

PELICAN RIDGE PROPERTY ASSOCIATION BYLAWS

These bylaws are adopted this 15th day of October, 2021, by Lisa M. Hanni, Pelican Ridge LLC (Declarant).

1. IDENTIFICATION OF THE PROPERTY OWNER'S ASSOCIATION

The name of the Property Owners Association is PELICAN RIDGE PROPERTY OWNER'S ASSOCIATION, hereinafter the "Association".

2. PURPOSE AND APPLICATION OF BYLAWS

These Bylaws are adopted, and provide for the self- government of the Association. The administration and management of the Association and the actions of the Members and the Association and its Board of Directors and officers shall be governed by these Bylaws. All present and future Property Owners and their tenants, licensees, invitees, servants, agents, employees and any other person or persons who are permitted to use the Properties shall be subject to these Bylaws and the other Association Instruments and to the Rules and Regulations of the Association. Acquisition, rental or occupancy of a Property shall constitute the Property Owner's, tenant's and occupant's acceptance and ratification of, and agreement to comply with, these Bylaws and the other Association Instruments, and any Rules and Regulations now existent or hereafter adopted. Property Owners are obligated to provide notice to all occupants and tenants of such obligations.

3. PELICAN RIDGE PROPERTY OWNER'S ASSOCIATION

a. Membership

All Property Owners in the Association, acting as a group in accordance with the Association Instruments, constitute the Pelican Ridge Property Owners Association (the "Association"). Each lot shall constitute One membership regardless of the number of owners, who must act collectively. Each lot shall automatically become a member of the Association, which membership shall transfer automatically when the lot transfers to a different owner(s) at the time that they become a Property Owner and shall remain a member until such time as their ownership of a Property ceases for any reason, at which time their membership in the Association shall automatically cease. The ownership of an interest in a Property solely as security for the performance of an obligation does not entitle the owner of such interest to membership in the Association.

b. Powers and Responsibilities

Pursuant to South Dakota Statutes Chapter 43-15A, and except as otherwise expressly provided in these Bylaws or in the Declaration, the powers and responsibilities assigned to the Association are delegated to the Board of Directors, as more particularly set forth in Section 4, below.

c. Effectiveness of Authority

Until such time as the Declarant has transferred six of the Lots in Block 1, Pelican Ridge Addition, of the property interests to non-related parties or entities, the authority of the Association shall only be advisory and non-binding against Declarant.

d. Authority of Declarant

Until such time as the Declarant has transferred six of the Lots in Block 1, Pelican Ridge Addition, to non-related parties or entities, the Declarant shall have the undivided control of the association, and be authorized to take the steps set forth herein as if the Board of Directors cast a unanimous vote.

4. Meetings

a. Place of Meetings

Meetings of the Association shall be held at such places as may be designated by the Board of Directors and stated in the notice of the meeting.

b. Annual Meetings

The first annual meeting of the Association shall be held at a time designated by the Board of Directors (i) within two years from the date that the first Property is conveyed or (ii) within One hundred eighty (180) days after Properties to which six Lots in Block 1, Pelican Ridge Addition have been conveyed by the Declarant, whichever date first occurs, or (iii) on such earlier date as may be established by the Board of Directors. Thereafter an annual meeting of the Association shall be held on a date in October every year as established by the Board of Directors.

c. Special Meetings

A special meeting of the Association may be called by the Board of Directors or by the President and must be called by the President at the written request (stating the purposes of the meeting) of 25% or more of the Property Owners. No business shall be transacted at a special meeting except that which is set forth in the notice of the meeting.

d. Notices

The Secretary shall send a notice of the meeting of the Association to each Property Owner at least 21 days in advance of an annual meeting and at least 7 days in advance of a special meeting. The notice shall state the time, place and purposes of the meeting. The notice shall be given to each Property Owner (i) by United States mail at their Property address or to such other addresses as they may have designated to the Secretary in writing or (ii) by hand delivery; provided that if hand delivered the Secretary shall certify that the notice was delivered to the Property Owner. The mailing or hand delivery of a notice of meeting in the manner provided herein shall constitute service of notice.

e. Voting

Each Property is allocated one vote. Multiple Property Owners of a single lot are entitled to cast a single vote, collectively allocated to their Property since a

Property Owner may be more than one person. If only one of such persons is present at a meeting of the Association, that person shall be entitled to cast the vote allocated to that Property. If more than one of such persons is present, the votes allocated to that Property shall be cast only in accordance with the agreement of a majority of them, and such agreement shall be conclusively presumed if any one of them purports to cast the vote of the others to the person presiding over the meeting. Except where a greater number is required by the State Statutes, the Declaration, or these Bylaws, and subject to the quorum requirement, decisions or actions of the Association shall be taken by a majority of the votes cast in person or by proxy. If the Declarant owns or holds title to any Property, the Declarant shall have the right to cast a vote assigned to each lot that Declarant owns at the time of any such meeting.

f. Proxies

The votes appertaining to any Property may be cast pursuant to a proxy or proxies duly executed by or on behalf of the Property Owner. Revocation of a proxy is not binding on the Association unless actual notice of the revocation is received by the officer presiding over the meeting. A proxy is not valid unless it is dated and signed by the Property Owner or by a person having authority to execute deeds on behalf of the Property Owner, and witnessed by a person who shall sign his or her full name and address. A proxy purporting to be revocable without notice shall be void. A proxy shall terminate automatically upon the adjournment of the first meeting held on or after the date of the proxy, except as otherwise specifically provided in the form of proxy.

g. Quorum

The presence in person or by proxy of the Property Owners entitled to cast at least 51 % of the votes in the Association shall constitute a quorum for the conduct of business. A quorum shall be deemed to be present throughout a meeting of the Association until adjournment if persons entitled to cast at least 51% of the votes are present in person or by proxy at the beginning of such meetings. If less than a quorum is present at a meeting, the majority of those present may recess the meeting to a designated time and place. A recessed meeting may be held as designated upon proper notice.

h. Order of Business

The order of business at a meeting of the Association shall be as follows: (i) proof of notice of meeting; (ii) determination of the presence of a quorum; (iii) election of inspectors of election, if applicable; (iv) election of directors, if applicable; (v) reports of the Board of Directors, officers and committees; (vi) unfinished business; and (vii) new business. Items (vi) and (vii) shall be omitted from the order of business of a special meeting held for the sole purpose of electing a director.

i. Conduct of Meeting

The President shall preside at meetings of the Association and the Secretary shall keep the minutes of meetings. Roberts Rules of Order shall govern the conduct of

all meetings of the Association when not in conflict with State Statutes or the Association Instruments.

5. Board of Directors

a. Powers and Duties

Except as qualified by Section 4 prior, the Board of Directors is the executive and administrative entity designated to act for the Association in governing the Association. The affairs and business of the Association shall be managed by the Board of Directors. The Board of Directors may delegate to a director or officer, subject to the continuing control of the Board of Directors, any matters relating to the duties of the Managing Agent. In addition to other powers and duties granted or imposed by these Bylaws or by resolution of the Association, the Board of Directors shall have the power and duty to:

- (1) Prepare and adopt an annual budget for the Association.
- (2) Provide for the operation, care, upkeep, maintenance of 485th Avenue from SD 109 to Pelican Ridge Road, Pelican Ridge Road, and for services to the Association.
- (3) Designate, hire and dismiss the personnel necessary for the maintenance, operation, repair and replacements of the roads, and, where appropriate, provide for the compensation of such personnel and for the purchase of equipment, supplies and material to be used by such personnel in the performance of their duties, which supplies and equipment shall be the property of the Association.
- (4) Establish bank accounts for the Association.
- (6) Enforce by legal means the provisions of the Declaration, these Bylaws and the Rules and Regulations and institute, maintain, and defend proceedings and actions brought on behalf of or against the Association, or 2 or more Property owners on any matters that affect the Association.
- (6) Pay the cost of services rendered to the Association for which the Association, as distinct from individual Property Owners, is liable.
- (7) Keep the books of the Association with detailed accounts of the receipts and expenditures affecting the Association, specifying all expenses incurred, including prepaid expenses. The books and supporting vouchers and records shall be available for examination by the Property Owners, their duly authorized agents or accountants or attorneys, during regular business hours at the time and in the manner set by the Board of Directors. All books and records shall be kept in accordance with sound accounting principles, and shall be subjected to an independent financial review at least annually, and also may be subjected to an independent audit upon the request of Property Owners to which at least 33 1/3% of the votes in the Association appertain. The cost of such audit shall be a Common Expense.
- (8) Do such things and acts (not inconsistent with State Statutes and with the Association Instruments) which may be authored by the Association, including the exercise of any power set forth in State Statutes, the foregoing delineation of

powers not being intended in any manner to limit the powers set forth in such Section.

(9) Hire or employ such person, including attorneys, accountants or tradesmen as the Board of Directors deem necessary for the Association. Such costs, if included in the annual budget, shall be at the sole discretion of the Board of Directors. If such costs are not provided by budget, the Board of Directors must call a Special Meeting for approval of the cost.

b. Number and Appointment of Directors Prior to First Annual Meeting of the Association

The number of directors which constitutes the initial Board of Directors is three (3). The initial Board of Directors shall be appointed by the Declarant and shall serve (i) until the election of directors at the first annual meeting of the Association, or (ii) until replaced by the Declarant.

Not later than the time Properties to which 50% of the Percentage Interests appertain have been conveyed, the Association shall cause a special meeting to be held and the Board of Directors shall be selected by Property Owners other than Declarant.

Notwithstanding anything contained in these Bylaws to the contrary, until the first annual meeting of the Association, the Declarant shall have the right to appoint a majority of the Board of Directors and to fill any vacancy occurring from the death, resignation or removal of a director appointed by the Declarant or by the Association, except a director elected by the Property Owners other than the Declarant pursuant to this Section.

c. Number and Election of Directors from and after the First Annual Meeting of the Association

From and after the first annual meeting of the Association, the number of directors which constitutes the entire Board of Directors shall remain three (3). Each Property Owner shall cast their vote for one of the candidates standing for election. The candidates receiving the highest number of votes up to the number of directors to be elected are elected.

A director must be a Property Owner, the spouse of a Property Owner or a resident of the Association. Subject to the provisions of this Section, directors shall be elected for a one-year term at the annual meeting of the Association. A person shall cease to be a director at such time as they cease to be a Property Owner or a resident of the Association as the case may be. A director shall hold office until their successor is elected and qualified.

d. Board of Director Meetings

(1) Annual Meetings. An annual organizational meeting of the Board of Directors should be held within 10 days after each annual meeting of the Association. No

notice shall be necessary to the newly elected directors in order legally to constitute such meeting, providing a majority of the entire Board is present at the meeting.

(2) Regular Meetings. Regular meetings of the Board of Directors shall be held at such time and place as shall be determined from time to time by the Board of Directors, but at least one meeting shall be held in each fiscal year.

(3) Special Meetings. Special meetings of the Board of Directors may be called by the President and shall be called by the President or Secretary on the written request of at least two directors.

(4) Notice and Waiver of Notice. Notice of regular or special meetings of the Board of Directors shall be given to each director, by mail or hand delivery, at least 72 hours prior to the time of the meeting, and shall state the time and place of the meeting. Notice of a special meeting shall state the purposes of the meeting. Placing the notice under or on the entrance door of the director's Property constitutes hand delivery of the notice. The mailing or hand delivery of a notice of meeting in the manner provided herein shall constitute service of notice. Notice of a meeting of the Board of Directors may be waived in writing by a director either before or after the meeting. Attendance at a meeting constitutes waiver of notice of that meeting, unless the director states at the commencement of the meeting that the notice of the meeting was not given - in accordance with the By-laws or is otherwise defective. If all of the members are present at any meeting of Board of Directors, no notice shall be required and any business may be transacted at such meeting.

(5) Quorum. A majority of the entire Board of Directors shall constitute a quorum for a meeting of the Board of Directors. The votes of a majority of the members present at a meeting at which a quorum is present shall constitute the decision of the Board of Directors. If less than a quorum is present at a meeting, the majority of those present may recess the meeting to a designated time and place. A recessed meeting may be held as designated upon proper notice.

(6) Conduct of Meeting. The President shall preside at meetings of the Board of Directors and the Secretary shall keep the minutes of the proceedings.

(7) Action by Directors without a Meeting. Any action required or permitted to be taken by the Board of Directors at any meeting may be taken without a meeting of all of the members of the Board of Directors consent in writing to such action. Such written consent or consents shall be filed with the minutes of the proceedings of the Board of Directors.

e. Vacancies

Except as provided in Section 5.b, a vacancy on the Board of Directors caused by any reason, other than removal of a director by a vote of the Association, shall be filled by a vote of the majority of the remaining directors. even though they

constitute less than a quorum; and each person so elected shall serve until the next annual meeting of the Association and until his successor is elected. A vacancy occurring on the Board of Directors by reason of an increase in the number of directors constituting the entire Board of Directors or by reason of the removal of a director by a vote of the Association shall be filled by the Association at an annual meeting or at a special meeting called for that purpose.

f. Removal of Directors

Except as provided in Section 5.b, a director may be removed only for cause, at a special meeting of the Association called for such purpose. Any director whose removal has been proposed shall be given at least 10 days' notice of the calling of the meeting and the purpose thereof and opportunity to be heard at the meeting. A director may be removed for cause only by the vote of Property Owners entitled to cast at least three-quarters of the votes entitled to be cast at such meeting.

g. Compensation

A director shall not receive compensation from the Association for serving on the Board of Directors, but a director may be reimbursed for reasonable out-of-pocket expenses incurred by him in the proper performance of his duties.

h. Annual Report of the Board of Directors

The Board of Directors shall present at each annual meeting of the Association, and when called for by vote of the Association at any special meeting of the Association, a complete statement of the operative and financial condition of the Association.

i. Liability of the Board of Directors

The directors and officers shall not be liable to the Association or to the Property Owners for mistakes of judgment or for negligence not amounting to willful misconduct or bad faith. The Property Owners shall indemnify and hold harmless each of the directors and officers from and against all contractual liability to others arising out of contracts made by the Board of Directors or officers on behalf of the Association or the Property Owners unless such contract was made in bad faith or contrary to the provisions of the Association Instruments. The directors and officers shall not be personally liable for contracts made by them on behalf of the Association. The Association 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 is or was a director or officer of the Association against expenses (including reasonable attorney's fees, judgments, fines and amounts paid in settlement incurred by them in conjunction with such action, suit or proceedings if he acted in good faith and in a manner he reasonably believed to be in or not opposed to, the best interest of the Association.

j. Offices

At the annual meeting, the Board of Directors shall elect amongst themselves one president, one vice president, and one secretary/treasurer.

(1) **President:** The President is the chief executive officer of the Association; he shall preside at meetings of the Association and the Board of Directors and shall be an ex-officio member of all committees; he shall have general and active management of the business of the Association, subject to the control of the Board of Directors, and shall see that all orders and resolutions of the Board of Directors are carried into effect.

(2) **Vice President:** The Vice President shall perform the duties and exercise the powers of the President in the absence or disability of the President and shall perform such other duties as the Board of Directors may prescribe.

(3) **Secretary/Treasurer:** The Secretary shall attend all meetings of the Board of Directors and the Association, and shall record the voting and the minutes of all proceedings in a book to be kept by them for that purpose. They shall give notice of meetings of the Association and the Board of Directors. The Secretary shall compile and keep current a record of the name and address of each Property Owner. The Secretary shall also keep current and retain custody of the minute books of the proceedings of the Association and the Board of Directors. They shall have custody of all funds and shall keep full and accurate records of receipts and disbursements and shall deposit all funds in such depositories as may be designated by the Board of Directors and shall disburse funds as ordered by the Board of Directors.

6. Maintenance and Repair of Roads

- a) In order to maintain and repair 485th Ave from SD 109 to Pelican Ridge Road, and Pelican Ridge Road, the Property owners shall pay \$250 to the Association each year at the Annual meeting, to be deposited in the Association's bank account. The Board of Directors will ensure the funds are used for the maintenance, repairs, and snow plowing. The amount required from each Property owner will be reviewed and may be adjusted at an annual meeting or special meeting if necessary.
- b) No heavy construction vehicles, including but not limited to, cement trucks, construction material trucks, or other such heavy load vehicles shall not be driven on Pelican Ridge Road between the dates of March 1 through May 15.

7. Amendment of Bylaws

At a meeting of the Association called for that purpose, these Bylaws may be amended by the affirmative vote of Property Owners representing at least two-thirds of the votes in the Association; provided, however that (a) Section 5.b insofar as it relates to the selection of members of the Board of Directors by the Declarant, (b) Section 4.e insofar as it provided that the Declarant, so long as it is the owner of one or more Lots, may vote the votes appurtenant thereto, and (c) Section 6; may not be amended without the consent in writing of the Declarant, so long as the Declarant shall be a Property Owner. Furthermore, notwithstanding the foregoing so long as the Declarant is the owner of one

or more Lots, no amendment to the Bylaws or Rules and Regulations may be adopted which could interfere with the display, sale, lease, or other disposition of such Property or Properties. No amendment made in accordance here with shall violate any provision or limitations contained in State Statutes, may be proposed by the Board of Directors or by petition signed by Property Owners representing at least 30% of the votes in the Association. No amendments to the Bylaws shall become effective until recorded. The Declarant reserves the right to amend these Bylaws so long as there is no Property Owner other than the Declarant.

8. MISCELLANEOUS.

a) Compliance.

These Bylaws are set forth in compliance with the requirements of State Statutes.

b) Conflict.

These Bylaws are subordinate and subject to State Statutes, the Declaration and the plat of Pelican Ridge Addition. In the event of any conflict between these Bylaws and the other Association Instruments, the provisions of the other Association instruments shall control.

c) Severability.

These Bylaws are adopted to comply with the laws and regulation of the State of South Dakota. If any provisions of these Bylaws or the application thereof in any circumstances is held invalid, the validity of the remainder of these Bylaws shall not be affected thereby, and to this end the provisions of these Bylaws are declared to be severable.

d) Waiver.

No restriction, condition, obligation or provision of these Bylaws shall be deemed to be abrogated or waived by reason or any failure to enforce the same.

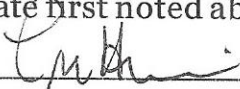
e) Captions.

The captions (section headings) of these Bylaws are for convenience only and are not a part of these Bylaws and are not intended in any way to limit or enlarge the terms and provisions of these Bylaws.

f) Gender Number.

Whenever in these Bylaws the context so permits, the use of the singular shall include the plural and the converse; and the use of any gender shall be deemed to include all genders.

In Witness Whereof, the Declarant has caused these Bylaws to be executed as of the Date first noted above.



Lisa M. Hanni, Declarant
Pelican Ridge, LLC


State of South Dakota

County of Grant

On this date, October 15, 2021 , before me, the undersigned officer, personally appeared Lisa M. Hanni, known to me or satisfactorily proven to be the person whose name is subscribed to the within instrument and acknowledged that they executed the same for the purposes therein contained.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

Dated this October 15, 2021.



Gregory P. Grajczyk
Notary Public State of South Dakota

My commission expires:12/12/2023

(SEAL)