

**BY-LAWS OF  
THE GALILEE BEACH CLUB ASSOCIATION  
A RHODE ISLAND CORPORATION**

**(Adopted 3/16/93 and amended on 11/95, 10/96 and 10/97, 11/02, 7/05, 10/09, 10/10, 10/13, 10/14, 10/15)**

**ARTICLE I: PURPOSES**

**SECTION 1: THE PURPOSES OF THE CORPORATION ARE**

- A. To provide social and recreational activities for its members.
  
- B. To care for, maintain, rebuild, repair and construct any structures, buildings, facilities or other amenities on real estate as may be owned by the Corporation for the benefit of its members in the use as a private beach club. The corporation presently holds title to real estate in the Town of Narragansett, State of Rhode Island, located at 221 Sand Hill Cove Road and also identified as Lot 90 on Tax Assessor's Map I-G and also 220 Sand Hill Cove Road, also identified as Lot 77 on Tax Assessor's Map Plat I-G, meaning and intended to describe the lot created by that plat of land entitled "Galilee Beach Club Association Subdivision/ a plan of land in Narragansett, RI/ 220 Sand Hill Cove Road/ Plat 1-G lots 77, 78 & 79, Prepared for GBC Association/ P.O. Box 5627/ Wakefield, RI 02880" recorded in the Land evidence Records of the Town of Narragansett on 14 February 2014 at Book 13 page 70. (Rev 11/02, 10/09, 10/14, 10/15)
  
- C. To promulgate and enforce regulations necessary to the governing and use and enjoyment of such property and facilities or other amenities of the recreational purposes of its members.
  
- D. To expend the money collected by the Corporation from assessments or charges, and other sums received by the Corporation for the payment and discharge of all proper costs, expenses and obligations incurred by the Corporation carrying out all or any of the purposes for which the Corporation was formed.
  
- E. To borrow money and to give, as security therefore, a mortgage or other security interest in any or all real or personal property owned by the Corporation, or pledge of moneys to be received.
  
- F. To enforce changes and easements, restrictions, conditions, covenants and servitude existing upon and created for the benefit of the beach club, to enforce the decisions and rulings of the Corporation and to pay all expenses in connection therewith.
  
- G. To provide for payment of taxes and assessments, if any, that may be levied by any government authority upon the Corporation.
  
- H. To elect officers and trustees to serve as the Board of Directors for the purpose of governing and running the Corporation on behalf of its members.

- I. To do all things necessary and proper to accomplish the foregoing purposes.

## SECTION 2: MISSION STATEMENT

To preserve a multi-generational family oriented beach club that provides a quality casual social experience and protects our natural resources. (Rev 11/02, 10/09, 10/13, 10/14)

## ARTICLE II: MEMBERS

### SECTION 1: MEMBERSHIP

#### A. TYPES OF MEMBERSHIPS

1. Shareholders. Shareholder members have voting privileges and are responsible to maintain their share in good standing, by paying annually, all fees and assessments, regardless of the Shareholder's level of use of the Club's facilities. A Shareholder may not own more than one share of the corporation at any one time. (Rev 11/02, 10/09, 10/13)
2. Associate membership: A non-shareholding, non-transferable membership that requires the payment of a non-refundable initiation fee. Associate members are entitled to the same discounts and other privileges as Shareholders, as may be determined from time to time by the Board of Directors. Associate members who leave the club's membership (other than a one year leave of absence) who desire to return to membership shall be required to pay another initiation fee, at the then current rate. Associates are responsible to maintain their memberships in good standing by paying annually all fees, regardless of the associate member's use of the club's facilities. (Rev. 10/09, 10/13)
3. Seasonal memberships: Those accepted for membership on a seasonal basis only and have paid their club fees. A seasonal member shall have none of the benefits or rights of a Shareholder or Associate member except for the use of the facilities during the season for which their required seasonal membership fees are paid. (Rev 11/02, 10/09, 10/13)
4. Dining Membership: A membership available to non-shareholders which permits access to the club for dining purposes only. No beach access or use of other club facilities, such as cabanas, is permitted. (Rev. 10/09)
5. Membership types are mutually exclusive. A shareholder may not hold a seasonal membership, dining membership or any other type of membership without paying all fees and assessments associated with each form of membership. (Rev 11/02) Membership types and fees may be changed or eliminated by the Board. (Rev 11/02)
6. Every membership, except a dining membership and a single membership consists of a 'family unit', defined as a named, unmarried individual or married couple and their unmarried children who reside with their membership parents and are under the age of 22. Foster children shall also be included within the definition of family unit. (Rev 11/02, 10/09, 10/13)

### SECTION 2: NUMBER AND ADMISSION OF MEMBERS

A. NUMBER OF MEMBERS

Shareholder membership in this Corporation may be limited to a maximum number of 80.

B. ADMISSION OF MEMBERS

1. Prospective Shareholder and Associate members are required to fill in an application form for membership cosigned by two Shareholder members and submitted to the membership committee for processing. Prospective seasonal membership applications must be cosigned by one Shareholder member. (Rev. 10/14)
2. Seasonal memberships are for one year only and are not automatically renewable. Repeat seasonal members must resubmit their applications annually to the Board of Directors which may reject them. Applicants for seasonal memberships, if rejected, shall have no right of appeal. (Rev 11/02)

C. SHARE PRICE/VALUE

The purchase price of a Shareholder membership shall be recommended by the Board of Directors at least annually and approved by the Shareholder members of the Corporation at a regular or special meeting. Share value is defined as purchase price plus any assessments paid since purchase. (Rev. 11/02, 10/09, 10/13)

SECTION 3: TRANSFER OF SHAREHOLDER MEMBERSHIPS

A. SHARE SALE

Only shareholder memberships in this Corporation may be assigned or transferred by any shareholder member, however, subject to the following limitations,

1. The selling shareholder must first provide the Corporation with the first right to purchase the share at the same price as the prospective purchaser(s). The selling shareholder must submit an offer in writing to the Board that outlines the terms and conditions of the proposed sale to the third party.
2. The prospective purchaser(s) must be approved for membership by the Board of Directors.
3. The share must be in good standing at the time of the transfer, or the selling Shareholder should have made appropriate arrangements with the Board to use the proceeds from the sale of the share to restore the share to good standing. Good standing shall be defined as a share that has no outstanding fees, assessments or invoices for services outstanding. The new Shareholder may apply to the Board of Directors for a new share certificate issued in the new Shareholder(s)' name(s). (Rev. 10/13)
4. In the event that the corporation declines to exercise its right of purchase within sixty (60) days of receiving notice, the shareholder may proceed to sell the share, provided however, that the selling and purchasing shareholders execute and file with the Board a notarized statement verifying the purchase prices, which will then be filed in the corporation's records. (Rev. 10/09)

B. SHARE INHERITANCE

A Shareholder may, by using a signed, dated, and Board approved instrument filed with the

Association Secretary, designate upon their death a Board approved individual or married couple as the recipient of their share. Under no circumstance may the share be divided, either by a Shareholder or a Shareholder's estate, among several individuals or several married couples, or several families. (Rev. 10/09, 10/13, 10/14)

**C. SHARE TRANSFER**

A share may also be gifted by a shareholder during the Shareholder(s)' lifetime to a Board approved individual or married couple, by a signed, dated and Board approved instrument filed with the Association Secretary. Under no circumstance may the Share be divided among several individuals or several married couples or several families. (Rev. 10/14)

**D. SHARE TRANSFER TO A TRUST**

1. A Share may be transferred to a Trust providing that
  - a. The transferring Shareholder(s) files with the Association Secretary, a signed, dated, and Board approved instrument giving notice of such transfer,
  - b. The transferor continues to have the exclusive beneficial use and rights of such membership under the terms of that trust, during their lifetime; and
  - c. The terms of the trust specifically provide that the share transfers to a Board approved individual or married couple.
  
2. The transferring Shareholder(s), the Trustee, and the ultimate beneficiary(ies) shall at all times be subject to all Galilee Beach Club By-Laws, rules and regulations, as the same may be amended from time to time. (Rev. 10/14)

**E. SHARE BUYBACK**

The corporation may, from time to time, based upon its available cash reserves, repurchase a member share in the corporation at the same price paid by the member, less any outstanding fees, dues, assessments, interest and/or costs of collection. All requests for share repurchase must be made in writing, and submitted to the Board of Directors by October 1, for consideration for the following fiscal year. The corporation's obligation to repurchase in any given year shall be contingent upon available cash reserves, as determined by the Board of Directors, and shall be made in accordance with the order in which the requests are received. (Rev. 10/14)

1. A Shareholder who is in the buy-out process who would like to return to active status may do so if their share value is restored to the share value prior to the buy-out process, plus any assessment levied in the interim period and with the addition of a reinstatement fee providing that there is a share available. (Rev. 10/13)
  
2. A previous Shareholder will be allowed to return as a seasonal member, after a two season interval following repurchase by the Association, if they left in good standing and subject to Board approval. (Rev. 10/13)

**SECTION 4: RIGHTS AND DUTIES OF SHAREHOLDERS**

**A. VOTING RIGHTS**

Only shareholders have voting rights and may hold elective Office or chair committees. All members of the club may serve as committee members, except on the Board of Directors, the

Membership Committee and the Nominating Committee which shall be limited to shareholders. (Rev. 10/09, 10/13)

**B. LEAVE OF ABSENCE**

A leave of absence shall be available to any shareholder or associate member for one season only, subject to the approval of the Board of Directors which will determine annually the number of leaves permitted. During the leave of absence, the shareholder is excused from paying the seasonal fees for the use of the club, but shall be required to pay any assessments levied against all shares. Upon conclusion of the leave of absence, the shareholder or associate shall once again be required to pay all annual costs and fees for use of the club's facilities, regardless of the shareholder's level of use. Any Shareholder current with all dues and assessments taking a Leave of Absence is considered in good standing and eligible to vote. (Rev. 10/13)

**C. PAYMENT OF FEES**

All members are responsible yearly for the fees of their club base membership and additional fees for optional add-ons such as cabana, bathhouse, etc. In addition, they are responsible for the non-refundable food minimum fees established by the Board. These fees are due and payable as specified by the Association. (Rev. 10/09, 10/13)

**D. NON PAYMENT OF FEES**

Shareholders who fail to pay the annual fees and have already taken a leave of absence may have their memberships terminated for non-payment, or at the discretion of the Board of Directors annual dues will be subtracted from the share value each year until the share value is exhausted. (Rev. 10/09) Such action shall allow for the resale of said Share. (Rev. 10/13)

**SECTION 5: USE OF CLUB FACILITIES BY MEMBERS**

**A. USE PRIORITY**

Use of club facilities shall be limited to members and their guests. All amenities of the club, including cabanas and bathhouses, shall be offered first to Shareholders, then to Associate members, and then to Seasonal members. The same order of priority shall apply to all functions, including dinners, dances and parties etc. (Rev. 10/09, 10/10, 10/13)

**B. USE OF FACILITIES BY MEMBERS FOR PRIVATE PARTIES**

Private parties must be sponsored by a shareholder of the Corporation and approved by the Functions and Marketing Chair or Board Representative. All private functions are subject to the terms of the Club's Concessionaire agreement and will require an application and the payment of the appropriate fees, as determined by the Board of Directors. (Rev. 10/09, 10/13)

**SECTION 6: NOTICE TO MEMBERS**

A. Any notice of meetings or other communications shall be given to the Shareholders. Shareholder members are responsible for keeping updated their contact information. (Rev. 10/13)

- B. Notice of meetings shall be sent to the Shareholders at least 10 days prior to the scheduled meeting. Included in the meeting notice shall be an agenda for the forthcoming meeting. (Rev. 10/09)

## SECTION 7: ANNUAL FEES FOR THE USE OF CLUB FACILITIES

- A. All Membership fees and add-ons fees for seasonal use of the club's facilities will be set by the Board of Directors. (Rev. 10/13)
- B. Shareholders and Associate members will receive a discount, in accordance with a schedule as determined from time to time by the Board of Directors. (Rev. 10/09)

## SECTION 8: TERMINATION AND SUSPENSION OF MEMBERSHIPS

### A. TERMINATION FOR CAUSE

The Board of Directors, by an affirmative vote of two thirds of all directors, may recommend termination for cause the membership in the club of any member, including a shareholder. Causes for termination of membership shall include, but are not limited to: failure to meet financial obligations, physical or verbal assaults of any type, any conviction related to sexual misconduct, breaking and entering, possession of illegal drugs, guns or fireworks, and drunk and disorderly conduct. (Rev. 10/09, 10/13)

Memberships may be terminated, provided:

1. The member has been advised by the Board in writing, of the charges made against him or her, that the member will have the opportunity to respond to the charges and the date of the meeting at which the member may respond. The notice shall be sent certified mail to the member's address listed on the rolls of the Corporation, no less than fourteen (14) days prior to the date of the meeting at which the matter will be heard. (Rev. 10/13)
2. The notice shall identify the member(s) or director(s) who have filed charges with the Board.
3. The notice shall advise the accused member that he or she may bring an attorney to the meeting at his or her own expense.
4. The member shall have the right to refute the charges and present evidence to the Board.
5. The Board shall make findings of fact as to all charges made and shall send written notice of its decision to the accused no later than seven (7) days after the date of the Board's decision. The notice shall contain a brief summary of the charges, the testimony and evidence presented, and the findings of the Board and shall state the date of the decision.
6. The shareholders of the Corporation will act upon the recommendations of the Board of Directors at a special or annual meeting. Until such time, the member(s) shall retain all right

and privileges of membership, unless suspended pursuant to Section C hereunder. (Rev. 10/09)

#### B. TERMINATION FOR DEFAULT

Memberships may be terminated by a Majority vote of the Board of Directors for default in the payment of monies due to the club, but only after a three day notification to the member has been provided by certified mail. Termination for default, after notification, may be made by the majority vote of all of the Directors. (Rev. 10/09)

#### C. SUSPENSION OF MEMBERSHIP - IMMEDIATE

Immediate suspensions for a period of ninety-six (96) hours may be issued by an affirmative vote of three Directors present at the Club for serious violations of the rules and regulations and in cases where criminal activity or sexual misconduct appears to have occurred or the offender has been suspended previously for a lesser infraction. Causes for immediate suspension shall include, but are not limited to: physical or verbal assaults of any type, breaking and entering, possession of illegal drugs, guns or fireworks, and drunk and disorderly conduct. (Rev.10/13)

#### D. SUSPENSION OF MEMBERSHIP AFTER HEARINGS

The Board of Directors by an affirmative vote of two-thirds of all the directors, may suspend a membership and all attendant privileges, under the following conditions: (Rev. 10/09, 10/13)

1. The member has been advised by the Board in writing of the charges made against him or her, that the member will have the opportunity to respond to the charges and the date of the meeting at which the member may respond. The notice shall be sent by certified mail to the member's address listed in the rolls of the Corporation no less than three (3) days prior to the date of the meeting at which the matter will be heard. A hearing is held within seven (7) days of the suspension. (Rev. 10/13)
2. The notice shall identify the member(s) or director(s) who have filed charges with the Board.
3. The notice shall advise the accused member that he or she may bring an attorney to the meeting at his or her own expense.
4. The member shall have the right to refute the charges and present evidence to the Board.
5. The Board shall make findings of fact as to all charges made and shall send written notice of its decision to the accused no later than seven (7) days after the date of the Board's decision. The notice shall contain a brief summary of the charges, the testimony and evidence presented, and the findings of the Board and shall state the date of the decision.
6. Suspension can be for no longer than twenty-one (21) days.

#### E. PENALTIES AND FINES

The Board of Directors shall have the power to issue monetary fines for violations of the By-laws and rules and regulations of the Corporation. The Board may impose higher penalties for repeated infractions. The schedule of fines and the manner of imposition of fines shall be announced in the Policy manual provided to each member. (Rev. 10/09, 10/13)

## ARTICLE III: MEETINGS

### SECTION 1: TIMING/NOTIFICATION

A. The Board of Directors shall meet with shareholders in the months of June and October. Notices containing dates and times of these meeting will be given to the Shareholders ten (10) days prior to the scheduled meeting. (Rev. 10/13)

B. An annual meeting of the Corporation shall be held in October in each year at such a time and place in the State of Rhode Island as shall be decided by the President and fixed in the notice of this meeting. In the event that inclement weather prevents the annual meeting from taking place in October, it will be held in the month of November. The order of business of the annual meeting will be the same as that of the ordinary meetings, except that voting on proposed by-law or policy changes and the election of officers will follow the old and new business sections of the meeting. (Rev. 10/09)

C. Special meetings of the Corporation may be held at any time or place in the State of Rhode Island upon the call of the President or any five other members of the Board of Directors or by written request to the Secretary of the Corporation with a list of 40 or more of ownership certificates signatures supporting the request that a special meeting be held.

D. The Secretary, or any other member of the Board of Directors, if the Secretary be absent or refuses or is unable to act, shall send notice of the time and place and purpose of a regular or special meeting at least ten days before such meetings. Notices may be waived in writing and would be waived by a member's attendance at such meetings, either in person or by proxy. (Rev. 10/13)

E. A majority of the Shareholders of the Corporation whose shares are in good standing shall constitute a quorum but any lesser number may adjourn from time to time for the purpose of establishing a quorum. No adjournment may carry over to a new calendar day. (Rev. 10/09)

F. The shareholders of the Corporation, at their meetings, shall authorize a single expenditure in excess of \$15,000.00 Expenditures of less than \$15,000.00 shall be dictated by the approved budget. (Rev. 10/09)

G. Assessments recommended by the Board of Directors are subject to the approval of the Shareholders of the Corporation at a regular or special meeting. (Rev. 10/09)

### SECTION 2: CONDUCT OF MEETINGS



A. Meetings of the Shareholders shall be presided over by the President or, if not present, by the Vice President, or if either is not present, by a chairperson, chosen from the members of the Board of Directors who are present. The Secretary or, in the absence thereof, a person chosen by the chairperson, shall act as the Secretary. The rules of parliamentary procedure will be used to conduct all meetings. (Rev. 10/09)

B. The secretary will read the minutes of the previous meeting unless the members vote to waive the reading. The Treasurer will prepare and distribute a comprehensive financial activity report. The President and committee chairpersons will give a report regarding their respective activities. Discussion of old and new business is appropriate if there is a quorum present. (Rev. 10/09, 10/13)

### SECTION 3: VOTING

- A. Except as these by-laws may otherwise provide, each shareholder membership of the Corporation shall, at every meeting, be entitled to one vote in person or by proxy upon each subject properly submitted to vote. A husband and wife who own one share together may split their vote, each having a half vote. (Rev. 10/09)
- B. No proxy shall be deemed operative unless and until signed by the shareholder and filed with the Corporation secretary. In the absence of limitations to the contrary contained in the proxy, the same shall extend to all meetings of the shareholders and shall remain in full force no longer than one year from the date signed. (Rev. 10/09)
- C. A member may not seek, vote, hold or be appointed to any Corporation office or committee unless that person is in good standing. For this purpose, a member in good standing is defined as one who is current with all dues and assessments, or has made an arrangement satisfactory with the Board of Directors to pay such amounts.
- D. Any shareholder not in good standing shall not be allowed to be in attendance at Corporation meetings. (Rev. 10/09)
- E. Prior to any voting, the Treasurer will announce the total of eligible voting shareholders present as well as the total amount of indicated proxies. (Rev. 10/09)

### SECTION 4: ELECTIONS

#### A. NOMINATING COMMITTEE

At a meeting of the Board of Directors in June, Board by majority vote, shall appoint a nominating committee consisting of five shareholders in good standing. The makeup of the nominating committee shall be one member of the Board of Directors and four Shareholders who do not hold an office in the Corporation and who are not chairpersons of a Corporation committee. The nominating committee shall prepare a list of nominees for the general offices and trustee positions and submit same to the Board of Directors no later than the Regular August Board meeting. The list of nominees will be submitted and given to the Shareholders with the notice relating to the annual meeting, together with the names of the trustees who are serving non-expiring terms or commencing such terms ex officio. (Rev. 10/13)

#### B. NOMINATIONS BY PETITION

Notwithstanding the recommendations made by the nominating committee, any Shareholder, in good standing, shall also be able to have their name be added to the ballot for any available position on the Board of Directors, by submitting a petition to the Secretary signed by at least 10 other Shareholders, requesting that such shareholder's name be added to the ballot and included in the election for such available position being sought. In order to be timely and to allow adequate time to prepare the final ballot, any such petition must be filed with the Secretary by September 15th. (Rev. 10/13)

C. NOMINATIONS FROM THE FLOOR

Additionally, any Shareholder can be nominated for any available position on the Board of Directors, by a motion made and seconded from the floor. The ballot shall contain a blank line for each position open for election at that time, in which a shareholder may write in the name, and vote for, any such shareholder whose name has been duly seconded from the floor as herein set forth. (Rev. 10/13)

D. ELECTION PROCESS

Elections shall be by majority vote of the shareholders present and eligible to vote and the votes associated with the proxies submitted to the secretary within the guidelines of these by-laws. The Secretary shall collect and hold all such proxies and ballots, which shall be counted by the Secretary in the presence of a board member and shareholder who is not a board member, neither of whom shall be a candidate for any position being voted upon, who may also review the ballot and shall confirm the secretary's count. Candidates as well as other shareholders may also be present to await the results if they so choose, but may not handle any ballots, participate in the count or interfere with the counting process. (Rev.10/13)

## ARTICLE IV BOARD OF DIRECTORS

### SECTION 1: NUMBER OF, QUALIFICATIONS, TERMS OF OFFICE and QUORUMS:

- A. The property, business and affairs of the Corporation shall be overseen by its nine member Board of Directors, which consists of four officers: President, Vice-President, Secretary, Treasurer and four Trustees, (two of which will be elected in even numbered years to serve a term of two years, and two be elected in odd numbered years to serve two years) and the Immediate Past President. The termination of the membership of any Director shall automatically disqualify him or her from continuing to act as a director and shall constitute his or her removal from office. The Immediate Past President shall be entitled to vote on all matters coming before the Board of Directors. (Rev. 10/09)
- B. The President, Vice-President, Secretary and Treasurer shall be elected for two year terms, or until their respective successors are chosen.
- C. No person shall hold more than one office at the same time. (Rev. 10/09)
- D. An officer or trustee may be removed from office at a meeting of the Board of Directors, by the two-thirds vote of the Directors then in office, but only after the Board member in question has had the opportunity to defend against the allegations being made against him or her and has been confronted by any and all accusers. (Rev 10/09)
- E. The majority of the directors, in person, by conference call or video conference, shall constitute a

quorum for the transaction of business, and the action of the Board of Directors present at any meeting at which a quorum is present shall be considered legal action of the Board of Directors. If at any meeting of the Board of Directors there shall be less than a quorum present, they may adjourn from time to time until a quorum shall have been obtained. (Rev. 10/09, 10/13)

- F. There shall be seven day written notice to all members of the Board of Directors prior to any Board meetings. A majority of the members of the Board may waive the written notice requirement. (Rev. 10/09) A special meeting shall be called by the President when requested in writing by at least two members of the Board. (Rev. 10/13)
- G. The term of office for officers and Trustees shall begin immediately after the completion of the annual meeting at which they were elected.
- H. No member or immediate family member of any member shall be an employee of the Corporation. (Rev. 10/09, 10/13)

## SECTION 2: VACANCIES

- A. Whenever any vacancies shall have occurred in the Board of Directors by reason of death, resignation, removal from office for just cause or otherwise, it shall be communicated to the shareholders and the Board of Directors will have the power to elect a replacement after 10 working days have passed. The President may fill the position by appointment during the interim. (Rev. 10/09, 10/13)

## SECTION 3: DUTIES

- A. The President shall manage the Corporation. His or her duties shall include administration of the Corporation's business, and presiding over director's meetings and shareholders' meetings. The President shall be empowered to execute contracts, mortgages, loans and bonds under the seal the Corporation. Additional powers may be bestowed upon the President by a unanimous vote of the Board of Directors, whenever, in its judgment, the business interest of the Corporation will be served thereby. Any additional powers bestowed upon the President shall be reported to shareholders at the next regular or special meeting. (Rev. 10/09)
- B. The Secretary shall keep the minutes of the Board of Directors and Shareholders' meetings. The Secretary shall have charge of the minute books, the seal and stock books of the Corporation. The Secretary shall have other duties as delegated by the President. (Rev. 10/09, 10/13)
- C. The Treasurer shall have the duty to manage the financial affairs of the Corporation, subject to the majority vote of the Board of Directors. The Treasurer shall keep books and records of the financial affairs and made such available to the Board of Directors at every meeting of the Board of Directors and upon request. The Treasurer shall also prepare a comprehensive financial report and issue a copy of same at each general meeting with the shareholders, after the same has been reviewed and approved for release by the Board of Directors. The Treasurer may make recommendations to the officers and trustees in regard to the financial affairs of the Corporation. The Treasurer shall pay all bills of the corporation in strict accordance with the rules and finance policies established by the Board of Directors. (Rev. 10/09)
- D. The Vice President shall have such duties as delegated, to the Vice President by the President.

Upon the inability of the President to perform the duties of the office, the Vice President shall serve as President until such time that the President is able to continue to carry out the duties of the office. The President shall be deemed unable to perform the duties of the office, only after the President has stated the reasons in writing to the Corporation secretary, has submitted a written resignation to the Board of Directors, or has been removed from office as a result of a unanimous vote of the Board of Directors, a disability lasting more than thirty (30) days or death. In the event that the office of President is vacated, the Vice President shall assume the duties of the office as Acting President until such time as a special election is held for the office of President, which shall occur no more than 30 days following the removal, disability or death of the President. (Rev. 10/09)

- E. The several individuals elected shall have the duties customarily pertaining to their respective offices and shall have the responsibility for other duties assigned to them by the Board of Directors and/or by the shareholders of the Corporation. No Director shall communicate in any official capacity with any shareholder or other person or entity without the prior approval of the Board of Directors. Nor shall any Director have the authority to bind the Corporation on any matter, without an express vote by the Board of Directors. (Rev. 10/09)
- F. The Board of Directors, from time to time, may authorize the opening and closing of one or more commercial and/or savings accounts, prescribe the manner of the making, signature or endorsements of bills of exchange, notes, drafts, checks, acceptances, obligations and other negotiable paper or other instruments for payment of money and designate the officers, agent or agents who shall, from time to time, be authorized to make, sign or endorse the same on behalf of the Corporation, and direct and supervise all investments of Corporate funds. All signatures or endorsements shall be those of the President or in the absence of the President, the vice-president, countersigned by the treasurer.

## ARTICLE V: COMMITTEES

### SECTION 1: APPOINTMENTS

- A. The President appoints chairpersons of the following committees: Membership and Communications, Building and Grounds, Finance, Rules and Grievance, Entertainment and Functions and Marketing. (Rev. 10/13)
- B. The President may appoint such other committees as the President and Board of Directors may from time to time deem appropriate. All committee chairpersons' and members' terms are to coincide with that of the president who appointed them. (Rev. 10/09)

### SECTION 2: COMMITTEE ACTIONS

- A. Actions taken at a meeting of any committee shall be reported to the Board of Directors at the next regular meeting of the Board occurring after the committee meeting as well as to the next meeting with the shareholders. (Rev. 10/09)
- B. The committees shall make their recommendations to the Board of Directors regarding the affairs of the Corporation.

- C. At the discretion of the President, committee chairpersons may be invited to attend Directors' meetings. Committee chairpersons will have no voting rights or the authority to take any action on behalf of the Corporation without the express permission of the Board of Directors.

## ARTICLE VI: INDEMNIFICATION OF OFFICERS TRUSTEES

- A. Any present or future officer or trustee of the Corporation, or the legal representative of any such officer or trustee, shall be indemnified and held harmless by the Corporation against reasonable costs, expenses (exclusive of any amount paid to the Corporation in settlement), and counsel fees paid or incurred in connection with any action, suit or proceedings to which any such officer or trustee or legal representative may be made a party by reason of his or her having been such officer or trustee, provided: (Rev. 10/09)
  - 1. Said action suit or proceeding shall be prosecuted against such officer or trustee or against his or her legal representative to final determination and it shall not be finally adjudged in said action, suit or proceeding that he or she had been derelict in the performance of his or her duties as such officers or trustees. (Rev. 10/09)
  - 2. Said action, suit or proceeding shall be settled or otherwise terminated as against such officer or trustee, or his or her legal representative, without a final determination on the merits and it shall be determined, by the Board of Directors, that said officer or trustee had not, in any substantial way, been derelict in the performance of his or her duties as charged in such suit, action or proceeding. (Rev. 10/09)
  - 3. No officer or director shall be liable for the debts of the corporation to any greater extent than any other Shareholder. (Rev. 10/09)

## ARTICLE VII: AMENDMENT OF BY-LAWS

These By-laws may be amended by a vote of the shareholders of the Corporation, provided, however, that the notice of said meeting shall have been sent to the Shareholders as provided for in ARTICLE III, SECTION 1 D, and shall have stated that a proposal to amend the By-laws is to be acted upon at the meeting; provided further, however, that an affirmative vote equal to or exceeding two thirds of the total shareholder vote, present at the meeting, shall be required to approve any amendment. A certified copy of any amendment to these By-laws shall be recorded with the Corporate records and with the Rhode Island Secretary of State's Office. (Rev. 07/05, 10/09, 10/13)

## ARTICLE VIII: MEETING RULES

Roberts Rules of Parliamentary procedure newly revised will be the governing authority at all meetings. (Rev. 10/13)

## ARTICLE IX: DISSOLUTION

The Corporation may be dissolved and its affairs wound up in accordance with the laws of the State of Rhode Island; provided, however, that any Corporate dissolution based on the actions of the members must be approved by a three quarters vote of the Shareholders whose shares are in good standing. In the event of such dissolution, all shareholders shall be entitled to share pro rata in the assets of the Corporation, or in the proceeds of any sale thereof, after all Corporate debts have been paid, and after any liens upon shares have been paid, with the prevailing rate of interest. (Rev. 10/09)

A true copy attest:

President \_\_\_\_\_

Secretary \_\_\_\_\_