

BY-LAWS
OF
PONY CREEK HOMEOWNERS ASSOCIATION DIV. #1. INC.

ARTICLE I -Definitions

Section 1 – the word “lots” used in these By-Laws shall be deemed to mean the following described real property situated in the county of Mills, State of Iowa, and more particularly described as follows:

All of the real property shown on that certain Plat entitled “Pony Creek Development #1 Subdivision” filed in the office of the county recorder of the County of Mills, State of Iowa, together with any and all other real property which may hereafter, through the operation of conditions, covenants, restrictions, easements, reservations or charges pertaining to the same, be placed under or submitted to the jurisdiction of the association by resolution of the Board of Directors of the Association.

Section 2 – the word “Bondowner” or “Homeowner” wherever used in these By-Laws shall be deemed to mean a “lot” with the resident owning or purchasing the lot of residence as defined in the protective covenants filed in the Mills County Recorder’s office relating to said Subdivision.

Section 3 – The elected group of officers; President, Vice-President, and four (4) directors will hereafter be known as the “Board”.

Section 4 – A quorum shall be defined as such:

- A. Pertaining to the Board – 5 officers. There must be in attendance of a monthly board meeting a quorum of board members to conduct business.
- B. Pertaining to the voting body of the corporation at annual and semi-annual general membership meetings – 55% of the voting homeowners or bond holders before business can be conducted.

ARTICLE II - Membership

Section 1 – The members of the corporation shall be all persons who are owners of record of any home in said subdivision provided that no person or corporation taking title as security for the payment of money or the performance of any obligation or selling. Persons who are purchasing under contract or agreement of purchase shall be deemed the homeowner for membership and voting purposes.

Such membership or such residence and the purchasing of such home shall require the homeowner to purchase a bond for \$2.50. Said bond will be refundable at face value at the time of sale of lot and residence. Said bond will be sold back to the corporation; it is not transferable.

When a lot and residence is owned or being purchased by two or more persons, the membership as to such lot and residence shall be joint and the right of such membership (including the voting power arising therefrom) shall be exercised only by the joint action of all owners or purchasers of such lot and residence. Only one (1) vote or bond shall be allowed for multiple or joint owners.

Any person or persons claiming to be a member in this corporation shall establish his right to membership to the satisfaction of the Secretary of this corporation by displaying his bond at the time of voting. No membership or initiation fee shall be charged (other than the \$2.50 or the bond) or shall members be required to pay at any time any amount to carry on the business of the corporation, except to pay annually the charges or assessments set forth in the protective covenants filed of record in the Mills County Recorder's office and the Articles and By-Laws of Pony Creek Homeowners Associations Dev. #1, Inc.

Membership in this corporation shall also lapse and terminate when any member shall cease to be the owner of record of a lot and residence in said property and a purchaser thereof under a contract or agreement of purchase.

ARTICLE III – Voting Rights

Section 1 – In all matters which shall come before the members of this corporation and in all corporate matters, the voting power of the members of this corporation shall be unequal according to the following rules;

- (a) Except as provided to the following in (d) of this section, each bondholder in this corporation shall have at least one (1) vote;
- (b) Except as provided in (d) of this section, each bondholder owning of record one or more lots and residences shall have right to only one (1) vote.
- (c) Except as provided in (d) of this section, each purchaser who is a resident in a lot and residence and is purchasing it under a contract or agreement of purchase shall be entitled to one (1) vote.
- (d) When a lot and residence is owned of record in joint tenancy or tenancy-in-common, or when two or more residents are purchasing a lot and residence under a contract or agreement or purchase and residing thereon, the several owners or purchasers of said lot and residence shall collectively be entitled to one (1) vote only therefore;
- (e) Except as provided in (d) of this section, all income property (renters) residents shall be excluded from voting privileges; and,
- (f) There shall be no proxy or absentee voting.

ARTICLE IV – Property Rights

Section 1 – Each homeowner or bondholder of this corporation shall have such an interest in all of the property covered by this corporation and is represented by presenting the bond purchased for the privilege of casting a vote for business purposes. Such interest is and shall be appurtenant to the lot and residence in all said property which qualify such person for membership in the corporation.

ARTICLE V – Corporate Powers

Section 1 – The corporate powers of the corporation shall be vested in, exercised by and under the authority of and the business and affairs of this corporation shall be controlled by a Board of seven (7) officers. The officers (Board) shall be members of this corporation. Five (5) of said officers shall constitute a quorum for the transaction of business.

ARTICLE VI – Election of Officers

Section 1 – The officers named in the Articles of Incorporation of this corporation shall hold office until the next annual meeting thereafter and until their successors are elected, either at an annual meeting or at a special meeting called for that purpose, unless otherwise provided by the By-Laws of this corporation.

Section 2 – Unless otherwise provided by the By-Laws of this corporation, the officers other than those named in the Articles of Incorporation shall be elected at the annual meeting of the members and shall hold office until their successors are elected.

Section 3 – Unless otherwise provided by the By-Laws of this corporation, the term of office of any officer shall begin immediately after election except for President who shall take office after a 60-day transition period. He shall attend all board meetings during this transition period. The term of office of members of this Board of this corporation may be determined by a majority of the members of this corporation and may be changed only by a majority vote of the bondholders of this corporation.

Section 4 – The officers of the board will be elected by a majority of the bondholders for a period of one (1) year only except for President who shall serve a two (2) year term. The only exception will be that the first election of the officers will be for staggered years so as the entire governing body is not disbanded the first year. Every year thereafter the first year, each will be selected on one (1) year terms only except for the President. These officers are Vice-President, Treasurer. The four directors will be elected for two (2) year terms. The first year however, elect two (2) directors for one (1) year and two (2) directors for the two (2) year term, so as not to disband the directors entirely the first year.

ARTICLE VII – Vacancies

Section 1 – Vacancies in the board shall be filled by a majority vote of the remaining board members, constituting a quorum, and each board member so elected shall hold office until his successor is elected at the annual meeting or at a special meeting called for that purpose. If any officers at any time tenders his/her resignation to the board, the board shall have power to elect his successor to take effect at such time as the resignation becomes effective.

ARTICLE VIII – Powers of the Board

Section 1 – The board shall have power:

- (a) To call special meetings of the members whenever it deems it necessary, and it shall call a meeting at any time a petition of 35% of the voting bondholders is presented to the board.
- (b) To elect and removed at pleasure all agents and employees of the corporation, prescribe their duties, fix their compensations, and require from them security or fidelity bond for faithful performance of the duties to be prescribed for them.
- (c) To conduct, manage and control the affairs and business of this corporation, so long as there is a quorum in attendance, and to make rules and regulations not inconsistent with the laws of the

State of Iowa or the By-Laws of this corporation for the guidance of the officers and management of the affairs of the corporation.

- (d) To establish, levy, and assess, and collect the charges or assessments referred to as Article II and to assess and collect such amounts as covered by #9 in the Pony Creek Development #1 covenants so registered and on file at the Recorder's office of Mills County, concerning the maintenance of the roads, weed control on road -of ways and recreational area. Maintenance assessments shall be due on a yearly basis beginning with October 1, 1977, and payable 30 days after the beginning of each quarter. So designated as quarterly: January 1st., April 1st., July 1st., and October 1. Payments shall be collected by a committee of three (3) including one (1) board member and two (2) bondholders at large. They will pursue payment to the full extent of the law.

There will also be a committee of three (3) to supervise the maintenance of the roads and rights-of-way area. This committee will consist of the one (1) board member designated to supervise the road maintenance and two (2) bondholders at large to assist this chairman. The same restrictions hold for the recreational areas; and

- (e) To exercise for the corporation all powers, duties and authorities vested in or delegated to the corporation under the By-Laws.

Article IX – Duties of the Board

Section 1 – Duties of the Board

- (a) To cause to be kept a complete record of all the minutes and acts and proceedings of the members and present a full statement at the regular annual meeting of the members showing in detail the assets and liabilities of the corporation and general conditions of its affairs. A similar statement shall be presented at any other meeting of the homeowners, when required by homeowners who have the right to vote at least 55% of all votes of the entire bondholders.
- (b) To supervise all offices, agents, and employees of this corporation and to see that their duties are properly performed.
- (c) A full financial statement shall be available on or before the annual meeting after the third (3rd) year with notice of the meeting.

Article X – Board Meetings

Section 1 – The annual meeting of the Board shall be held on the third (3rd.) Sunday of September, beginning with the third (3rd.) Sunday in September 1977 and each year thereafter at 6:00 P.M.

Section 2 – A regular meeting of the board shall be held on the third (3rd) Tuesday of each month at 7:30 o'clock P.M.

Section 3 – Special meetings of the board shall be held when called by the president, vice-president or treasurer, or upon written request of any three (3) directors. Written notice of each special meeting of the board shall be delivered personally to the officers or given or sent to each officer at least ten (10) days before the time for holding said meeting, by postage thereon fully prepaid, addressed to the officers and directors. Each officer and director shall register his address with the secretary and notices of meetings shall be mailed to him at such address.

Section 5 – The transactions of any meetings of the board properly called and noticed, or wherever held, shall be valid as though had at a meeting duly held after regular call and notice of a quorum be present.

Section 6 – Every act or decision done or made by a majority of the officers present at a meeting duly held at which a quorum is present shall be regarded as the act of the board. In the absence of a quorum the majority of the officers present may adjourn from time to time until the time fixed for the next regular meeting of the board.

ARTICLE XI – Meetings of Members

Section 1 – The regular annual meeting of the bondholders shall be held on the 3rd Sunday of September in each year at the hour of 6:00 P.M. A semi-annual meeting shall be held on the 3rd Sunday of May at 6:00 P.M.

Section 2 – The special meetings of the bondholders for any purpose may be called at any time by the board or by a petition requiring the signatures of 35% of the bondholders.

Section 3 – Notices of annual and semi-annual and special meetings shall be given in writing to the bondholders by the secretary. Notice may be given to the homeowners either personally or by sending a copy of the notice through the mail, postage thereon fully paid to his address appearing on the books of the corporation. Each homeowner's address shall be registered with the Secretary and notices will be mailed at this address. Written notice of each meeting shall be at least ten (10) days before the time for holding said meeting, be given or sent to each member by letter, postage thereon full prepaid, addressed to the homeowner. Notice of each annual, semi-annual or special meetings of the homeowners shall specify the place, date and the hour of the meeting and a specific agenda to be followed.

Section 4 – The transactions of any meetings of the homeowners however, called or noticed shall be valid as though had at a meeting duly held after regular call and notice if a quorum be present. At least 55% of the voting homeowners constitutes a quorum. In the absence of a quorum any meeting of the homeowners may be adjourned from time to time and no business may be transacted.

ARTICLE XII

Section 1 – The officers of this corporation shall be a president, Vice -President, and Treasurer who shall be members of the board and four (4) directors.

Section 2 – These three officers (President, Vice President and Treasurer) of this corporation shall be elected by the voting bondholders at the annual meeting and shall hold office for one year except the president who shall serve two (2) years unless he shall sooner resign or shall be removed or otherwise disqualified to serve.

Section 3 – The four (4) directors elected, each of whom shall hold offices as stated in Article VI, have such authority, and perform such duties as the voting bondholders so elect them for.

Section 4 – Any officer may be removed from office only for a just cause and only by a special meeting of the bondholders. Any officer may resign at any time with written notice to the board. Any resignation will take effect at the date of receipt of notice, or at any later time specified therein, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 5 – A vacancy in any office because of death, resignation, removal, disqualification or other cause shall be fulfilled by appointment by the board until annual meeting or a special meeting called to do so.

ARTICLE XIII

Section 1 – The homeowners, at their annual meeting, shall elect one (1) of their members to act as president and shall also elect a vice-president, treasurer and four directors. The president shall be bonded.

Section 2 – If at any time the president shall be unable to act, the vice-president shall take his place and perform his duties. If the vice-president is unable, for any cause, to act the board shall appoint some member of the board to act, in whom shall be vested for the time being all the duties and functions of the president.

Section 3 – The president, or the vice-president, or in the absence or inability to act of both the president or the vice-president, the officers appointed as above provided:

- (a) Shall preside over all meetings of the members and the board.
- (b) Shall sign as president, all deeds, contracts, and other instruments in writing which shall have been first approved by the board.

ARTICLE XIV

Section 1 – All duties and powers required by law, or by these By-Laws of, and all powers conferred by law or by these By-Laws upon, the president shall in his absence, inability or refusal to act be performed by the vice-president.

ARTICLE XV – Secretary

Section 1 – The board shall elect a secretary and it shall be the duties of the secretary:

- (a) To keep a record of all meetings and proceedings of the board and officers.
- (b) To keep proper books.
- (c) To notify the board and homeowners of meetings either general or special, required with by the law or by the By-Laws of the corporation.
- (d) To keep appropriate records showing the homeowners of the corporation together with their addresses as furnished him by such homeowners.

ARTICLE XVI – Treasurer

Section 1 – Treasurer shall be elected by the homeowners at the annual meeting. He shall receive and deposit in such bank or banks as the board may from time to time direct all of the funds of the corporation, which funds shall be withdrawn by such officer or officers as the board shall from time to time designate.

Section 2 – All checks drawn of the corporation bank account shall be signed by the treasurer and president of the corporation.

Section 3 – Treasurer will be bonded as soon as the corporation is solvent.

ARTICLE XVII – Records

Section 1 - The books, records, and such papers as may be placed on file by the vote of the homeowners shall at all reasonable times, during reasonable business hours, be subject to the inspection of any homeowner.

ARTICLE XVIII – Corporate Seal

Section 1 – This corporation must have a corporate seal.

ARTICLE XIX – Amendments

Section 1 – By-Laws may be individually adopted, amended or repealed:

- (a) By a 55% vote of the Bondholders at an annual, semi-annual, or special meetings.

ADOPTED: 11-27-1977

AMENDMENT I

The date of board meeting is set by the board as they see fit to meet their needs and be held at least once a month. (Passes 9-17-78)

AMENDMENT II

The annual meeting shall be held on the 3rd Sunday of October at 6:00 P.M.
Voted in by vote of 13-0 on September 16, 1979.

AMENDMENT III

Replace Article III Section (F) with;
-All voting shall be done live, by proxy or absentee ballot.
-Passed 21 – 0 on October 17, 2021

AMENDMENT IV

Repeal Article II Section 1 Paragraph 2 in its entirety.
-Passed 21 – 0 on May 15, 2022

AMENDMENT V

Replace Article II Section 1 Paragraph 4 with;
-Any landowner has voting rights in the Association providing that their dues are current.
-Passed 24 – 0 on May 15, 2022.

AMENDMENT VI

Replace Article VII Section 1 Paragraph (D) with;
-To establish, levy, assess and collect the cost necessary to operate the Pony Creek Homeowner's Association Development #1. Said cost shall be, but not limited to, maintenance of water, roads, park, trash collection and administrative cost. Said payments shall be made monthly or annually at the discretion of the homeowner.
-Passed 21 – 1 on May 15, 2022.