

SILVER BEACH-SHELTER ISLAND ASSOCIATION, INC.
BY-LAWS
Originally Adopted June 24, 1961
(Revised & Updated, August 28, 2021)

ARTICLE I
Name

The name of the Association shall be the Silver Beach-Shelter Island Association, Inc., hereinafter, "the Association."

ARTICLE II
Purposes

The purposes of the Association are:

1. To foster cooperation and assistance for the improvement of the area known as Silver Beach with a view to promoting the health, safety and enjoyment of the residents; and
2. To protect and maintain the Association's interest in community properties deeded to the Association.

ARTICLE III
Membership

Section I. All persons who are fee owners of property in Silver Beach, Shelter Island, New York, may become members of the Association upon the payment of the membership dues for the current fiscal year. In the case of property jointly-owned, only one such joint owner shall be entitled to vote on any matter that comes before the membership at the Annual meeting or any Special meeting. No one person, by virtue of his or her ownership of more than one parcel of property, shall be entitled to more than one vote.

ARTICLE IV
Voting

Only members who have paid their annual dues shall be entitled to vote on any matter that comes before the membership at the Annual meeting or any Special meeting.

ARTICLE V
Annual and Special Meetings

Section I. The Annual meeting of the Association shall be held during the months of July or August on a date, at a time, and at a place to be determined by the Board. Notice of the Annual meeting shall be sent by the Recording Secretary either by regular mail, or by any appropriate electronic means, to each member in good standing for that year, setting forth the date, time and place for such meeting. Said notice shall be sent not more than thirty (30) days prior to the date of such meeting.

Section 2. At the Annual meeting the order of business shall be:

Pledge of Allegiance
In Memoriam
Reading and approval of the minutes of the previous Annual meeting
Reports of Officers

Reports of Committees
Old business
Election of Officers
New Business

Section 3. At the Annual meeting, a majority of the members present and those represented by proxy, both of whom shall be members in good standing, shall constitute a quorum. A person who wishes to vote by proxy must present a signed and dated proxy form to another person who is to attend the meeting or present a signed and dated proxy form to the Recording Secretary prior to the meeting. Such proxy holders, unless the proxy issuer designates otherwise in the written and signed proxy, shall have all the powers, rights and privileges of said member relative to issues subject to a membership vote at that meeting. All proxies received by the Recording Secretary shall be counted together with those of members in attendance to constitute a quorum and included in the total vote. A member, having previously submitted a proxy, may void such proxy by his or her attendance at the meeting and informing the Recording Secretary indicating his or her intention to vote in person.

Section 4. A Special meeting of the Association may be called by the President or a majority of the Board or whenever ten (10) members in good standing shall submit a written request to the President specifying the subject of the proposed meeting. A written notice of the Special meeting shall be sent either by regular mail or other appropriate electronic means, to the address-of-record of all members in good standing at least fifteen (15) days prior to the day of the meeting, specifying the date, time, place and subject of the meeting. The required quorum for such meeting shall be a majority of total members in good standing who are present or represented by proxy.

ARTICLE VI Officers and Trustees

Section I. The Board of the Association shall consist of the officers as enumerated in Section. 2 of this Article and three (3) Trustees elected at-large. All officers duly elected at the Annual meeting shall be elected for a two-year (2) term and each of the three (3) Trustees-at-large shall be elected for a three-year (3) term.

SEC.2. The Officers of the Association shall be the President, Executive Vice President, three Section/Area Vice Presidents, Corresponding Secretary, Recording Secretary and Treasurer. Such officers shall be members in good standing and shall be elected by majority vote of the members present or represented by proxy at the Annual meeting. The three Section/Area Vice Presidents shall be elected to represent each of the three (3) sections of Silver Beach as designated by the Board.

SEC.3. If a vacancy in any position occurs on the Board, the remaining Board members shall fill such vacancy by a majority vote to serve the unexpired term of that office until the next annual meeting; however, should the office of President become vacant for any reason, the Executive Vice President shall fill such vacancy.

SEC.4. The Board, each year, shall at least thirty (30) days prior to each Annual meeting, appoint a nominating committee consisting of five (5) members of the Association. No member of the nominating committee shall be eligible for election in that year.

SEC.5. Any member may nominate a candidate for any office from the floor at the Annual meeting provided the nominee is in good standing, present and accepts the nomination.

ARTICLE VII Duties of Officers and Trustees

SEC. 1. The President, or in his or her absence, the Executive Vice President, shall preside at all meetings of the Board. The President or the Executive Vice President shall sign all contracts and enter into other written obligations of the Association subject to the Board's approval. Copies of all such documents shall be received and maintained on file by the Recording Secretary and kept available for inspection upon request by the members at the Annual meeting.

SEC.2. The President shall, from time to time as necessary, with the approval of the Board, appoint members of a by-laws review committee which shall be responsible for making recommendations it deems necessary to amend the by-laws. The President shall also appoint members of such other committees as he or she may deem necessary to carry out the objectives of the Association.

SEC.3. The Recording Secretary shall record and distribute the minutes of the Board meetings and the general membership meetings and shall maintain records of all such minutes.

SEC.4. The Corresponding Secretary shall issue notices for membership and Board meetings and miscellaneous Association communications other than those herein assigned to the Recording Secretary and the Treasurer.

SEC. 5. The Treasurer shall provide notice of Annual dues obligations to the membership and keep a detailed account of all moneys received on behalf of the Association and deposit the same in the name of the Association in such depository as shall be designated by the Board. The Treasurer shall not pay out any monies unless approved by the Board.

Sec. 6. The Section/Area Vice Presidents shall be responsible for recruiting members that are fee owners of property in their respective districts, and in general, become aware of issues that arise in their sections that relate to the health, safety and comfort of the residents.

ARTICLE VIII Indemnification of Officers and Trustees

The Board shall maintain an officer liability policy that shall include officers and trustees.

To the extent permitted by the laws of the State of New York, the Association shall indemnify each person who may serve or who has served at any time as an officer or trustee of the Association for all expenses and liabilities reasonably incurred by or imposed upon such person in connection with any threatened or pending action, suit or proceeding, including appeals, in which he or she may become a party by reason of his or her service in such capacity. The decision as to whether or not an officer or trustee shall be indemnified shall be put to the membership for a vote at a special meeting called for this purpose and decided by a two-thirds vote cast either in person or by absentee ballot.

A. Notwithstanding the foregoing, no indemnification shall be provided for any officer or trustee of the Association with respect to any matter as to which he or she is determined not to have acted in good faith in the reasonable belief that such action was in the best interests of the Association. In the case of a criminal proceeding, no indemnification shall be provided for any officer or trustee of the Association with respect to any matter in which such person had reasonable cause to believe that the conduct was unlawful. Furthermore, no indemnification shall be provided for a matter arising from an individual's participation in an improper benefit, excess benefit or self-dealing transaction. Indemnification may also be denied in an action, suit or proceeding brought by or on behalf of the Association if the disinterested Board members determine that an officer or trustee did not act reasonably or failed to consider the adverse effect his or her actions would have on the Association. The termination of an action, suit or proceeding, whether by judgment, settlement or conviction or on a plea of nolo contendere, is not, in and of itself, determinative of whether or not an individual acted reasonably. Determination as to whether an individual is entitled to indemnification under the provisions of this Section shall be made by a majority vote of the disinterested members of the Board.

- a) "Expenses and liabilities" described in Subsection A herein include without limitation, expenses related to attorney fees, investigations, securing witnesses and filing counterclaims or raising affirmative defenses; payment of judgments, fines, penalties, settlements, and reasonable out-of-pocket expenses incurred by an indemnified individual related to an action, suit or proceeding, even if the individual is not technically a "party" to such action, suit or proceeding. The Association shall pay such expenses as incurred, in advance of the final disposition of such action, suit or proceeding. Each trustee, officer, or employee so indemnified shall execute an undertaking to reimburse all amounts paid by the Association in the event it is ultimately determined that such person is not entitled to be indemnified.

- b) The indemnification provided hereunder shall inure to the benefit of the heirs, executors and administrators of persons entitled to indemnification hereunder. The right of indemnification under this Article shall be in addition to and not exclusive of all other rights to which any person may be entitled.

ARTICLE IX Powers of the Board

The President, or the Executive Vice President shall have the power to manage all the day-to-day affairs of the Association and make legitimate expenditures as appropriate to meet the obligations of the Association. However, any expenditure exceeding three thousand (\$3,000.00) dollars shall require the approval of the full Board by a majority vote.

No purchase, sale or lease of property owned by the Association shall be undertaken nor shall there be the creation of any lien upon, or security interest taken in, any Association property from any financial institution or from an individual or individuals, without a resolution approved by a three fourths (3/4's) vote of the membership, in person or by proxy duly signed and dated at a Special meeting of the Association called for that specific purpose.

ARTICLE X Amendments

Proposed Amendments to the by-laws may be made at the Annual meeting or at a Special meeting as provided in Section 4 of Article V. Such proposed amendments, and notice of such meeting, shall be submitted by the Recording Secretary to the membership at least fifteen (15) days prior to the scheduled meeting. The proposed amendments shall be adopted only by a two thirds (2/3's) vote of members present at the meeting or represented by a proxy duly signed and dated.