

## BY-LAWS OF THE LAKE LUZERNE ASSOCIATION INCORPORATED

### PREAMBLE

The Lake Luzerne Association Inc. is organized for the purpose of positively impacting the community of Lake Luzerne, New York so that it retains its Adirondack charm while moving ahead as a desirable location to visit, vacation and live. We will accomplish this mission by:

- Aiding and encouraging policies and practices designed to protect, preserve and improve the natural, recreational, social and residential qualities that make Lake Luzerne a special place so that future generations can enjoy it as well;
- Fostering relationships and building consensus among the membership, local governments and other residents of the town, and
- Acting as a single voice to provide information and resources to local government and to support and speak out for the rights of the membership.

### ARTICLE I - Name

- Section 1.** The Association shall be known as the LAKE LUZERNE ASSOCIATION INCORPORATED.
- Section 2.** The Association will be a voluntary non-profit organization, operated exclusively for purposes beneficial to the interests of Lake Luzerne residents, visitors and its environs. All officers of the Association shall serve without compensation.
- Section 3** The principal location of the Corporate Headquarters shall be PO BOX 276, Lake Luzerne, New York 12846-0276
- Section 4.** In the event of final dissolution or liquidation of the Association and after the discharge of its obligations, any remaining assets of the Association shall be given, as permitted by law, to an exempt organization, as defined in the Internal Revenue Code, and whose purposes and objectives are in harmony with those of the Association, such organization to be designated by a vote of two-thirds of all directors, serving as such at the time of dissolution.

### ARTICLE II - Construction

If there is any conflict between the provisions of the Certificate of Incorporation and the By-Laws, provisions of the Certificate of Incorporation shall govern.

### ARTICLE III- Fiscal and Membership Year

- Section 1.** The Fiscal and Membership Year of the Association shall be July 1 to June 30.
- Section 2.** In the event the Association's annual revenues or expenditures exceed \$250,000 in any single fiscal year or that the Corporation should receive monies from a source that requires it, the Treasurer will be required to secure an independent, third party audit of the Corporations' financial records and to publish and make the audit available to the membership and interested third parties.

## **ARTICLE IV - Membership**

- Section 1.** Classes of Membership Authorized. The Corporation shall have one class of members.
- Section 2.** Criteria for Membership. The Board of Directors may establish criteria for membership, including a schedule of dues, and any waivers thereof, as well as procedural requirements for prospective members, unless otherwise proscribed by law, the Certificate of Incorporation and/or these By-Laws.
- Section 3.** Evidence of Membership. Each Member shall be issued a membership card or certificate indicating the appropriate membership form of the Member. Membership and membership cards or certificates are not transferable.
- Section 4.** Membership Liability. No one of the membership of the Association shall become liable to the Association for any amount other than annual dues.
- Section 5.** Annual Meeting. A meeting of the Members entitled to vote shall be held for the election of Directors and the transaction of business in the month of   JULY   of each year on any day in that month as determined by the Board of Directors .
- Section 6.** Special Meetings. Special Meetings of the Members entitled to vote may be called at any time by the President, or a majority vote of the Board of Directors, provided there is a quorum at the meeting of the Board of Directors at which the action for a Special Meeting is taken, or upon the written request of at least ten (10) percent of the qualified voting Members of the Corporation.
- Section 7.** Action by Members Without a Meeting. Whenever under the Not-for-Profit Corporation Law, the Membership is required or permitted to take any action or vote, such action may be taken without a meeting on written consent, setting forth the action so taken, signed by all the members entitled to vote thereon.
- Section 8.** Place of Meetings. Meetings of the Membership shall be held at the principal office of the Corporation or at such other place, within or outside the State of New York, as may be fixed by the Board of Directors.
- Section 9.** Notice of Meetings.
- 9.1. Written Notice. Written notice shall be given to Members entitled to vote at each meeting of the Membership. Notices shall state the place, dates and hours of the meeting and, unless it is an annual meeting or convention, shall also indicate that it is being issued by or at the direction of the person or persons calling the meeting. Notice of a Special Meeting shall also state the purpose or purposes for which it is being called. Notice of any meeting shall be given as follows:
- a. Initially by electronic mail (e-mail) to the members' email address of record followed by a subsequent confirmation e-mail not less than ten (10) nor more than ninety (90) days before the date of the meeting,
  - b. Subsequent meeting notices, or initial notice, in the event a member does not have an electronic mail account, will be sent hardcopy via first class mail not less than thirty (30) nor more than sixty (60) days before such date, to all Members entitled to vote at such meeting. If sent by postal mail, such notice is given when deposited in the United States mail, with postage thereon pre-paid, directed to the Member at the Member's address as it appears on the record of Members, or if the Member has filed with the Secretary a written request that notices to the Member be mailed to some other address, then directed to the Member at such other address.

- 9.2 Waiver of Notice. Notice of meetings of the Membership need not be given to any Member entitled to vote who submits a signed waiver of notice, whether before or after the meeting. The attendance of any Member entitled to vote at a meeting without protesting prior to the conclusion of the meeting the lack of notice of such meeting, shall constitute a waiver of notice by the Member.

**Section 10.** Quorum. A quorum shall be required for the legal and proper conduct of the business of the Membership. Members entitled to cast a majority of the total number of votes entitled to be cast at a meeting of the Membership shall constitute a quorum for the transaction of any business. When a quorum is once present to organize a meeting, it is not broken by the subsequent withdrawal of any Members.

**Section 11.** Adjournment. A majority of the Members entitled to vote present at any meeting of the Membership, whether or not a quorum is present, may adjourn any meeting to another time and place. Notice of the adjournment shall be given to all Members entitled to vote absent at the time of the adjournment, and unless such time and place are announced at the meeting, to the other Members entitled to vote.

**Section 12.** Organization

- 12.1. Chairperson. At all meetings of the Membership, the President, or, in his/her absence, the Vice-President or, in his/her absence, another Director chosen by the Membership shall preside.
- 12.2. Secretary. At all meetings of the Membership, the Secretary, or, in his/her absence, any Assistant Secretary or, in his/her absence, another Director chosen by the Membership shall act as secretary at the meeting.

**Section 13.** Qualification of Voters.

- 13.1. Votes Authorized. Every Member of record of the Corporation shall be entitled to one vote upon each proposition coming before the annual Meeting or any Special Meeting of the Membership.
- 13.2. Qualification. The Board of Directors may fix a date as the record date for the purpose of determining the Members entitled to vote at any meeting of the members or any adjournment thereof, or to express consent to or dissent any proposal without a meeting. Unless otherwise determined by the Board of Directors, the record date shall be the date of the annual membership meeting.

**Section 14.** Voting

- 14.1 Election of Directors and Trustees. Members of the Board of Directors shall be elected by a plurality of the votes cast at a meeting of the Membership except as may otherwise be required by law, the Certificate of Incorporation and/or these By-Laws.
- 14.2. Other Actions of the Membership. Whenever any corporate action, other than the election of Directors, is to be taken by vote of the Membership, it shall, except as otherwise may be required by law, the Certificate of Incorporation and/or these By-Laws, be authorized by a majority of the votes cast at such meeting.

**Section 15.** Proxies.

- 15.1. Proxies Authorized. Every Member entitled to vote at a meeting of the Membership or to express consent or dissent without a meeting may authorize another person or persons to act for such Member by proxy.

- 15.2. Validation. Every proxy must be signed by the Member or the Member's attorney-in-fact. No proxy shall be valid after the expiration of eleven (11) months from the date thereof unless otherwise provided by proxy.
- 15.3. Revocation. Every proxy shall be revocable at the pleasure of the Member executing same, except as may otherwise be provided by law. The authority of the holder of a proxy to act shall not be revoked by the incompetence or death of the Member who executed the proxy, unless, before the authority is exercised, written notice of an adjudication of incompetence or of death is received by the Secretary or Assistant Secretary.

**Section 16.** Inspectors of Election.

- 16.1. Appointment. The Board of Directors, in advance of any meeting of the Membership, may appoint one (1) or more inspectors to act at the meeting or any adjournment thereof. In case any person appointed fails to appear or act, the vacancy may be filled by appointment made by the Board of Directors in advance of the meeting or by the Chairperson thereat. Each inspector, before entering upon the discharge of his/her duties, shall take and sign an oath faithfully to execute the duties of inspector at such meeting with strict impartiality and according to the best of his/her ability.
- 16.2. Powers. The inspectors shall devise the procedures by which Corporate votes and elections are to be held. It shall be the responsibility of the inspectors to: determine the number of membership certificates outstanding and the voting powers of each; certify the existence of a quorum; assess the validity and effect of proxies; hear all challenges and questions arising in connection with the right to vote; receive all votes or ballots; count and tabulate all votes or ballots; determine the results and certify the validity of all votes and elections; and, do such other and further acts as may be required to conduct elections or votes with fairness to all Members. On request of the Chairperson, or any Member entitled to vote at the meeting. The inspectors shall make a report, in writing, of any challenge, question or matter determined by them any execute a certificate of any fact found by them. Any report or certificate made by them shall be prima facie evidence of the facts stated and of the vote as certified by them.

- Section 17.** List of Members at Meeting. A list or record of members entitled to vote, certified by the Secretary or any Assistant Secretary, shall be produced at any meeting of the Membership upon the request therefore of any member who has given written notice to the Corporation that such request will be made at least ten (10) days prior to such meeting. If the right to vote at any meeting is challenged, the inspectors of election, or person presiding thereat, shall require such list or record of members to be produced as evidence of the right of the persons challenged to vote at such meeting, and all persons who appear from such list of record to be Members entitled to vote thereat may vote at such meeting.

## **ARTICLE V- Dues**

- Section 1.** Annual membership dues shall be established by the Board of Directors subject to ratification by the members at any Annual Meeting. In the event membership dues are changed, such change will not take effect until the member year following the Annual Meeting where they are approved. The dues are payable in advance, upon joining. Thereafter the annual dues shall be payable prior to July 1 or at the Annual Meeting of each year.

## **ARTICLE VI - Board of Directors**

- Section 1.** General Management. The general management of the affairs of this Corporation shall be vested in a Board of Directors. The Board of Directors shall have control of the property of the Corporation and

shall determine its policies with the advice of its various committees. It shall have power to employ necessary staff and other help, authorize expenditures and take all necessary and proper steps to carry out the purposes of this Corporation and to promote its best interest.

**Section 2.** Number. There shall be at least five (5), but no more than fifteen (15), seats on the Board of Directors, including Officers.

**Section 3.** Qualifications. Each member of the Board of Directors must be at least eighteen (18) years of age and a Member of the Corporation.

**Section 4.** Compensation. Members of the Board of Directors shall receive no compensation for their services but may be reimbursed for the expenses reasonably incurred by them in the performance of their duties.

**Section 5.** Selection Procedure of Directors, Terms of Office & Vacancies.

5.1. Selection. The Membership shall elect all Directors of the Corporation.

5.2. Selection Procedure. All Members entitled to vote shall cast a vote for a number of candidates equal to the number of vacancies to be filled until the required number of Board members, as specified in Section 2 of this article, is achieved. If, at any time during this process, there is a tie among a number of candidates, which number is greater than the number of vacancies remaining, the voters shall thereupon vote again, casting a number of votes equal to the remaining vacancies. Only the candidates who are tied may run in this subsequent election. The remaining vacancies shall be filled as outlined above. All subsequent ties shall be dealt with as outlined herein.

5.3. Terms of Office. The term of office for a Board member shall be three (3) years unless otherwise provided in these By-Laws. One-third of the members shall be selected every three years. The terms of office for all Directors shall begin on the day of their election and shall conclude upon the election of their successors. No Director may serve more than two (2) consecutive terms.

5.4. Vacancies. A vacancy in office shall arise upon the death, resignation, removal or lapse of membership of a Director. Except in the cases of the office of President, a vacancy on the Board of Directors occurring in the interim between annual meetings shall be filled by an interim successor appointed by the Board of Directors. At the next annual meeting following the vacancy, the Membership shall elect a permanent successor for the vacated position. In the event that the interim successor is subsequently elected to serve as a permanent successor, the first year of his/her term shall be deemed to have commenced upon his/her election, without regard to the duration of interim service.

**Section 6.** Resignation. A Director may resign at any time by giving written notice to the Board of Directors, the President or the Secretary of the Corporation. Unless otherwise specified in notice, the resignation shall take effect upon receipt thereof by the Board of Directors, the President or the Secretary, and the acceptance of the resignation shall not be necessary to make it effective.

**Section 7.** Suspension & Removal.

7.1. Suspension. Any or all of the members of the Board of Directors may be suspended for cause by a two-thirds (2/3) majority vote of the Board, provided there is a quorum for the meeting at which the action is taken. The period of suspension can last only until such time as the next regularly scheduled Annual Meeting or a Special Meeting of the Membership called for that purpose. At any meeting where a vote is to be taken to suspend a member of the Board, the Director in question may attend and shall be given a reasonable opportunity to argue in his/her defense.

- 7.2. Removal. Any or all of the Directors may be removed with or without cause by a two-thirds (2/3) majority vote of the Membership at the Annual Meeting or a Special Meeting of the Membership called for that purpose, provided there is a quorum for the meeting at which the action is taken.

**Section 8.** Meetings. The Board of Directors shall endeavor to convene Regular Meetings on a monthly basis. Regular Meetings of the Board of Directors may be held, with, or without, notice at such times as may be fixed from time to time by resolution of the Board of Directors. Special Meetings of the Board of Directors shall be held whenever called by the President, the Secretary, or any three (3) Directors. Notice of Special Meetings shall be given personally or by telephone, electronic mail, facsimile or first class mail and shall state the purposes, time and place of the meeting. If notice is given personally, by electronic mail or by telephone, it shall be given not less than three (3) days before the meeting; if it is given by facsimile or first class mail, it shall be given not less than five (5) days before the meeting. Notice of a meeting need not be given to any Director who submits a waiver of notice whether before or after the meeting or who attends the meeting without protesting, prior thereto or at its commencement, the lack of notice to him or her.

**Section 9.** Quorum. A quorum shall be required for the legal and proper conduct of the business of the Board of Directors. A majority of the total number of members of the Board of Directors then in existence shall constitute a quorum for the transaction of any business. When a quorum is once present to organize a meeting, it is not broken by the subsequent withdrawal of any Members.

**Section 10.** Adjournment. A majority of directors present at a meeting of the Board of Directors, whether or not a quorum is present, may adjourn any meeting to another time and place. Notice of the adjournment shall be given to all Directors who were absent at the time of the adjournment, and unless such time and place are announced at the meeting, to the other Directors

**Section 11.** Organization.

- 11.1. Chairperson. At all meetings of the Board of Directors, the President, or, in his/her absence, the Vice-President or, in his/her absence, another Director chosen by the Board shall preside.
- 11.2. Secretary. At all meetings of the Board of directors, the Secretary, or, in his/her absence, any Assistant Secretary or, in his/her absence, another Director chosen by the Board shall act as secretary of the meeting.

**Section 12.** Voting. Each member of the Board of Directors shall have one vote. A majority vote of those present, provided there is a quorum, shall be sufficient on any proposition presented and acted upon at a meeting.

**Section 13.** Action by the Board of Directors.

- 13.1. Action Defined. Except as otherwise provided by law or in these By-Laws, an "Action," or "Act," of the Board of Directors shall mean an action at a meeting of the Board authorized by vote of a majority of the Directors present at the time of the vote, provided a sufficient quorum is present.
- 13.2. Written Consent. Any action required or permitted to be taken by the Board of Directors or any committee thereof may be taken without a meeting if all members of the Board or the committee consent in writing to the adoption of a resolution authorizing the action. The resolution and the written consents thereto by the members of the Board or committee shall be filed with the minutes of the proceedings of the Board or committee.
- 13.3. Electronic Communication. Any one or more members of the Board of Directors or any committee thereof may participate in a meeting of such Board or committee by means of a conference telephone or similar communications equipment allowing all persons participating in the meeting to

hear communicate with each other at the same time. Participation by such means shall constitute presence in person at a meeting.

- Section 14.** Attendance. A member of the Board of Directors who has missed three (3) consecutive meetings without reasonable cause shall be asked to resign. After the second meeting, the Secretary shall mail a letter to the subject Board member informing him/her that if he/she does not attend the third meeting, a motion to this effect will be made at the fourth meeting. He/she may attend this fourth meeting to argue in his/her defense.
- Section 15.** Annual Report. The Board of Directors shall present at the Annual Meeting a report showing in appropriate detail the following:
- a. the assets and liabilities, including the trust funds, if any, of the Corporation as of the end of the twelve-month fiscal period terminating not more than six months prior to said meeting;
  - b. the principal changes in assets and liabilities, including trust funds, if any, during said fiscal period;
  - c. the revenue or receipts of the Corporation both unrestricted and restricted to particular purposes, during said fiscal period, and;
  - d. the expenses or disbursements of the Corporation, both general and restricted to particular purposes, during said fiscal period.
- This report shall be filed with the records of this Corporation and a copy thereof entered in the minutes of the proceedings of the Annual Meeting.

## **ARTICLE VII - Officers**

- Section 1.** Officers, Election, Term. The Board of Directors shall elect by majority vote a President, Vice President, Secretary and Treasurer, and such other Officers as it may determine, who shall be given such duties, powers and functions as hereinafter provided. Officers shall be elected to hold office for one (1) year from the date of election. Each Officer shall hold office for the term for which he or she is elected and until his or her successor has been elected. Any two or more offices may be held by the same person, except the offices of President and Secretary.
- Section 2.** Removal, Resignation. Officers serve at the discretion of the Board of Directors. Any Officer elected by the Board may be suspended or removed by the Board. In the event of the death, resignation, suspension or removal of an Officer, the President of the Board shall appoint an acting successor to fill the un-expired term. This appointment shall be confirmed or disapproved by the full board within the next two regular meetings.
- Section 3.** Duties.
- 3.1. President. The President shall be the principal executive officer of the Corporation and shall in general supervise and control all of the business and affairs of the Corporation. He/she shall preside at all meetings of the members and of the Board of Directors. The President, the Secretary or any other proper officer of the Corporation authorized by the Board of Directors may sign any deeds, mortgages, bonds, contracts or other instruments that the Board of Directors has authorized to be executed, except in cases where the signing and execution thereof shall be expressly delegated by the Board of Directors or by these by-laws or by statute to some other Officer or agency of the Corporation. In general the President shall perform all duties as may be prescribed by the Board of Directors from time to time.
  - 3.2. Vice President. In the absence of the President, or in the event of his/her inability or refusal to act, the Vice President shall perform the duties of the President, and when so acting shall have all the powers of and be subject to all the restrictions upon the President. The Vice President shall perform such

other duties as from time to time may be assigned to him/her by the President and/or the Board of Directors.

- 3.3. Secretary. The Secretary shall keep the minutes of the meetings of the Members and of the Board of Directors in one or more books provided for that purpose, see that all notices are duly given in accordance with the provisions of these by-laws or as required by law, and be custodian of the corporate records of the Corporation. The Secretary shall keep a register of the post office address of each member and, 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/her by the President and/or the Board of Directors. In addition, the Secretary shall notify members of their election to office or their appointment to committees and keep a record of the transactions of the Corporation and of the Executive Board.
- 3.4. Treasurer. The Treasurer shall be responsible for the supervision of an account of all monies received or expended by the by the Corporation and shall keep the board informed on all pertinent financial matters. The Treasurer shall provide a financial report at all regular meetings of the Board of Directors in a format prescribed by the Board; shall serve as the board's liaison with the independent auditor; and shall serve as a member of the Audit and Finance Committee. In general, the Treasurer shall perform all the duties incident to the office of Treasurer and such other duties as from time to time may be assigned to him/her by the President or by the Board of Directors.
- 3.5. Professional Manager. The Board of Directors may employ an Executive Director (chief administrative officer) who shall have general charge, subject to the overall control and direction of the Board, oversight and direction of the affairs and business of the Corporation, and sole responsibility for the employment and discharge of staff. The Executive Director shall be the principal administrative officer of the Corporation, charged with the duties of effectuating the purposes of the Corporation, carrying out the directives of the Board of Directors and the Membership in performing any and all functions necessary and proper to ensure that the policies, objectives and aims of the Corporation are carried out.

## **ARTICLE VIII – Committees**

### **Section 1.** Appointments.

- 1.1. Standing Committees. **In the event the number of Association board members should exceed 10,** the Board of Directors shall consider, by a majority vote, constituting and appointing members of the Board to serve on the following standing committees: Executive; Audit & Finance; and Board Development.
- 1.2. Ad Hoc Committees. Additional committees may be created and committee members appointed by a majority vote of the Board of Directors as may be needed for special purposes.

**Section 2.** Powers and Responsibilities. Each committee and every member thereof shall serve at the pleasure of the Board of Directors. Except as otherwise be provided by Section 6 of this Article, no committee shall have the power to represent, bind or otherwise speak for the Corporation without the express consent of the Board of Directors. Each committee shall keep minutes of proceedings and regularly report to the Board of Directors.

**Section 3.** Qualifications. The Board of Directors may establish qualifications for committee membership.

- Section 4.** Meetings. Unless otherwise provided herein, meetings of committees, of which no notice shall be necessary, shall be held at such time and place as shall be fixed by the President of the Corporation or the Chairperson of the Committee or by a majority vote of all of the members of the Committee.
- Section 5.** Quorum and Manner of Acting. Unless otherwise provided by resolution of the Board of Directors, a majority of all of the members of a committee shall constitute a quorum for the transaction of business and the vote of a majority of all of the members of the committee shall be the act of the committee. The procedures and manner of acting of the committees of the Board shall be subject at all times to the Directions of the Board of Directors.
- Section 6.** Executive Committee. The Executive Committee shall be comprised of the elected Officers of the Corporation, to wit: President, Vice President, Secretary and Treasurer. Additional members of the Board of Directors may be appointed to serve on the Committee at the discretion of the Board. The President shall serve as the Chair of the Executive Committee. The Executive Committee shall maintain surveillance of the business and affairs of the Corporation and shall be empowered to transact only such business as may be necessary between meetings of the Board of Directors. The Committee shall be responsible for overseeing the personnel affairs of the Corporation, including, but not limited to developing and reviewing personnel policies and hiring, training, supervising evaluating and, if necessary, terminating the Corporation's Executive Director. The Committee shall also be responsible for ensuring that the Corporation engages in strategic planning. Meetings of the Committee may be called by the Chair or by any two (2) members of the Committee. The Committee shall submit a report of its actions at all regularly scheduled or special meetings of the Board of Directors.
- Section 7.** Audit & Finance Committee. The Audit and Finance Committee shall be comprised of appointed members of the Board of Directors, excepting that in no circumstance shall the Corporation's independent auditor; or a partner, associate or employee of the auditor's firm or practice; or, an immediate family member or household member of the auditor, or a partner, associate or employee of his/her firm or practice serve on, or otherwise volunteer his/her services to, the Committee. The Treasurer of the Corporation shall serve as a member of the Committee, but shall be precluded from serving as its Chair. The Committee shall develop a budget for approval by the Board of Directors; propose policies governing the finances of the Corporation for adoption by the Board; review any and all audits of the Corporation or any of its programs or contracts performed at its behest; and, respond in writing, subject to the ultimate approval of the Board of Directors, to such audits, including the management letter, stating any and all remedies to deficiencies or improvements in fiscal policies and procedures cited or recommended.
- Section 8.** Board Development Committee. The Board Development Committee shall consist of members of the Board of Directors. The Committee shall be responsible for ensuring that the composition of the Board of Directors accurately reflects the terms of Board and Committee members; regularly assessing the composition and function of the Board; recruiting and nominating Officers and Directors, and; coordinating orientation for new Directors and assuring the continued development and training of the Board.

## **ARTICLE IX - Duty of Loyalty & Conflicts of Interest**

- Section 1.** Duty of Loyalty. No Officer or Director shall engage in, or condone, any conduct that is disloyal, disruptive, damaging or competes with the Corporation. No Officer or Director shall take any action, or establish any interest, that compromises his/her ability to represent the Corporation's best interest.

- Section 2.** Conflict of Interest Definition. A conflict of interest exists when a matter to be acted upon by the Board of Directors confers a direct, substantial benefit to any Director of the Board, or business or agency from which such a Director derives an income or has authority in governance.
- Section 3.** Abstention. A member of the Board of Directors shall abstain from voting or attempting to influence the vote on any matter before the Board that places him or her in a conflict of interest.
- Section 4.** Disclosure. A member of the Board shall disclose the conflict or potential conflict as soon as he/she recognizes the conflict. If self-disclosure is not revealed, the Board Chair or any member of the Board of Directors can, prior to voting on a specific matter in which a potential conflict of interest exists, inquire whether any member of the Board desires to abstain from voting because of a conflict of interest. If no conflict of interest is disclosed but the Chair or any other member of the Board states the opinion that such a conflict exists and the challenged Board member refuses to abstain from the deliberations or voting as requested, the Chair shall immediately call for a vote of the Directors to determine whether the challenged Director is in a conflict of interest. If a majority of the Directors present vote to require the abstention of the challenged Director, that Director shall not be permitted to vote.

## **ARTICLE X – Harassment**

Harassment of any kind is not productive and will not be tolerated by this Corporation. Any individual bound by these By-Laws who is subject to verbally abusive language relating to race, ethnicity, national origin, gender, religion, veteran status, marital status, age, disability or sexual orientation, or who experiences inappropriate physical touching or suggestive language is encouraged to report it immediately to the Chair. Any individual bound by these By-Laws who is aware of such verbally or physically abusive conditions should report such activity immediately.

The general policy will be reflected in the personnel procedures and program procedures promulgated by the Corporation to cover its staff as appropriate. However, nothing in this Article will bind the staff of the Corporation, who will instead be covered by the procedures contained in their personnel policies and program procedures.

## **ARTICLE XI - Indemnification of Directors, Officers and Employees**

- Section 1.** Authorized Indemnification. Unless clearly prohibited by law or these By-Laws, this Corporation shall indemnify any person (an "Indemnified Person") made or threatened to be made a party in any action or proceeding, whether civil, criminal, administrative, investigative or otherwise, including any action by the Corporation, by reason of the fact that s/he (or her/his Testator or Administrator, if then deceased), whether before or after adoption of this Article: (a) is or was a Director or Officer of the Corporation, or; (b) is serving or served, in any capacity, at the request of the Corporation, as a Director or Officer of any other corporation, or any partnership, joint venture, trust, employee benefit plan or other enterprise. The indemnification shall be against all judgments, fines, penalties, amounts paid in settlement (provided the Corporation shall have consented to such settlement) and reasonable expenses, including attorneys' fees and costs of investigation, incurred by an Indemnified Person with respect to any such threatened or actual action or proceeding.
- Section 2.** Prohibited Indemnification. The Corporation shall not indemnify any person if a judgment, or other final adjudication, adverse to any Indemnified Person establishes, or the Board of Directors in good faith determines, that such person's acts were committed in bad faith or were the result of active and

deliberate dishonesty and were material to the cause of action so adjudicated or that s/he personally garnered any financial profit or other advantage to which s/he was not legally entitled.

- Section 3.** Advancement of Expenses. The Corporation may, on request of any Indemnified Person who is or may be entitled to be indemnified by the Corporation, pay or reimburse an Indemnified Person's reasonably incurred expenses in connection with a threatened or actual action or proceeding prior to its final disposition. However, no such advancement of expenses shall be made unless the Indemnified Person makes a binding, written commitment to repay the Corporation, with interest, for any amount advanced for which it is ultimately determined that s/he is not entitled to be indemnified under the law or these By-Laws. An Indemnified Person shall cooperate in good faith with any request by the Corporation that common legal counsel be used by the parties to such action or proceeding who are similarly situated unless it would be inappropriate to do so because of actual or potential conflicts between the interests of the parties.
- Section 4.** Indemnification of Others. Unless clearly prohibited by law or these By-Laws, the Board of Directors may approve indemnification by the Corporation, as set forth in Section 1 of this Article, or advancement of expenses as set forth in Section 3 of this Article, to a person (or her/his Testator or Administrator, if then deceased) who is or was employed by the Corporation or who is or was a volunteer for the Corporation, and who is made, or threatened to be made, a party in any action or proceeding, by reason of the fact of such employment or volunteer activity, including actions undertaken in connection with service at the request of the Corporation in any capacity for any other corporation, partnership, joint venture, trust, employee benefit plan or other enterprise.
- Section 5.** Determination of Indemnification. Indemnification mandated by an order of a court of competent jurisdiction will be paid. After termination or disposition of any actual or threatened action against an Indemnified Person, if indemnification has not been ordered by a court, the Board of Directors shall, upon written request by an Indemnified Person, determine whether and to what extent indemnification is permitted pursuant to these By-Laws. Before indemnification can occur, the Board of Directors must find that such indemnification will not violate the provisions of Section 2 of this Article. No Director with a personal interest in the outcome, or who is a party to such action concerning which indemnification is sought, shall participate in this determination. If a quorum of disinterested Directors is not obtainable, the Board of Directors shall act only after receiving the opinion in writing of independent legal counsel that indemnification is proper in the circumstances under then applicable law and these By-Laws.
- Section 6.** Binding Effect. Any person entitled to indemnification under these By-Laws has a legally enforceable right to indemnification, which cannot be abridged by amendment of these By-Laws with respect to any event, action or omission occurring prior to the date of such amendment.
- Section 7.** Insurance. The Corporation is required to purchase Directors and Officers liability insurance. To the extent permitted by law, such insurance shall insure the Corporation for any obligation it incurs as a result of this Article and it may directly insure the Directors, Officers, employees or volunteers of the Corporation for liabilities against which they are not entitled to indemnification under this Article, as well as for liabilities against which they are entitled to be indemnified.
- Section 8.** Nonexclusive Rights. The provisions of this Article shall not exclude any other rights to which any person may be entitled under law or contract. The Board of Directors is authorized to enter into agreements on behalf of the Corporation with any Director Officer, employee or volunteer to provide them rights to indemnification in connection with potential indemnification in addition to the provisions therefore in this Article, subject in all cases to the limitations herein.

## **Article XII - Order of Business**

**Section 1.** The following shall be the order of business at Association Annual or Special meetings of the membership:

- 1) An opportunity to review the minutes of previous meetings and at all annual meetings of the Association, the minutes of the Directors' meetings since the last annual meeting
- 2) Report of the President.
- 3) Report of the Treasurer
- 4) Reports of Committees.
- 5) Election of Directors.
- 6) Unfinished Business
- 7) New Business.
- 8) Adjournment.

### **Article XIII- Changes of By-Laws**

**Section 1.** These laws may be altered, amended, or changed, or new by-laws may be adopted at any annual or special meeting of the Association, by majority vote, unless otherwise provided in these by-laws. In the event an ad interim change to the by-laws is proposed by a sitting Board, a two-thirds super-majority vote of the Board of Directors will be required whenever in their judgment, they may consider such changes to the by-laws to be beneficial to the operations of the Association, provided that the Board of Directors may not alter, amend, or change these by-laws with regard to matters related to tenure in office of Directors. Further, any changes to the by-laws by the Board of Directors will be subject to ratification by the membership at the next scheduled Annual Meeting of the Association.

**APPENDIX A**

This Proxy Is Solicited On Behalf Of the Board of Directors of the Corporation

*REVOCABLE PROXY*

**KNOWN ALL MEN BY THESE PRESENTS**, that I,

\_\_\_\_\_,  
Residing at No. \_\_\_\_\_ Street, City of \_\_\_\_\_,  
County of \_\_\_\_\_,

\_\_\_\_\_, State of New York, being a member of the **LAKE LUZERNE ASSOCIATION INC.** , do hereby constitute and appoints \_\_\_\_\_, \_\_\_\_\_, \_\_\_\_\_, or each or any of them, with full power of substitution, as proxies to appear and vote in the name of the undersigned, at the Annual Meeting of Members of **LAKE LUZERNE ASSOCIATION INC.**, to be held at No. \_\_\_\_\_ Street, City of \_\_\_\_\_, County of \_\_\_\_\_, State of New York, on the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, at \_\_\_\_\_ o'clock \_\_\_\_\_ noon, and at any and all adjournments thereof; and the undersigned hereby revokes and other proxy heretofore given by him and instructs said proxy to vote:

1. For  Against  approving the action of the Board of Directors in the { DESCRIBE THE ACTION TO BE TAKEN AFTER PROVIDING IT TO THE MEMBER IN QUESTIONS }.
2. Upon any other business which may properly come before the meeting or any adjournment thereof.

The Member Represented By This Proxy Will Vote as Herein Specified.

This Proxy shall expire of its own weight after the aforementioned meeting, or any proper postponement thereof, occurs.

This Proxy may be revoked by the written action of the Signatory Member at any time prior to the meeting for which it is meant being called to order. This written notice must be provided to the President, or his/her designee, at said meeting.

The undersigned hereby acknowledges receipt of the Proxy Statement dated \_\_\_\_\_, 20\_\_.

[Signature]

\_\_\_\_\_  
Member