

**BYLAWS OF
PINE-OAK SUBDIVISION HOMEOWNERS ASSOCIATION**

1. Name and Location. The name of the Association is **Pine-Oak Subdivision Homeowners Association**, hereinafter referred to as the "Association." Meetings of members and directors may be held at such places within Lawrence County, South Dakota, as may be designated by the Board of Directors.

2. Definitions.

2.1 "Association" shall mean and refer to Pine-Oak Subdivision Homeowners Association, its successors and assigns.

2.2 "Declaration" shall refer to the *Pine-Oak Subdivision Declaration of Protective Covenants* dated January 7, 1982, recorded in the office of the Lawrence County Register of Deeds as Doc# 82-137 (hereinafter referred to as the "Covenant"), as amended or restated, and to the *Pine-Oak Subdivision Homeowners Association* (hereinafter referred to as the "Association Declaration") with the Lawrence County Register of Deeds as Doc# 82-138, as amended or restated.

2.4 "Owner" shall mean the recorded, legal or beneficial owners, whether one or more persons or entities, of the fee simple title of any Lot which is part of or located within the subdivision, including contract sellers, but excluding those having such interest solely as contract sellers and excluding those having such interest solely as security for the performance of an obligation.

2.5 "Property" means the real estate subject to the Declaration.

2.6 "Lot" means any plot of land upon any recorded subdivision map on the property upon which a dwelling unit can be constructed.

3. Membership. The Corporation shall have one class of membership which shall be entitled to one vote for each Lot in which an owner holds the interest required for membership. Membership in the Corporation runs with and is appurtenant to a Lot. Subsequent owners of the property will acquire the seller's rights in the Corporation, subject to payment of Corporation assessments. Where more than one person holds an interest in a Lot, all such persons shall be members but the vote for such Lot shall be exercised as they may among themselves determine and in no event shall more than one vote be cast with respect to any one Lot. No member may be expelled from the Corporation or be denied voting rights, but voting rights may be temporarily suspended during any period the member is delinquent in payment of assessments.

4. Meetings.

4.1 Annual Meeting. Annual meetings of the members shall be held on a date in May selected by the board of directors and, at such meeting, the members shall elect directors and any committee members and shall transact other business.

4.2 Special Meetings. Special meetings of the members may be held upon the call of a majority of the members of the board of directors or upon a petition signed by members representing at least five (5) Lots in the subdivision presented to the Secretary, with such a special meeting called by the members to be held no earlier than 30 days after the petition is presented to the Secretary. Only such business as specified in the notice of any special meeting may be transacted at the special meeting.

4.3 Notice of Meetings. Notice of each members' meeting, stating the place, day and hour of the meeting, and in case of a special meeting the purpose or purposes of the meeting, shall be given by the Secretary of the corporation or by the person authorized to call the meeting, to each member entitled to vote at the meeting not less than ten (10) days nor more than fifty (50) days before the date named for the meeting.

4.4 Voting. At any meeting of the members, each Lot whose assessments and service charges have been paid in full shall be entitled to one vote per Lot as provided in Section 3, above. Voting rights may be exercised by proxies.

4.5 Quorum. At any meeting of the members, the presence of members representing seven (7) separate Lots shall constitute a quorum. At a duly organized meeting, members present can continue to do business until adjournment even though enough members withdraw to leave less than a quorum. A member is considered to be present if the member participates in the meeting via phone or streaming video which allows instantaneous communication.

4.6 Conduct of Meetings. Meetings of the members shall be conducted in accordance with Robert's Rules of Order.

5. Board of Directors.

5.1 Number, Qualification and Election; Term. The board of directors of the corporation shall consist of not less than three (3) or more than **five (5) members**. These members shall be elected by the members of the corporation at their annual meeting from among the members of the corporation whose assessments have been paid. **Directors shall continue to serve staggered terms of three years.**

5.2 Vacancies. Vacancies or newly created positions on the board of directors shall be filled by the board of directors or may be left vacant until the next annual meeting of members. Each director selected by the board of directors to fill a vacancy shall serve until their successor is elected at the next annual meeting of members or at a special meeting of members called for that purpose, as the board of directors may determine.

5.3 Powers and Duties. It shall be the duty of the board of directors to direct the management of the property and affairs of the corporation, to make and enforce assessments, to exercise all corporate powers, and to appoint from its own membership, the officers of the corporation. The board shall have power to enter into written contracts with employees and for long-term financing of corporate obligations for terms extending beyond the terms of office of any or all of the individual directors. Generally, and without limitation, the board shall have the power and shall operate the

business of the corporation in a prudent and careful manner consistent with the limitations and restrictions imposed by the Articles of Incorporation of the corporation and under the powers granted to it by the laws of the State of South Dakota.

5.4 Resignation and Removal. Any director may resign at any time by giving written notice of such resignation to the board of directors. Such resignation shall take effect at the time specified therein and, unless otherwise specified, the acceptance of such resignation shall not be necessary to make it effective. Any director who is absent from three consecutive regular meetings of the board of directors unless excused by the board of directors for good and sufficient reason, shall be removed automatically as a director of the corporation and such director's position on the board of directors shall be declared vacant. Any director may be removed as a director of the corporation by the vote of two-thirds of the directors for two or more un-excused absences, violating these by-laws, neglect of duty of office, or behavior injurious to the corporation. No such action shall be taken until the director has been advised of specific charges, given a reasonable time to prepare a response, and afforded a full hearing before the board of directors.

5.5 First Meeting. The first meeting of the directors after the filing of the Articles of Incorporation shall be an organizational meeting held at the call of a majority of the incorporators for the purpose of adopting by-laws, electing officers, and for normal business activity. The incorporators calling the meeting shall give three (3) days notice of such meeting.

5.6 Annual Meeting. The annual meeting of the board of directors shall be held immediately following the annual meeting of the members and no notice of such annual meeting shall be required.

5.7 Special Meetings. Special meetings of the board of directors may be held at any time and at any place upon no less than forty-eight (48) hours' notice by the President, Secretary or by one-third of the members of the board.

5.8 Quorum. A majority of the current membership of the board of directors shall constitute a quorum. The concurrence of a majority of the board of directors present at a meeting at which a quorum is present shall be necessary to conduct the business of the board.

5.9 Voting. At any meeting of the board of directors, each director shall be entitled to one vote. Voting rights may be exercised by proxies.

6. Officers.

6.1 Designation of Titles. The titles of officers of the corporation shall include a President, Vice President, Secretary-Treasurer, and any other officers as may be necessary or expedient for the proper conduct of business of the corporation as may from time to time be determined by the board of directors.

6.2 Selection, Term, and Removal. The directors shall choose, from among the members of the board of directors, the officers of the corporation, who shall serve at the pleasure of the board for a one year term and who may be removed from office at any time with assigned cause by the board. All officers must be members of the board of directors at all times during their terms of office.

6.3 Resignation and Vacancies. Any officer may resign at any time by giving written notice of such resignation to the board of directors. Such resignation shall take effect at the time specified therein and, unless otherwise specified, the acceptance of such resignation shall not be necessary to make it effective. A vacancy in any office because of death, resignation, removal, disqualification or otherwise may be filled by the board of directors.

6.4 President. The President shall preside at all meetings of members and of the board of directors. The President shall sign all contracts and agreements and any other instruments requiring execution on behalf of the corporation, and shall be the chief executive officer of the corporation, subject to policies established by the board of directors. The President shall preside at annual or special membership meetings as well as directors' meetings.

6.5 Vice President. The Vice President shall have all the powers and perform all the duties of the President in case of the temporary absence of the President or Secretary-Treasurer or in case of his temporary inability to act unless otherwise restricted by the board. In case of the permanent absence or inability of the President or Secretary-Treasurer to act, the office of the President shall be declared vacant by the board of directors and a successor chosen by the board.

6.6 Secretary and Treasurer. The Secretary shall see that the minutes of all meetings of members and of the board of directors are kept. The Secretary shall give or cause to be given required notice of all meetings of the members and of the board of directors; shall have charge of all books and records of the corporation except the books of account; shall have possession of and shall affix the corporate seal when appropriate to documents; and in general shall perform all the duties incident to the office of Secretary of a corporation and such other duties as may be assigned to him by the board.

The Treasurer shall have general custody of all of the funds and securities of the corporation and shall see to the deposit of the funds of the corporation in such bank or banks as the board of directors may designate. Regular books of account shall be kept and the Treasurer shall render financial reports to the President, directors and members at proper times. The Treasurer shall have charge of the preparation and filing of such reports, financial statements, and returns as may be required by law, and the annual report designated herein.

6.7 Delegation of Duties. Whenever an officer is absent or whenever for any reason the board of directors may deem desirable, the board may delegate the powers and duties of such officer to any other officer or officers or to any director or directors.

7. Committees. The board of directors may at any time designate such special committees not having or exercising the authority of the board of directors in the management of the association as it may deem advisable, may fix the terms and duties of such committees, and at least one board member will be appointed by the board to serve on each committee.

7.1 Minutes and Records of Committees. A written record shall be kept of the proceedings and determinations of all special committees submitted to the board at regular intervals.

7.2 Notice of Committee Meetings. Notice of all committee meetings shall be given by the chairperson of the committee or the Secretary of the corporation. Such notice shall be in writing and given by mail or personal delivery at least twenty-four (24) hours' before the meeting.

7.3 Committee Chairpersons. The board member on each committee shall act as chairperson and is responsible to report committee actions to the board of directors.

7.4 Additional Members. The chairman of any committee may invite additional individuals, including non-board members, to meet with and assist such committee. Such individuals shall not be allowed to vote on committee decisions.

7.5 Resignation and Vacancies. Any member of any committee may resign at any time by giving written notice of such resignation to the board of directors. A vacancy on any committee may be filled for the unexpired portion of the term by action of the board of directors.

7.6 Quorum. A majority of the committee shall constitute a quorum for the transaction of business at any meeting of that committee.

7.7 Standing Committees. The standing Committees shall be the Landscape Committee, Insurance Committee, and Design Review Committee.

8. Indemnification. To the extent permitted by law, the Corporation shall indemnify any person who was or is a party (or is threatened to be made a party) to any threatened, pending or completed action, suit or proceeding by reason of the fact that he or she is or was an officer, director, alternate director, committee member, executive secretary, or employee, past and present, (all referred to as "Officers"), against expenses (including court costs, attorneys' fees, judgments, fines and amounts paid in settlement) incurred by him or her in connection with such action, suit or proceeding if he or she acted in good faith and in a manner he or she reasonably believed to be in, or not opposed to, the best interests of the Corporation. The Officers shall not be liable to the Corporation or to any Lot Owner(s) for any mistake of judgment, negligence or otherwise, except that each shall be liable for his or her own individual willful misconduct or bad faith. Except to the extent that such liability is covered by insurance, the Corporation shall indemnify and hold harmless each of the Officers from and against all liability to others arising out of contracts made by Officers on behalf of the Corporation unless any such contract shall have been made in bad faith or contrary to the provisions of the Articles, Bylaws, or law. Officers shall have no personal liability with respect to any contract made by them on behalf of the

Corporation. Every contract or other agreement made on behalf of the Corporation by Officers or shall, if obtainable, provide that the Officers are acting only as agents for the Corporation and shall have no personal liability thereunder.

The Corporation shall not be liable for any failure of water supply or other utilities or services of any nature to be obtained by the Corporation or paid for as an assessment, or for injury or damage to any person or property caused by natural elements or by any Lot Owner(s) or other person, or resulting from electricity, water, snow or ice. No diminution or abatement of any assessments shall be claimed or allowed for any reason whatsoever, including (without limitation) inconvenience or discomfort arising from any action taken by the Corporation, any Officer(s), or any Lot Owner(s) to comply with any law, ordinance or other governmental regulation or order.

9. Appurtenances. The Property shall be held, sold and conveyed subject to the terms, conditions and obligations of these Articles of Incorporation and Bylaws, which shall run with the land and shall be binding on all parties having any right, title or interest in the property or any part hereof, their heirs, successors and assigns, and shall inure to the benefit of each owner thereof.

10. Assessments. The board of directors shall determine assessments as set forth in the Declaration.

11. General Provisions.

11.1 Criteria for Action by the Board of Directors and Officers. In the conduct of their activities on behalf of the corporation, no member of the board of directors or any officer of the corporation shall act so as to deny any person an appointment to the board of directors or any committee, any benefit, privilege or treatment on the basis of sex, race, creed, color or national origin, or on any other arbitrary, capricious or discriminatory basis. Words used in these by-laws shall be read as the masculine or feminine gender, and as the singular or plural, as the context requires.

11.2 Annual Report. At the annual meeting, the Secretary-Treasurer shall prepare and the President shall submit to the membership, an annual report prepared by an outside person or firm reflecting the condition and operations of the corporation.

11.3 Fiscal Year. The fiscal year of the corporation shall end on December 31st of each year.

11.4 Offices. The offices of the corporation shall be in Lawrence County, South Dakota.

11.5 Record of Members. The Secretary of the corporation shall maintain a list of the members of the corporation, which shall be available for public inspection. This shall be the voting list of the membership.

11.6 Repeal, Alteration or Amendment. These Bylaws may be amended from time to time by the Board and may be repealed or altered or substitute by-laws may be adopted by the majority vote of the members at a member meeting, provided that proper notice of the meeting stating the proposed changes to the By-Laws has been given.

I HEREBY CERTIFY that the foregoing are the Bylaws of Pine-Oak Subdivision Homeowners Association adopted by the incorporators thereof duly assembled on June ____, 2025, in the principal office of the corporation.

IN TESTIMONY WHEREOF, I have hereunto affixed my official signature on June ____, 2025.

Harvey Michlitsch, Incorporator

Leesa Haugland, Incorporator

Randy Peterson, Incorporator