

**SILVER LAKE CAMP OWNERS
ASSOCIATION**

BY-LAWS

Approved: August 29, 2009

SILVER LAKE CAMP OWNERS ASSOCIATION BY-LAWS

On motion, camp, home, and property owners of Silver Lake, Roxbury Pond, or Big Ellis Pond adopt the following by-laws at the scheduled Silver Lake Camp Owners Association meeting.

ARTICLE I NAME, PURPOSE, PRINCIPAL OFFICE AND FISCAL YEAR

Section 1.01 Name: The name of the Association shall be Silver Lake Camp Owners Association and shall be incorporated under the laws of the State of Maine.

Section 1.02 Purpose: On motion, it was voted that the purpose of this nonprofit association shall be to promote the general welfare and enhance the happiness of camp, home, and property owners as well as to protect the integrity of Silver Lake, Roxbury Pond, or Big Ellis Pond and the surrounding environment through good stewardship for generations to come; to promote cooperation and understanding between said camp, home, and property owners and the inhabitants of the towns of Roxbury and Bryon; and to promote better living conditions at Silver Lake, Roxbury Pond, or Big Ellis Pond; and to foster greater enjoyment of said lake by the general public, to take and hold by purchase, gift, bequest or devise personal or real estate and to use and dispose thereof only for the purposes for which said corporation is organized; and generally to do all things necessary and properly to carry out the purposes for which this nonprofit association has been organized.

PROVIDED, HOWEVER, that the Association shall not be operated for profit and no part of the net earnings of the Association shall insure to the benefits of, or be distributable to, its members, directors, trustees, officers or other private persons, partnerships, or corporations; except that the Association shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distribution in furtherance of its purposes hereinbefore set forth.

PROVIDED, FURTHER, that no substantial part of the activities of the Association shall be carrying on of propaganda, or otherwise attempting to influence legislation, and the Association shall not participate in, or intervene (including the publishing of distribution of statements) any political campaign on behalf of any candidate for public office.

PROVIDED, FURTHER, that notwithstanding any other provision of these articles, the Association shall not carry on any other activities not permitted to be carried on by a corporation exempt from federal income tax under section 501 (c) (7) of the Internal Revenue Law, or by a corporation, contributions to which are deductible under section 170 (C) (2) of the Internal Revenue Code of 1954 (or corresponding provision of any future United States Internal Revenue Law).

Section 1.03 Principal Office: The Association's principal office shall be fixed and located at such place in the Town of Roxbury, Maine as the Board of Directors (hereinafter referred to as the "Board") shall determine. The Board is granted full power and authority to change said principal office from one location to another.

Section 1.04 Fiscal Year: The fiscal year of the Association shall be the calendar year from July 1st through to June 30th.

ARTICLE II MEMBERSHIP & DUES

Section 2.01 Membership: Membership in this Association shall include persons whose real estate properties are located on or near the shores of Silver Lake, Roxbury Pond, or Big Ellis Pond, so called. The word "member" as used in these By-Laws shall be construed to mean as follows:

- (a) Either one of a co-ownership but not both; one membership, not more, for an eligible member owning multiple properties.
- (b) A vote will be designated by a show of a current voting card.
- (c) No person who is not a member in good standing may speak or vote at any meetings, unless requested by the membership.
- (d) Monitoring of properties for damage or breakage shall be afforded to members whose real estate properties are located on or near the shores of Silver Lake, Roxbury Pond, or Big Ellis Pond, monitoring of properties shall be done from October through April.

Section 2.02 Dues: The annual dues shall be at least \$25.00 per year, due and payable prior to or at the annual meeting. Any increase in the annual dues shall be determined by majority vote of the members present at the annual meeting. Each member who is in good standing by having his dues paid in full to date shall be supplied with a membership card to be issued by the secretary and entered into our database for off season property monitoring and mailing purposes.

Section 2.03 Non-voting Associate Members: In addition to the voting membership as listed above the Association may accept Associate Membership from all persons of good character and in sympathy with the purposes of the Association upon application to the Board of Directors. Associate Membership shall not have voting rights at any Association annual meeting, special meetings or in any other matters for vote in the Association.

ARTICLE III MEETINGS OF MEMBERS

Section 3.01 Annual Meetings: The annual meeting of this Association shall be held within the first two weeks of July each year providing that proper notice has been given in the call for said meeting. At such meeting there shall be elected a Board of Directors and the annual budget of the Association shall be approved. The members shall also transact such other business as may properly come before them.

Section 3.02 Special Meetings: It shall be the duty of the President or in his/her absences or disability, the duty of the Vice President, to call a special meeting of the members as directed by resolution of a majority of the Board of Directors. The Notice of any special meeting shall state the time, place and purposes thereof. No business shall be transacted at a special meeting except as stated in the said Notice unless with the consent of three-fifths (3/5) of the votes present, either in person or by proxy.

All Annual Meetings and Special Meetings shall be conducted according to Roberts Rules of Order.

Section 3.03 Notices: It shall be the duty of the Secretary, or upon his/her failure or neglect then of any officer, or member, to send a notice of each annual or special meeting stating the purpose, the time and place thereof to each designated member of record. With respect to any annual or special meeting such notice shall be so sent at least seven (7) days but no more than thirty (30) days prior to the date so set for the meeting.

Section 3.04 Quorum: The present, either in person or by proxy, of the majority of the voting members of the Association present at a duly published meeting, shall be requisite for and shall constitute a quorum for the transaction of business at all meetings of members.

Section 3.05 Voting Rights: Each member shall be entitled to vote in accordance with Article II. Unless by express provisions of these By-Laws, a different vote is required, each question presented at a meeting shall be determined by a vote of a majority of the voting membership. As used in these By-Laws, the term "majority of membership" shall mean those of the voting membership present as determined in accordance with this Section 3.05 of all members present in person or by proxy and voting in any meeting of the members.

ARTICLE IV DIRECTORS

Section 4.01 Powers: Subject to limitations of the Articles and these By-Laws, the activities and affairs of the Association shall be conducted and all corporate powers shall be exercised by or under the direction of the Board. The Board may delegate the management of the activities of the Association to any person or persons, a management company, or committees however composed, provided that the activities and affairs of the Association shall be managed and all corporate powers shall be exercised under the ultimate direction of the Board.

Section 4.02 Number of Directors: The Board of Directors constitutes ten (10) members plus four officers. A majority vote shall be required to approve any resolution. The chair abstains from voting unless there is a tie. All Directors shall serve without pay.

Section 4.03 Selection and Term of Office: Directors shall be selected at an annual meeting of the Association and shall hold office for three years.

Section 4.04 Resignations: Any Director may resign effective upon giving written notice to the President, the Secretary, or the Board, unless the notice specifies a later time for the effectiveness of such resignation. If the resignation is effective at a future time, a successor may be selected before such time, to take office when the resignation becomes effective.

Section 4.05 Vacancies: In the event there is a vacancy in the Board, the Directors shall nominate and fill the vacancy by a majority vote of the Board members. Each Director so selected shall hold office under the expiration of the term of the replaced Director and until a successor has been selected and qualified.

Section 4.06: A vacancy or vacancies in the Board shall be deemed to exist in case of the death, resignation, or removal of any Director, or if the authorized number of Directors is increased.

Section 4.07 Place of Meetings: Meetings of the Board shall be held at any place within or outside the State of Maine which has been designated from time to time by the Board.

Section 4.08 Regular Meetings: Regular meetings of the Board shall be held on such dates and at such times as may be fixed by the Board.

Section 4.9 Special Meetings: Special meetings of the Board for any purpose or purposes may be called at any time by the President, the Vice President, the Secretary, or any two Directors. Special meetings of the Board shall be held upon five days written notice or 48 hours notice given personally or by telephone,

email, or other similar means of communication. Any such notice shall be addressed or delivered to each Director at such Director's address as it is shown upon the records of the Association or as may have been given to the Association by the Director for purposes of notice or, if such address is not shown on such records or is not readily ascertainable, at the place in which the meetings of the Directors are regularly held.

Section 4.10 Quorum: A majority of the authorized number of Directors constitutes a quorum of the Board for the transaction of business. Every act or decision done or made by a majority of the Directors present at a meeting duly held at which a quorum is present, shall be regarded as the act of the Board.

Section 4.11 Participation at Meetings by Conference Call, Webcam or Similar Device: Members of the Board may participate in a meeting through use of conference telephone, webcam, or similar communications equipment, so long as all members participating at such meeting can hear one another.

ARTICLE V OFFICERS

Section 5.01 Officers: The officers of the Association shall be a President, Vice President, Secretary and Treasurer. The Officers of this Association shall hold office for one year.

Section 5.02 Election of Officers: The officers of the Association, except such officers as may be elected or appointed in accordance with the provisions of Section 5.03 of this Article V, shall be chosen annually by the members of the Association. Nominations and election of the officers shall be on the Agenda of the Annual Meeting. The officers shall hold their respective offices until their resignation, removal, or other disqualification from service, or until their respective successors shall be elected. All officers shall serve without pay. It further shall be the duty of the officers to contact the Board of Selectmen of the Towns of Roxbury and Byron, and offer to meet with them to discuss policies and projects that may be of mutual interest to all parties.

Section 5.03 Vacancies: In the event there is a vacancy for an officer of the Board, the Directors shall nominate and fill the vacancy by a majority vote of the Board members. Each Officer so selected shall hold office under the expiration of the term of the replaced Officer and until a successor has been selected and qualified.

Section 5.04 Removal and Resignation: Any officer may be removed, either with or without cause, by the Board at any time. Any officer may resign at any time by giving written notice to the Association. Any such resignation shall take effect at the date of the receipt of such notice or at any later time specified therein.

Section 5.05 President: The President shall preside at all meetings of the Association. The President and Vice President shall sign on behalf of said Association all deeds and contracts made by said Association. It shall be the duty of the President and Vice President to further the interest of this Association at all times, to prepare and present to the membership any programs which they may be desirous of carrying out. No contracts shall be entered into by them which call for the expenditures of more than \$250.00 and a maximum of \$1,000.00 without the authorization of the Board of Directors.

Section 5.06 Vice President: The Vice President shall assume the duties of the President in his/her absence.

Section 5.07 Secretary: The Secretary, or designated substitute, shall be present at all meetings of the Association and shall keep accurate records of said meetings. The Secretary shall post all notices of Association meetings in the local newspapers at least one (1) week prior to said meeting. The Secretary is authorized to spend such monies as are required for postage, etc., and shall be reimbursed by the Association upon presentation of proper vouchers for the same. The Secretary shall receive and answer all correspondence of a general nature. Matters of concern to the Association shall be answered under the direction of the President.

Section 5.08 Treasurer: The Treasurer shall have the custody of all monies of the Association and shall keep accurate accounts for the same and provide the Secretary with receipts for monies turned over to the Treasurer. The Treasurer shall collect and report all monies received. The Treasurer shall keep accurate records and accounts of all members and the status of their dues at all times. The Treasurer's books and accounts shall be open to inspection by the membership at all times. All monies received shall be deposited in the bank in the name of the Silver Lake Camp Owners Association. All checks against said account shall be signed by the President and the Treasurer. The Treasurer shall also have authority to accept and endorse all checks for the usual purposes of the Association, and all notes of the Association shall be signed by the Treasurer and countersigned by the President. The Treasurer shall make a clear and full statement of the financial condition of the Association at each annual meeting, and the Treasurer shall pay all bills not to exceed \$250.00 without approval of the Board of Directors and \$1,000.00 without the approval of the membership.

Section 5.09 Building Fund: For the sake of continuity and growth of the Association a building fund will be established. A minimum of 30% of the year-ending balance shall be set aside by the Treasurer and President and deposited into a separate account entitled Silver Lake Camp Owners Association Building Fund.

ARTICLE VI CONFLICTS OF INTEREST

Section 6.01 Purpose: The purpose of the conflict of interest policy is to protect the Association's interest when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an officer or director of the Association or might result in a possible excess benefit transaction. This policy is intended to supplement but not replace any applicable state and federal laws governing conflict of interest applicable to nonprofit organizations.

Section 6.02 Interested Person: Any director, officer or member of the Association with governing board delegated powers, who has a direct or indirect financial interest, as defined below, is an interested person. Any director or officer who has a conflict of interest of personal gain shall recuse himself or herself from any decision-making or deliberation with respect to that matter.

Section 6.03 Financial Interest: A person has a financial interest if the person has, directly or indirectly, through business, investment or family:

- (a) An ownership or investment interest in any entity with which the Association has a transaction or arrangement,
 - (b) A compensation arrangement with the Association or with any entity or individual with which the Association has a transaction or arrangement, or
 - (c) A potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the Association is negotiating a transaction or arrangement.
- Compensation includes direct and indirect remuneration as well as gifts or favors that are not

insubstantial. A financial interest is not necessarily a conflict of interest. Under Section 6.05, a person who has a financial interest may have a conflict of interest only if the appropriate governing board or committee decides that a conflict of interest exists.

Section 6.04 Duty to Disclose: In connection with any actual or possible conflict of interest, an interested person must disclose the existence of the financial interest and be given the opportunity to disclose all material facts to the directors and officers of the Association.

Section 6.05 Determining Whether a Conflict of Interest Exists: After disclosure of the financial interest and all material facts, and after any discussion with the interested person, he/she shall leave the governing board meeting while the determination of a conflict of interest is discussed and voted upon. The remaining board members shall decide if a conflict of interest exists.

Section 6.06 Procedures for Addressing the Conflict of Interest:

- (a) An interested person may make a presentation at the governing board meeting, but after the presentation, he/she shall leave the meeting during the discussion of, and the vote on, the transaction or arrangement involving the possible conflict of interest.
- (b) The chairperson of the governing board shall, if appropriate, appoint a disinterested person or committee to investigate alternatives to the proposed transaction or arrangement.
- (c) After exercising due diligence, the governing board shall determine whether the Association can obtain with reasonable efforts a more advantageous transaction or arrangement from a person or entity that would not give rise to a conflict of interest.
- (d) If a more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a conflict of interest, the governing board shall determine by a majority vote of the disinterested directors whether the transaction or arrangement is in the Association's best interest, for its own benefit, and whether it is fair and reasonable. In conformity with the above determination it shall make its decision as to whether to enter into the transaction or arrangement.

Section 6.07 Violations of the Conflicts of Interest Policy:

- (a) If the governing board has reasonable cause to believe a member has failed to disclose actual or possible conflicts of interest, it shall inform the member of the basis for such belief and afford the member an opportunity to explain the alleged failure to disclose.
- (b) If after hearing the member's response and after making further investigation as warranted by the circumstances, the governing board determines the member has failed to disclose an actual or possible conflict of interest, it shall take appropriate disciplinary corrective action.

Section 6.08 Periodic Reviews: To ensure the Association operates in a manner consistent with charitable purposes and does not engage in activities that could jeopardize its tax-exempt status, periodic reviews shall be conducted. The periodic reviews shall, at a minimum, include the following subjects:

- (a) Whether compensation arrangements and benefits are reasonable, based on competent survey information and the result of arm's length bargaining.
- (b) Whether partnerships, joint ventures, and arrangements with management organizations conform to the Association's written policies, are properly recorded, reflect reasonable investment or payments for goods and services, further charitable purposes and do not result in inurement, impermissible private benefit or in an excess benefit transaction.

**ARTICLE VII
AMENDMENT**

These by-laws may be amended by the affirmative vote of two-thirds of the members present at the annual meeting or any meeting called for that purpose.

**ARTICLE VIII
DISSOLUTION**

Upon dissolution of the Association, all assets remaining after the payment of any and all debts of the Association shall be distributed only to an organization organized exclusively for one or more purposes as specified in §501 (c)(3) of the Internal Revenue Code of 1954, and one that shall not carry on any activities not permitted to be carried on by an organization exempt from Federal income tax under IRC §501 (c)(3) or corresponding provisions of any subsequent Federal tax laws.

ADOPTED THIS 29 Day of August, 2009

Angela Arsenault
President: Angela Arsenault

Antonio DeSalle
Treasurer: Antonio DeSalle

William Elliott
Vice President: William Elliott

Christine Dube
Secretary: Christine Dube