owner, and the date of transfer. After verification of Record Ownership via County-provided tax roll or Land Information System data, the Association shall make appropriate changes to the Membership List effective as of the date of transfer. New Members shall have Social Member status until the new Member pays annual dues.

3.2 ANNUAL AND SPECIAL MEETINGS. The annual meeting shall be held on a date in June of each year designated by the Board of Directors for the purpose of electing directors, approving the annual budget, establishing the dues for the next year, and transacting any other business authorized to be transacted by the Members. Special meetings of the Members shall be held: i) whenever called by any three (3) Members of the Board of Directors; or ii) upon receipt of a written request signed by no less than thirty

(30) Members of the Association that are allowed to vote based on the rules defined in Articles 3.1 B and 3.1 C.

3.3 TIME, PLACE, NOTICE AND CALLING OF MEMBERS' MEETINGS. Notice of each meeting shall be given by, or at the direction of, the Secretary or other person authorized to call a meeting, at least ten (10) days before such meeting to each Member at the address on the Membership list. Meeting notices shall include voter credentials for each Member entitled to vote at the meeting. Such notice shall specify the place, day and hour of the meeting, and, in the case of a special meeting, the purpose of the meeting.

3.4 QUORUM FOR MEMBERS' MEETINGS. The physical presence of Sustaining Members representing a minimum of ten (10%) of the total number of Sustaining Members of the Association shall constitute a quorum for any action except as otherwise provided in these By-Laws. All votes will be cast through hand display of voter credentials unless a motion calling for a written ballot is duly made, seconded, and passed either prior to, or immediately following, the hand vote.

3.5 PROXIES: At all meetings of Members, each Sustaining Member entitled to vote may vote in person or by proxy. Sustaining Members are responsible for the physical provision of voter credentials to the person who will vote for the Member ("Proxy") through display of the voter's

credentials at the meeting. One person may exercise a proxy for one Sustaining Member and the proxy shall be effective only for the duration of the meeting.

3.6 ACT BY MAJORITY. The act of a majority of votes of the Sustaining Members present in person or by proxy at any meeting at which a quorum is present shall be the act of the Association.

ARTICLE IV Board of Directors

4.1 POWERS AND DUTIES OF THE BOARD OF DIRECTORS. The affairs of the Association, including management and operation of the Association property, shall be governed by the Board of Directors. All powers and duties as shall be necessary for the administration of the affairs of the Association shall be exercised by the Board of Directors. Such powers and duties shall be exercised in accordance with the provisions of the Articles of Incorporation and these By-Laws.

4.2 NUMBER AND QUALIFICATIONS OF DIRECTORS. The Board of Directors shall consist of up to eight (8) Sustaining Members, to be classified with respect to the terms for which they severally hold office as set forth in Paragraph 4.3 below. Each Member of the Board of Directors must be a Sustaining Member of the Association when nominated for and must remain a Sustaining Member while serving on the Board of Directors, by paying dues on or before the annual Membership meeting.

4.3 TERM OF DIRECTORS. The Board of Directors shall consist of eight (8) Sustaining Members. At each annual meeting of the Association, the Sustaining Members shall elect four (4) directors whose terms will expire after two (2) years, at the corresponding annual meeting of the Association.

4.4 VACANCIES ON BOARD. Vacancies on the Board of Directors caused by any reason other than the removal of a director by a vote of the Sustaining Members shall be filled by a 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 the end of the vacated board seat term. Failure to obtain a majority shall result in the vacancy remaining until a Special or Annual Meeting is conducted.

4.5 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 a majority of the votes of the Sustaining Members represented at such meeting, providing a quorum is in attendance, and a successor may then and there be elected to fill the vacancy thus created by the majority vote of the Sustaining Members.

4.6 ANNUAL MEETING AND NOTICE. An annual meeting of the Board of Directors shall be held immediately after, and at the same place as, the annual meeting of the Members, for the purpose of electing officers of Association (from among the Board of Directors), and transacting such business as may come before the meeting. Notice of the regular annual meeting of the

Board of Directors shall not be required. Promptly following the annual meeting, the Board shall provide the officer roster to the Membership.

4.7 REGULAR MEETINGS AND NOTICE. Regular meetings of the Board of Directors may be called by the President or by three (3) directors on a minimum of five (5) days notice to each director, which notice shall state the time, place and purpose of the meeting.

4.8 WAIVER OF NOTICE. Before, at or after any meeting of the Board of Directors, any director may, in writing or email, waive notice of such meeting and such waiver shall be deemed equivalent to the giving of proper notice. Attendance by a director at any meeting of the Board shall be a waiver by him/her of notice of the time and place thereof. If all of the directors are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

4.9 QUORUM OF DIRECTORS/ADJOURNMENTS. At all meetings of the Board of Directors, a majority of the directors shall constitute a quorum for the transaction of business, and the act of the majority of the directors present at a meeting at which a quorum is present shall be the act of the Board of Directors. If, at any meeting of the Board of Directors, there shall be less than a quorum present, the majority of those present may adjourn the meeting from time to time without further notice. At any such adjourned meeting at which a quorum is present, any business which might have been transacted at the meeting as originally called may be transacted.

4.10 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.

4.11 COMPENSATION. No Director shall receive compensation for any service he/she may render to the Association as such. However, any Director may be reimbursed for his/her actual expenses incurred in the performance of his/her duties if the expense was approved in advance by the Directors.

ARTICLE V

Powers and Duties of the Board of Directors

5.1. POWERS. In addition to their other authorities, the Board of Directors shall have power to:

- (a) Prepare budgets for revenues, expenditures and reserves for common expenses from Record Owners;
- (b) Employ and dismiss employees and agents;

(c) Adopt and publish rules and regulations governing the use of the Common Areas, and the conduct of the Members and their guests thereon, and to establish penalties for the infraction thereof;

(d) 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;

(e) Employ a manager, an independent contractor, or such other employees as they deem necessary, and to prescribe their duties; and (f) Open bank accounts on behalf of the Association and to designate the signatories required therefor.

5.2. DUTIES. It shall be the duty of the Board of Directors to:

(a) Identify, define, prioritize, estimate costs for and oversee the execution of special projects intended to advance the social, community and recreational quality of and for Pretty Lake Members;

(b) Cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof to the Members at the Annual Meeting of the Members, or at any special meeting when such statement is requested in writing by thirty (30) Sustaining Members of the Association;

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

(d) Procure and maintain adequate liability and hazard and other insurance on the Common Areas;

(e) Cause all officers, Members of the Board and employees having fiscal responsibilities to be bonded, if it may deem it appropriate to do so;

(f) Cause the Common Areas to be maintained;

(g) Charge, in its discretion, reasonable fees for the use of any recreational facility, which may be constructed upon the Common Areas;

(h) Grant easements through or over Common Areas; and

(i) Maintain a current roster of names, residential addresses and email addresses of Record Owners to which all notices shall be sent;

(j) Exercise all rights, secure all benefits and comply with all obligations arising out of resolution #120811-1 by which the PLPRD assumed ownership of the Athletic Field and Shelter House/Pavilion.

ARTICLE VI Officers

6.1 DESIGNATION. ELECTION AND REMOVAL. The principal officers of the Association shall be a President, Vice President, Secretary and Treasurer, to be elected from among themselves by the Board of Directors at the Board's Annual Meeting. Upon the affirmative vote of the majority of the Members of the Board of Directors at any regular board meeting, any officer may be removed from office, either with or without cause and a successor may then and there be elected to fill the vacancy thus created. Any such removed officer shall still be a Member of the Board of Directors. Each Member may only hold one office at a time. Promptly following any change in the roster of officers, the Board shall provide notice of such change to all Members.

6.2 VACANCIES. A vacancy in any office may be filled by appointment by the Board of Directors. The officer appointed to such vacancy shall serve for the remainder of the term of the officer he/she replaces.

6.3 PRESIDENT. The President shall be the chief executive officer of the Association. He/she shall preside at all meetings of the Association and of the Board of Directors. He/she shall have all the general powers and duties which are usually vested in the office of President including, but not limited to, the power to

sign, together with any other officer designated by the Board, any contracts, checks, drafts or other instruments on behalf of the Association in accordance with the provisions herein. The President shall perform such duties and have such other authority as may be delegated by the Board of Directors.

6.4 VICE-PRESIDENT. The Vice President shall coordinate maintenance and operational activities related to the Common Areas. The Vice-President shall take the place of the President whenever the President is absent or unable to act. The Vice-President shall also perform such other duties imposed by the Board from time to time.

6.5 SECRETARY. The Secretary shall keep the minutes of all meetings of the Board of Directors and of the Association, shall make recorded copies of minutes of all meeting available upon request by any Member, and shall have charge of the Association's Membership list and voter roles and associated records, and shall, in general, perform all duties incident to the office of the Secretary.

6.6 TREASURER. The Treasurer shall have responsibility for the Association's funds and shall be responsible for keeping full and accurate accounts of all receipt and disbursements and financial records and books of account on behalf of the Association. The Treasurer shall be responsible for the deposit of all monies and all valuable effects in the name, and to the credit, of the Association in such depositories as may from time to time be designated by the Board of Directors. The Treasurer shall also be responsible for the billing and collection of all dues, fees, and fines due to the Association and any other contributions to the association. The Treasurer, or in his/her absence, the designee of the President, shall count votes at meetings of the Association.

6.7 LIABILITY OF DIRECTORS AND OFFICERS. No person shall be liable to the Association for any loss or damage suffered by it on account of any action taken or omitted to be taken by him/her as a director or officer of the Association, if such person (a) exercised and used the same degree of care and skill as a prudent person would have exercised or used under the circumstances in the conduct of his/her own affairs, or (b) took or omitted to take such action in reliance upon advice of counsel for the Association or upon statements made or information furnished by officers or employees of the Association which he/she had reasonable grounds to believe to be true. The foregoing shall not be exclusive of other rights and defenses to which he/she may be entitled as a matter of law. The Board of Directors may provide directors' and officers' liability insurance in such amounts and with such coverage as may be determined by the Board of Directors to be necessary or advisable from time to time.

6.8 INDEMNIFICATION OF OFFICERS AND DIRECTORS. The Association shall, to the fullest extent permitted or required by Wisconsin Statutes Chapter 181, inclusive, of the Wisconsin Nonstock Corporation Law ("Statute"), including any amendments thereto (but in the case of any such amendment, only to the extent such amendment permits or requires the Association to provide broader indemnification rights than prior to such amendment), indemnify its Directors and Officers against any and all Liabilities, and advance any and all reasonable Expenses, incurred thereby in any Proceeding to which any Director or Officer is a Party because such Director or Officer is a Director or Officer of the Association. The Association may indemnify its employees and authorized agents working within the scope of authorized activities. The rights to indemnification granted hereunder shall not be deemed exclusive of any other rights to indemnification against Liabilities or the advancement of Expenses which such Director or Officer may be entitled under any written agreement, board resolution, vote of the Sustaining Members, the Statute or otherwise. All capitalized terms not otherwise defined herein shall have the meaning set forth in Wisconsin Statutes Chapter 181. The Association may, but shall not be required to, supplement the foregoing right to indemnification against Liabilities and advancement of Expenses under the foregoing paragraph by (a) the purchase of insurance on behalf of any one or more of such Directors or Officers whether or not the corporation would be obligated to indemnify or advance

Expenses to such Director or Officer under the foregoing paragraph, and (b) entering into individual or group indemnification agreements with any one or more of such Directors or Officers.

6.9 COMPENSATION. No officer or Member of any committee shall receive any fee or other compensation for services rendered to the Association except by specific resolution of the Sustaining Membership or if the expense was the reimbursement of expenses for the benefit of the Association approved in advance by the Directors.

ARTICLE VII

Rules, Regulations and Finances

7.1 ADOPTION OF RULES AND REGULATIONS. The Board of Directors shall have the right to make, amend, and enforce rules and regulations from time to time respecting the use, operation, and maintenance of the Common Areas. The Board of Directors shall also have the right to adopt and collect fees for any special services to Members including requests for notices and mailings to be delivered to multiple residential, business or email addresses.

7.2 COMPLIANCE WITH RULES AND REGULATIONS. Every Member shall promptly comply with all rules and regulations adopted by the Association. A Member shall reimburse the Association on demand for any expenditures incurred in repairing or replacing any part of the Common Areas damaged by the reimbursing Member, any person in such Member's family, or a tenant, employee or other user or occupant of the reimbursing Member's Property.

7.3 FINANCIAL REPORTS. At each annual Membership meeting, the Treasurer shall provide and present a report of the Association's finances. The Treasurer's financial report shall include a summarized enumeration of the Association's income and expenditures for the prior fiscal year as well as account balances as of the start and end of the prior fiscal year. The report will be segmented into Operations/Dues, Fireworks, and Fundraising sections. The Operations/Dues report of income shall include the number of Members who paid dues for the previous fiscal year and the total monies collected through the Membership dues request(s). The Treasurer's financial report shall also include a segmented and summarized enumeration of current fiscal year income, expenditures, and account balances, per Operations/Dues, Fireworks, and Fundraising as of a date not more than fifteen (15) days prior to the meeting date. At a minimum, the report shall additionally include the total number of Membership dues requests sent out, the number of Members who have paid dues and the total of monies collected through the Membership dues request.

7.4 BUDGET AND DUES. At each annual Membership meeting, the Board shall propose a fiscal year budget for the operation of the Association. The proposed budget shall be based upon the funds collected and reasonably anticipated to be collected throughout the fiscal year as well as actual and reasonably anticipated expenses for the current fiscal year. At the meeting, the Membership shall consider and Sustaining Members may amend the proposed budget. The Sustaining Members shall, by a majority vote, adopt a budget for the operation of the Association. The budget shall contain estimates of all costs for Operations/Dues expenses, Fireworks, enumerated Fundraising priorities and any other expense items. Dues may only be used to pay for operating expenses. Fundraising assets should be used to pay for those Fundraising projects identified in the budget as prioritized by the Board of Directors, but if necessary, may be used to pay for unanticipated advancement opportunities or any shortfall in operating or fireworks funds. The Sustaining Membership shall also, by a majority vote at the annual meeting, approve the next year's Membership dues.

7.5 BOARD SPENDING AUTHORITY. From the start of the fiscal year until a budget has been adopted by a majority vote of the Sustaining Membership, the Board's expenditures shall not exceed 20% of the

Association's income for the prior fiscal year. Once a budget has been adopted, the Board may make expenditures consistent with the adopted budget and make appropriate incidental adjustments to the budget based on actual income and expenses. Notwithstanding the provisions of this section, only in the case of an emergency shall the Board's authorized expenditures create any indebtedness for the Association. Prior to any such non-emergency expenditure, the Board may a.) Call a special meeting of the Membership to seek adoption of a revised budget and/or extraordinary spending authority, and/or b.) Request additional contributions from Members and then make expenditures, which do not exceed the actual amount received through such a request.

ARTICLE VIII

General

8.1 FISCAL YEAR. The fiscal year of the Association shall begin on the first day of April and end on the last day of March in each year, unless a different fiscal year is elected by the Association.

8.2 SEAL. The Association shall have no seal.

8.3 CONFLICTS. In the event of a conflict between the terms of these By-Laws and the terms of the Plat or Articles of Incorporation of the Association, the documents shall control in the following order: (1) the Plat, (2) the Articles of Incorporation of the Association, (3) these By-Laws.

ARTICLE IX Amendments

9.1 BY MEMBERS. These By-Laws may be altered, amended or repealed and new By-Laws may be adopted by the Sustaining Members, at any meeting called for such purpose, by affirmative vote of the Sustaining Members having two thirds (2/3's) or more of the total votes of those Sustaining Members attending a regular Annual meeting, or at a special meeting called for that purpose as long as a quorum is present as defined and as described in Article 3.4

These By-Laws are adopted by a ballot vote of the Membership as of the 10th day of May 2025.