

BY-LAWS OF LAKE PONDEROSA ASSOCIATION

(Revised 11 June, 1978)

(Revised 13 June, 1982)

(Revised 8 June, 1986)

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(Revised 9 June, 2001)

(Revised 12 June, 2004)

(Revised 11 June, 2005)

(Revised 9 June, 2012)

(Revised 10 June, 2017)

ARTICLE 1

PURPOSE

The Lake Ponderosa Association is a non-profit corporation organized and operated primarily for the purpose of:

- (a) The acquisition, construction, management, maintenance and care of Association property including but not limited to the acquisition of real and personal property for the mutual benefit of members on or contiguous to the Lake Ponderosa Development as now developed or as may be developed in the future; and the promotion and enforcement of all regulations necessary to govern the use and enjoyment of Association property, including but not limited to streets, pedestrian easements and other recreational facilities owned and/or conveyed to the Association, commonly held by Association members or owned by a governmental unit but used for the benefit and enjoyment of Association Members.
- (b) Carrying on one or more of the exempt functions of a homeowners association as may be defined by the Internal Revenue Service and those regulations promulgated there under.

ARTICLE II

MEMBERSHIP

There shall be only two classes of memberships in Lake Ponderosa Association: Regular membership and commercial membership.

- (a) Regular membership: Each person who acquires a title (legal or equitable) to any numbered lot in the Lake Ponderosa development shall be a regular member of the Lake Ponderosa Association.
 - (1) "Active Member" shall mean a person who is the legal or equitable titleholder of any numbered lot in the Lake Ponderosa development who has been approved for membership and whose fees are paid in full. Each active membership shall have one vote at all of the Association's special and annual meetings.
 - (2) In the event of multiple, unimproved lot ownership by a single titleholder (or by the same title holders), only one membership will be required and only one "Active Member" may be designated for voting purposes.

- (3) "Honorary Membership": Any members of the Lake Association that have had 10 years of more of faithful and active membership, and that move from the Lake to another location, may become honorary members in a non-voting capacity but retain all rights and privileges of active members. There shall be an annual membership fee of ~~\$25.00~~ \$35.00.
- (4) In the event title to a lot is held in a corporate or partnership name, or more than one name, excepting husband and wife, the title holder shall designate who shall be the "Active Member" and entitled to the use of the Association's facilities. In no event will the title holder be allowed to designate more than one "Active Member". In the absence of such a designation, the first name appearing on the membership application or the person who signs the application shall be the "Active Member".
- (b) Commercial Membership: each person who acquires a title (legal or equitable) to any lot in the Lake Ponderosa Development designated as a commercial area and who is approved for membership in the Association shall be a Commercial Member of the Lake Ponderosa Association.
- (c) Annual dues: Annual dues of Regular members shall be set by a vote of the active members at the Annual Meeting or by written affirmation of the active members, but in no event shall the annual dues be raised except by the vote of two-thirds of the active membership present at the Annual or Special meeting called for that purpose.
 - (1) The Board of Directors shall set the commercial membership fee on each individual basis and commercial use.

ARTICLE III

BOARD OF DIRECTORS

Except as otherwise required by law or provided by these By-Laws, the entire control of the Association and its affairs and property shall be vested in its Board of Directors.

- (a) The number of Directors shall be ten, one of whom shall be a member of the Ahrens family, and the other nine from election as determined and selected by the membership and as provided in these By-Laws.
 - (1) Each of the nine Directors shall be elected to three-year terms with three members being elected each year.
- (b) Directors need not be residents of the State of Iowa, but they must be active members of Lake Ponderosa Association.
- (c) If any vacancy shall occur on the Board of Directors by reason of resignation, death, or otherwise, the Board of Directors shall fill such vacancy until the next Annual Meeting with the nominee receiving the next highest vote from the previous year's annual election. In absence of that alternative, the president will appoint an active member to fulfill that vacant term.
- (d) If in addition to the powers set forth in Chapter 504A of the 1975 Code of Iowa and not by way of limitation, the Board of Directors has the power to adopt Rules and Regulations with respect to the governing of Lake Ponderosa Association and to provide for the enforcement of said Rules and

Regulation. This power includes the right and authority to define and interpret any of the words, or provisions contained herein.

- (e) If an elected board member is absent for three regular meetings, his position shall be declared vacant, unless otherwise excused by the Board of Directors, or failure to perform his, or her duties evolving upon him, or her as a direct. His or her office as a Director shall be declared vacant unless excused by the Board of Directors.

ARTICLE IV

OFFICERS

The officers of this Association shall be elected form the membership of the Board of Directors by the said Board and shall consist of a Chairperson, Vice Chairperson, and a Finance Director. The Secretary and Treasurer shall be appointed by the elected Board of Directors from any active paid member of the Association, and may hold both positions as determined by the Board of Directors.

The Secretary/Treasurer shall report to the Finance Director, and may be compensated for his, or her, service to the Association.

Other officers and assistant officers, as may be deemed necessary may also be elected or appointed by the Board of Directors, from the active paid Association membership.

- (a) Term of Office: All officers shall be elected by the Board of Directors for a term of one year and shall hold office from the first day following their election of such office, or until their successors are elected and qualified the following year.
- (b) Vacancies: Any vacancies in office shall be filled by appointment by a majority vote of the directors. In the event of a vacancy in the office of Chairperson, the Vice Chairperson shall automatically become Chairperson and shall serve in such capacity until a new Chairperson is appointed for the balance of the unexpired term.
- (c) Chairperson: The Chairperson shall be the principal executive officer of the Association and, subject to the control of the Board of Directors, shall in general supervise and control all of the business and affairs of the Association. He or she shall, when present preside over all meetings of the Board of Directors.
- (d) Vice Chairperson: In the absence of the Chairperson, or in the event of his or her death, inability or removal, the Vice Chairperson shall perform the duties of the Chairperson, and when so acting, shall have the powers and be subject to all the restrictions upon the Chairperson.
- (e) Finance Director: The Finance Director shall be responsible for the duties of the Secretary and Treasurer and other functions as may be defined by the Board of Directors.
- (f) Secretary: The Secretary shall:
 - (1) Keep the minutes of the Members' and of the Board of Directors' meetings in one or more books provided for that purpose.

- (2) See that all notices are duly given in accordance with the provisions of these By-Laws or as required by law.
 - (3) In general perform all duties incident to the office of Secretary and such other duties as from time to time may be assigned to him, or her, by the Finance Director, or by the Board of Directors.
- (g) Treasurer: If required by the Board of Directors, the Treasurer shall give a bond for the faithful discharge of his, or her, duties in such sum and with such surety or sureties as the Board of Directors shall determine. He or she, shall:
- (1) Have charge and custody of, and be responsible for all funds of the Association, receive and give receipts for monies due and payable to the Association from any source whatsoever, and deposit all such monies in the name of the Association in such banks, trust companies, or other depositories as shall be selected in accordance with the provisions of Article V of these By-Laws and such other duties as from time to time may be assigned to him or her, by the Finance Director, or by the Board of Directors.

ARTICLE V

WRITTEN INSTRUMENTS, LOANS, CHECKS AND DEPOSITS

- (a) Written instruments: The Board of Directors may authorize any office or officers, agent or agents, to enter in contracts for the purchase or sale of real and personal property and to execute and deliver any written instrument or document in the name of and on behalf of the Association, and such authority may be general or confined to specific instances.
- (b) Loans: No loans shall be contracted on behalf of the Association and no evidence of indebtedness shall be issued in its name unless authorized by a resolution of the Board of Directors. Such authority be general or confined to specific instances.
 - (1) The Association may not incur indebtedness of more than the value of its assets, unless by a majority vote of active members present at an Annual or Special meeting.
- (c) Checks, Drafts, and Orders for Payment: All checks, drafts, or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Association, shall be signed by such officer or officers, agent or agents of the Association and in such manner as shall from time to time be determined by resolution of the Board of Directors.

ARTICLE VI

MEETINGS AND VOTING

- (a) Members:

- (1) The regular Annual Meeting of the members of the Association shall be held on the second Saturday in June of each year, beginning June 1978, after notice to the members thereof not less than ten nor more than fifty days prior to the date of the meeting.
- (2) Special Meetings of the members of the Association may be called by the Chairperson or by a majority vote of the Board of Directors, or by one-third of the regular active members, by mailing notices thereof to all members of the Association (regular and commercial) at their addresses as they appear on the records of the Association, not less than ten nor more than fifty days prior to such meeting. Notice of such Special Meeting shall state the purpose of such Special Meeting and no other business shall be transacted at such meeting.
- (3) A majority of the members of the Board of Directors must be present to constitute a quorum; however, if such number is not present, the meeting shall be adjourned for not more than eight days. A notice will then be sent to the members of said Board indicating a second meeting date.

(b) Board of Directors:

- (1) The Board of Directors of the Association shall conduct regular meetings, and may call Special Meetings at other times designated by them, or by the By-Laws of this Association, upon the call of the Chairperson, or by a majority of the Board of Directors.
- (2) All meetings will be no longer than three hours. Any member leaving prior to adjournment, except for emergency, shall be counted absent.

(c) Nominating Procedure:

- (1) The mid-term Board members shall serve as a Nominating Committee for a slate of candidates to replace Board Members whose terms are expiring and the three members of the Nominating Committee may appoint two additional association members to also serve on the Nominating Committee. Nominations shall be posted thirty days prior to the date of the Annual Meeting. Any six or more active members may, within fourteen days after posting of Nominating Committee, make other nominations in writing over their signature, and the secretary shall post the same at the same place where the list of nominees of the Nominating Committee were placed.
- (2) Nominee lists will be mailed with Notice of Annual Meeting.

ARTICLE VII

FISCAL YEAR

The fiscal year of the Association shall commence on the first day of July and end the 30th day of June in each year, beginning on July 1, 1995.

ARTICLE VIII

AMENDMENTS

These By-Laws may be altered, amended or repealed and new By-Laws adopted at any Annual or Special Meeting by two-thirds affirmative vote of active members present. Any changes to existing By-Laws must be submitted to the Lake Ponderosa Association Board 90 days prior to the Annual Meeting.

ARTICLE IX

ADOPTION DATE

The foregoing By-Laws were duly adopted on May 24, 1976.

REVISED ARTICLE X

LIABILITY OF DIRECTORS, OFFICERS, EMPLOYEES AND MEMBERS OF CORPORATION

Except as otherwise provided in Chapter 504 of the 2015 Code of Iowa, as Amended, a director, officer, employee, or member of the Lake Ponderosa Association shall not be liable for the corporation's debts or obligations and a director, officer, member or other volunteer shall not be personally liable in that capacity to any person for any action taken or failure to take any action in the discharge of the person's duties except liability for any of the following:

- (a) The amount of any financial benefit to which the person is not entitled.
- (b) An intentional infliction of harm on the corporation or the members.
- (c) A violation of Section 504.835, a copy of which is attached.
- (d) An intentional violation of criminal law.

ARTICLE XI

INDEMNIFICATION

Officers, directors, employees or members acting in their capacity as members of the corporation shall be fully indemnified pursuant to the provisions of Chapter 504, the Revised Iowa Non Profit Corporation Act, 2015 Iowa Code, as Amended. The provisions of said Act, specifically including indemnification in the defense of any proceeding to which a director was a party because the director is or was a director of the corporation against reasonable expenses actually incurred by the director in connection with the proceeding shall be in full force and effect.

The indemnification of directors, officers and employees shall be as set forth in the Revised Iowa Non Profit Corporation Act, specifically 504.851 through 504.860, 2015 Code of Iowa, as Amended. A copy of those provisions have been attached to these Amended By Laws.

an advance for expenses, in each case to the same extent to which a director may be entitled to indemnification or advance for expenses under those provisions.

2004 Acts, ch 1049, §107, 192; 2005 Acts, ch 19, §102

Referred to in §504.851

504.858 Insurance.

A corporation may purchase and maintain insurance on behalf of an individual who is a director or officer of the corporation, or who, while a director or officer of the corporation, serves at the request of the corporation as a director, officer, partner, trustee, employee, or agent of another domestic business or nonprofit corporation, partnership, joint venture, trust, employee benefit plan, or other entity, against liability asserted against or incurred by the individual in that capacity or arising from the individual's status as a director or officer, whether or not the corporation would have power to indemnify or advance expenses to that individual against the same liability under this part.

2004 Acts, ch 1049, §108, 192

504.859 Application of part.

1. A corporation may, by a provision in its articles of incorporation or bylaws or in a resolution adopted or a contract approved by its board of directors or members, obligate itself in advance of the act or omission giving rise to a proceeding to provide indemnification in accordance with section 504.852 or advance funds to pay for or reimburse expenses in accordance with section 504.854. Any such obligatory provision shall be deemed to satisfy the requirements for authorization referred to in section 504.854, subsection 3, and in section 504.856, subsection 2 or 3. Any such provision that obligates the corporation to provide indemnification to the fullest extent permitted by law shall be deemed to obligate the corporation to advance funds to pay for or reimburse expenses in accordance with section 504.854 to the fullest extent permitted by law, unless the provision specifically provides otherwise.

2. Any provision pursuant to subsection 1 shall not obligate the corporation to indemnify or advance expenses to a director of a predecessor of the corporation, pertaining to conduct with respect to the predecessor, unless otherwise specifically provided. Any provision for indemnification or advance for expenses in the articles of incorporation, bylaws, or a resolution of the board of directors or members of a predecessor of the corporation in a merger or in a contract to which the predecessor is a party, existing at the time the merger takes effect, shall be governed by section 504.1104.

3. A corporation may, by a provision in its articles of incorporation, limit any of the rights to indemnification or advance for expenses created by or pursuant to this part.

4. This part does not limit a corporation's power to pay or reimburse expenses incurred by a director or an officer in connection with the director's or officer's appearance as a witness in a proceeding at a time when the director or officer is not a party.

5. This part does not limit a corporation's power to indemnify, advance expenses to, or provide or maintain insurance on behalf of an employee or agent.

2004 Acts, ch 1049, §109, 192

Referred to in §504.705, §504.855

504.860 Exclusivity of part.

A corporation may provide indemnification or advance expenses to a director or an officer

Indemnification