



Bylaws

**THE PROPERTY OWNERS' ASSOCIATION OF KEECH POND, INC.
(Formally the S.E.W. ASSOCIATION)**

**PO BOX 128
CHEPACHET, RI 02814**

Visit KeechPond.com for more information and updates.

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Bylaws of The Property Owners’ Association of Keech Pond, Inc

1998

ARTICLE I

INTRODUCTORY PROVISIONS

The name of the corporation is Property Owners' Association of Keech Pond, Inc. This is a non-business corporation. The purposes and objectives of the by-laws are as follows:

- A. To govern in accordance with the state and local laws. The rules of governance of Property Owners' Association of Keech Pond, Inc. shall be in accordance with these bylaws. These bylaws supersede any and all other bylaws of Property Owners Association of Keech Pond, Inc.
- B. To obtain compliance of every Property Owner and all persons entitled to occupy the property.
- C. The office and place to conduct the affairs of Property Owners Association of Keech Pond, Inc. shall be from time to time at a property or place designated by the President.

ARTICLE II

THE ASSOCIATION

The Association is hereby organized as an incorporated non-profit association.

- A. **The Association:** The Association shall act as a group in accordance with these bylaws and shall have the responsibility of administering the affairs of the corporation, establishing the means and methods of collecting assessments and charges and arranging for the management of the Association property and its assets.
- B. **Annual Meetings:** The fiscal year shall begin on the first day of January. The annual meeting shall take place following the beginning of the fiscal year. Annual billing statements shall be forwarded to Property Owners 60 days prior to the date of the annual meeting. The annual meeting shall be held no sooner than 60 days after the billing of annual assessments.

As directed by the Executive Board, the Secretary shall forward annual meeting notices to each Property Owner within at least twenty (20) days and no more than sixth (60) days of the date of the annual meeting specifying date, time, location, and election of any Directorship vacancies. The giving of a notice of a meeting in this manner shall be considered service of notice.

The presence of twenty (20) Property Owners in good standing shall constitute a quorum. A Property Owner in good standing is a Property Owner who is current on all assessments, charges, and any other monies due as directed by the Board of Directors and who has no judgments or claims against him or her for noncompliance with these bylaws or the Rules and Regulations of the Association. A Property Owner is a person who has title to or an ownership interest in a parcel or parcels of land in the areas referred to in Article IV herein, referred to hereafter as the Association development.

The President (or in his absence the Vice-President) shall preside over all meetings of the Association and the Secretary shall keep the minutes of the meetings and record in a minute book all resolutions adopted at the meetings as well as a record of all transactions. The President may appoint a person to serve as parliamentarian at any meeting of the Association. The current edition of Robert's Rules of Order shall govern the conduct of all meetings of the Association when no in conflict with these bylaws.

The Board of Directors shall have at least two Property Owners from each section of the development and at least one at-large member as set forth in Article IV herein. A vacancy on the Board of Directors may be filled by a majority vote of the Board of Directors at any regular, special, or annual meeting.

- C. **Regular Meetings:** Regular meetings of the Board of Directors shall be held at a time and place as directed by the President. A meeting shall be held approximately two (2) weeks prior to the Annual Meeting to discuss the format and agenda of the Annual Meeting.

The first meeting of the Board of Directors shall be held within thirty (30) days after the Annual Meeting in order to elect by ballot the Executive Officers of the corporation. Two-thirds of the Directors shall constitute a quorum and conduct the election of the Executive Officers. Regular monthly Board of Director meetings shall be held on the third and fourth Tuesday of each month or as needed and directed by the President. Two-thirds of the Directors shall constitute a quorum for the transaction of business.

Property Owners are invited to attend regular Board of Director meetings. Property Owners are permitted to speak with regard to matters of the Association after the Board of Directors has concluded its business. The President shall open the floor to discussion by the Property Owners. The President shall determine a time limit for discussions.

- D. **Special Meetings:** Special meetings may be called by the President, individually or by him upon written request of five (5) Directors. A special meeting of the corporation if so directed shall be held at the time and location as designated by the President. A majority of the total number of Directors shall constitute a quorum for the transaction of business.
- E. **Committee Meetings:** Committee meetings may be held monthly or as needed and as directed by the Committee Chairperson. A report of each committee meeting shall be given to the Board of Directors for their review and comments.

ARTICLE III

THE EXECUTIVE OFFICERS

The Executive officers shall govern the affairs of the corporation. These officers shall be a President, Vice-President, Secretary, and Treasurer. The Executive officers shall be Property Owners in good standing and members in good standing of the Board of Directors.

- A. **The President:** Subject to the direction of the Board of Directors, the President shall be the chief executive officer of the corporation and preside at all meetings of the corporation. The President shall perform such other duties as from time to time may be assigned to him/her by the Board of Directors. The President shall assign and appoint committees from among the Property Owners and may be an ex officio member of all committees if he or she so chooses.
- B. **The Vice-President:** The Vice-President shall have such power and perform such duties as may be assigned to him/her by the Board of Directors or the President. In case of the absence of or disability of the President, the Vice-President shall perform the duties of that office.
- C. **The Secretary:** The Secretary shall keep the minutes of all proceedings of the Board of Directors and committees, and all minutes of any other meetings held in books provided for that purpose. The Secretary shall also keep in his/her possession the Corporate Seal and perform such other duties as may be assigned to him/her by the President or by the Board of Directors.
- D. **The Treasurer:** The Treasurer shall have the custody of all receipts, disbursements, funds, and securities of the corporation and shall perform all duties incident to the office of Treasurer, subject to the control of the Board of Directors and the President. He/she shall also perform such other duties as may, from time to time, be assigned to him/her by the Board of Directors and the President. A bond shall not be required for the faithful duties of the Treasurer unless requested by the Board of Directors.
- E. **Election and Length of Term:** At the first meeting of the Board of Directors the election of the Executive Officers shall be held. The term of Executive Officers shall be held. The term of office of all Executive Officers shall be one (1) year and limited to two (2) consecutive terms. The Board of Directors can extend the term limits of the Executive Officers as necessary.
- F. **Delegation of Powers:** The Executive Officers shall perform such duties and services as directed by the Board of Directors and have authorization to conduct such business affairs to include but not be limited to:
 - 1. Execution of documents and expenditures, approved by the Board of Directors.
 - 2. Signatories on Association bank accounts.
 - 3. Borrow money on behalf of the Association.
 - 4. Appoint committees.

All of the above must first be approved by the Board of Directors. Execution of documents shall require signature by two (2) Executive Officers.

G. **Removal or Resignation:** At a Regular or Special Meeting of the Directors, any one or more of the Executive Officers may be removed, with or without cause, by two-thirds vote of the Directors present at the meeting.

The Directors may elect a successor by two-thirds vote of the Property Owners in good standing present at the meeting.

The Board of Directors may remove any Executive Officer for failure to provide a valid cause for his/her absence from three (3) consecutive meetings.

The Board of Directors may remove any Executive Officer for failure to pay assessments and/or any other monies owed to the corporation, abuse of Association Rules and Regulations, or any other reason to cause the Executive Officer not to be in good standing with the Association and its bylaws.

An Executive Officer shall be removed from office and from his/her position on the Board of Directors upon the sale or transfer of his/her ownership or title to his/her real estate in the Association development.

An Executive Officer may resign in writing for any reason, at any time.

ARTICLE IV

THE BOARD OF DIRECTORS

The affairs of the corporation shall be managed by a Board of Directors which shall consist of two (2) Directors from each section, as set forth herein, and one (1) Director-at-Large. The sections are Sunrise Gardens; Lakeside Terrace; Westcott Beach; Chepachet Beach; Cherry Valley, Section A; and Cherry Valley, Section B and C. The Board shall be composed of thirteen (13) Property Owners in good standing as defined in Article II herein.

- A. **Election and Length of Term:** Elections of Directors shall be held at the Annual Meeting of the Association. The term of each Director shall be two (2) consecutive years with no limit to terms. The Board of Directors may amend the length of terms as described in these bylaws at any time.
- B. **Delegation of Powers:** The Board of Directors shall perform such duties and services and have authorization to conduct such business affair to include but not be limited to:
 - 1. Adopt the annual budget and any amendments or to assess any common expenditures.
 - 2. Adopt, repeal, or amend the Rules and Regulations.

3. Designate signatories for corporate bank accounts.
4. Borrow money on behalf of the Corporation.
5. Manage the assets.
6. Ability to appoint any Property Owner in good standing as a director for a one (1) year term and fill a vacancy as required under the provisions of these bylaws.

C. **Removal or Resignation:** At a Regular or Special Meeting of the Association any one of more members of the Board of Directors may be removed, with or without cause, by the two-thirds vote of the Property Owners. A successor may then be elected to fill the vacancy thus created by two-thirds vote of the Property Owners.

A Director may also be removed for failure to provide valid cause for his/her absence from three (3) consecutive meetings.

A Director may also be removed for failure to pay assessments and/or any other monies owed to the corporation, abuse of Association/Corporation Rules and Regulations or any other reason to cause a Director to not be in good standing with the Association and its bylaws.

A Director is considered removed from office and his/her position on the Board of Directors upon the sale or transfer of his or her ownership or title to their real estate in the Association development.

A Director may resign in writing for any reason and at any time and shall also be deemed to have resigned upon transfer of title to his/her property.

ARTICLE V

THE PROPERTY OWNERS

A Property Owner is a person who has title to an a legally recorded deed for property within the Sections of Sunrise Gardens; Lakeside Terrace; Westcott Beach; Chepachet Beach; Cherry Valley, Section A; and Cherry Valley, Section B and C. The Property Owner's name must be set forth on the deed recorded in the Town land records to be considered a Property Owner.

- A. **Rights and Responsibilities:** The corporation shall be organized as a non-business corporation without capital stock and mandatory membership of all the Property Owners, within the sections above, shall be evidenced by record ownership as described above. The transfer of any property within the sections above shall constitute new Property Ownership. Property Ownership is transferred by the assignment, sale, or inheritance, or any other transfer of ownership. All rights of Property Ownership within this Association belonging to the former Property Owner shall pass to the assignee, heir, legatee, or transferee.

B. **Voting:** Only one (1) vote may be cast per parcel of land regardless of the number of title holders; however, when title to more than one lot is held by the same person or persons, all the lots so held shall be considered one parcel for the purpose of voting and only one vote may be cast for all the lots together. Only Property Owners in good standing as defined in Article II hereof may vote. Votes may only be cast at regular special or annual meetings by ballot or voice vote.

C. **Assessments and/or Dues:** The corporation, through its Board of Directors, may levy regular and/or special assessments for the operation, maintenance, care, and improvements of the corporation property and also for the payment of taxes and assessments against it. An assessment shall be assessed against a property in an equal sum and shall be paid by the Property Owner to the Treasurer on notice or within 60 days of the date of billing.

Property Owners shall be charged interest for assessments and/or dues in arrears at a rate determined by the Board of Directors. Property Owners in arrears prior to the Annual Meeting forfeit their right to cast a vote.

Annual dues shall be assessed at a rate recommended by the Board of Directors and approved by a majority vote of the Property Owners in good standing.

D. **Committees:** The President shall appoint Committee Chairpersons to each Committee at the first meeting of the Board of Directors. From time-to-time new committees may be appointed by the President or as directed by the Board of Directors. Committee meetings shall be held monthly or as needed or as directed by the Committee Chairperson. The President shall be ex-officio and member of all committees. A report of each committee meeting shall be generated and given to the Board of Directors for review and comment. The committees established at this time are as follows: Bylaws Committee, Finance Committee, Grounds Committee, and Dam Committee. A Chairperson shall head each committee. A Committee Chairperson can be any Property Owner in good standing including those Property Owners serving on the Executive Board and Board of Directors.

Each committee shall consist of Property Owners in good standing. With all reasonable ability, each committee shall carry out the wishes of the Board of Directors. The Board of Directors, at any time has the right to dismiss any committee member that is not in good standing or causing any action that may prevent the Board of Directors from achieving its objectives.

The board of Directors, at any time has the right to appoint additional committees, Committee Chairpersons and committee members.

E. **Termination of Property Ownership:** Upon the sale, assignment, or other transfer of the ownership of property in the association's development, the Property Owner shall not be entitled to any refund of assessments or dues of any kind.

ARTICLE VI

FORMAT FOR RULES AND REGULATIONS

The format for these rules and regulations, adopted at this time and by this Board of Directors become part of these bylaws and are intended to define specific rules and regulations. From time to time the Board of Directors may adopt, repeal, or amend rules and regulations. A Property Owner may present specific rules and regulations to the Board of Directors for adopting, repealing, or amending. The Board of Directors shall vote upon these Rules and Regulations brought forth by a Property Owner. Adopting, repealing, or amending the proposal must be by majority vote of the Board of Directors.

- A. **Compliance:** Property Owner compliance of these bylaws and rules and regulations is mandatory. Property Owners must abide by all the rules and regulations, be current on all assessments and/or dues, and must maintain ownership of his/her property to be a Property Owner in good standing.
- B. **Noncompliance:** The Board of Directors is authorized by these bylaws to enforce compliance of these bylaws and the rules and regulations herewith. A written notice and/or warning of noncompliance shall be issued to the Property Owner or Property Owners. Compliance shall be immediate or as directed by the Board of Directors.

In an effort to enforce compliance, the board of Directors shall be authorized to contact law enforcement agencies, engage legal counsel for immediate actions, make claims and/or file property liens as necessary and under the laws of the State of Rhode Island.

The Board of Directors shall have authority to notify or engage government and/or private law enforcement agencies for noncompliance of any Property Owner, family member, or guest. The Board of Directors shall seek prosecution and/or restitution for damages to the fullest extent. Noncompliance of a Property Owner, family member, or guest shall be deemed by the Board of Directors reason for revocation of all privileges associated with property ownership in the Association. The privilege of use of Association roads beaches, and any other Association property or asset shall be terminated upon noncompliance.

ARTICLE VII

RULES AND REGULATIONS

These rules and regulations, adopted at this time and by this Board of Directors, become part of these bylaws, are not limited to and are intended to define specific rules and regulations only.

- A. **Rules of the Common Roads:** All Property Owners, family members, and guests shall at all times maintain safe and prudent use while operating any moving vehicle on Association property.
 - 1. Operation of motor vehicles shall be in accordance with the state and local laws.
 - 2. Speed limit while operating a motor vehicle shall be as posted.
 - 3. Warning-Children signs shall be posted and recognized.

4. Stop signs shall be posted at intersections as warranted by the Town Safety Officer or agency having authority.
5. Fasten seat belts in accordance with the laws of the State of Rhode Island.
6. Maintain recreational vehicle licensing in accordance with the laws of the State of Rhode Island.
7. Bicycle helmet safety shall apply to individuals riding on Association property in accordance with the laws of the State of Rhode Island.
8. Vandalism and destruction of Association property and signs is prohibited.
9. Noise pollution is prohibited from mechanical operation, alarms, musical sound systems or any other device that may interfere with the quiet enjoyment of the community.
10. Discarding of trash, glass, equipment, rubbish, etc. on Association property is prohibited and in accordance with the laws of the State of Rhode Island and the Town of Gloucester.

B. General Rules of Association Beaches and Lakes: Association Beaches and Lakes are intended for the sole use of Property Owners in good standing, their family members, and guests. All rules of compliance as stated in Article VI, Paragraph A apply to beaches and lakes privileges.

Swimming is at your own risk. Signs shall be posted at Association beaches warning swimmers of the dangers associated with water activities. Lifeguards are not on duty at any Association beaches and the Association will not be responsible for loss of any kind.

Small children and those individuals unable to swim should wear approved flotation devices. Flotation devices are not provided by the Association and are not stored on any of the Association Beaches.

C. Rules of Conduct on Association Beaches and Lakes: Property Owners, family members, and guests shall at all times conduct themselves in a safe and orderly manner.

1. Abuse of alcoholic beverages is prohibited.
2. Use of narcotics is strictly prohibited.
3. Campfires are prohibited.
4. Vehicles are prohibited unless for maintenance of the beach area and authorized for use by the Board of Directors.
5. Motor vehicles are prohibited on frozen waters except as noted in Section F herein.
6. A responsible adult shall provide supervision of children at all times.
7. Be responsible for cleaning up and use the trash containers provided.
8. Vandalism and destruction of Association property or any other property within the Sections of this Association is strictly prohibited.
9. Non-Property Owners, except when accompanied by a Property Owner in good standing are prohibited from use of the beaches and lakes.

D. **Boating and Watercraft Safety:** Boating and Watercraft Safety and laws governing the proper use of watercraft and as defined by the laws of the State of Rhode Island, Department of Environmental Management and the Town of Glocester apply to all waters on Association property. The enforcing agencies associated with the above shall have the authority to monitor, inspect, and control the use of watercraft while on the Association waters.

Following sections of Rhode Island Rules and Regulations, Boating Safety, taken from the Rhode Island Boaters Guide are intended for informational purposes only and are not to be considered the rules and regulations of these bylaws. However, these bylaws and compliance with the Rules and Regulations of these bylaws shall be in strict accordance with all the Boating laws of the State of Rhode Island and the Town of Glocester. Those laws and any amendments shall apply to these bylaws and rules of compliance as stated in Article VI, Paragraph A.

1. **Prohibited Operation:** (Section 46-22-9) Reckless operation and endangerment is prohibited. Use while intoxicated is prohibited. Use in restricted and/or beach areas is prohibited. Operating to interfere with another person or vessel is prohibited. Dockage or anchoring without the consent of a property owner and/or the Association is prohibited.
2. **Flotation Devices:** Children ten (10) years and under shall wear USCG approved personal flotation devices for Class A or I motorboats. An approved personal flotation device must be worn while water skiing.
3. **Operation:** Operation of any watercraft on Association waters shall be done so as not to Endanger, Death Resulting (Section 46-22-9.3). Operation so as to Endanger, Resulting in Personal Injury (Section 46-22-9.4). Speeding (Section 46-22-9.5). Any motorboat or vessel not to exceed 35 mph during the hours of sunrise to sunset and 25 mph during periods of restricted visibility or as required by Governmental Authorities.

Speed limits are not posted on Association waters.

Collisions, Accidents, Casualties (Section 46-22-10).

Water Skis and Surfboards (Section 46-22-12). No person can operate a vessel for towing another person/s unless there is an observer at least 12 years old in the vessel. At least one approved flotation device must be aboard the vessel for the person being towed. No person can operate a vessel for towing another person/s nor shall any person engage in water skiing or similar activity at any time between the hours of one hour after sunset and one hour before sunrise.

No person can operate a vessel by which the direction of the person being towed can collide with any other person or object.

Races, Tournaments, or Exhibitions (Section 46-22-13). Cannot be held unless authorized by the Department of Environmental Management and the Association.

Reporting of Accidents, Casualty, Vandalism, and Thefts (Section 46-22-21).

Owner Required to Make Written Reports (Section 46-22-22).

Personal Watercraft Safety Act (Section 46-27). Regulation of Personal Watercraft (Section 46-27-2). Personal watercrafts cannot be operated at any time between the hours from one-half hour after sunset to one-half hour before sunrise. Operate in a prudent manner and not to cause injury.

No person under the age of 16 can operate a personal watercraft unless an adult accompanies him/her or unless he/she has passed a Department of Environmental Management, or a US Coast Guard approved safety course. It is unlawful for the owner of a personal watercraft to allow anyone not meeting the requirements above to operate a personal watercraft.

A person cannot operate a personal watercraft within 200 feet of swimmers, other vessels, and shoreline unless at headway speed (slowest possible speed to operate and maintain steering way). Personal watercraft, when launched from shore must return directly to an area where operation is allowed and, in a direction, as near perpendicular as possible while not exceeding headway speed.

No person shall operate a personal watercraft unless that person and any passenger are wearing a USCG approved personal flotation device.

No person shall operate any personal watercraft in a reckless manner so as to endanger the life, limb, or property of another.

No person shall operate a personal watercraft unless it is registered and numbered.

A person operating a personal watercraft equipped with a lanyard-type engine cutoff switch shall attach it to him/herself.

Enforcement (Section 46-22-3). Department of Environmental Management, Division of Boating Safety, State and Local Police Officials shall have enforcement authority over the waters within Association property.

Alcohol Boating Safety Act (Section 46-22.2). Any person who operates a watercraft while intoxicated shall be punishable by a fine or jail.

Any person who operates a watercraft while intoxicated and while doing so causes death or injury shall be guilty of a felony punishable by a fine and/or jail.

- E. **Water and Shoreline Pollution:** (Section 46-12) Prohibited are the discharge of oils, gasoline, chemicals, or any other hazardous materials. Discarding of any plastics or polymer-based material is prohibited. Discard of any glass, metal, wood, or any other object or material deemed harmful or hazardous is prohibited. Trash receptacles are provided at each beach and emptied as needed by the Grounds Committee.
- F. **Fishing:** Be aware of the danger of fishhooks, lead sinkers, lures, and other fishing tackle that may cause harm to another person or personal property. Be responsible for retrieving snagged, lost, or misplaced hooks, lead sinkers, lures, fishing line, and any other fishing tackle. Be responsible to provide humane treatment to any and all lake dwelling species.

Abide by state laws for licensing and catch rules and regulations.

Fishing Tournaments can only be conducted if first approved by the Board of Directors.

Ice Fishing is permitted. However, at no time is any motor vehicle allowed on the frozen waters except a snowmobile or a four-wheel all-terrain motorcycle.

- G. **Camping, Parties, and Recreational Use of Association Property and Beaches:** Camping is prohibited. Campfires are prohibited. Grilling, barbecuing, and cooking are prohibited unless authorized by the Board of Directors.

Parties, cookouts, outings, etc. are prohibited unless authorized by the Board of Directors.

Beaches and Lakes are for the recreational use of the Property Owners in good standing and their guests only. Commercial use is prohibited. The Board of Directors can authorize the promotional use of Association property.

Non-Property Owners, except when accompanied by a Property Owner in good standing, and those Property Owners not in good standing are prohibited from use of the beaches, roads, and all privileges with respect to the use of Association Property.

- H. **Failure to enforce any one or more of the regulations shall** not be deemed admission of liability or responsibility on the part of the Association.
- I. **General Rules of Conduct:** Meetings shall be conducted by the President in a timely and orderly fashion. A time limit shall be given to Property Owners wishing to address the Executive Officers or Board of Directors at meetings. In the event of any inconsistency between the Bylaws and the Articles of Incorporation, the Articles of Incorporation shall govern. In the absence of any provision either in the Articles of Incorporation or in the Bylaws regarding the procedure to be adopted,

Roberts Rules of Order shall govern.

Vandalism of Association Property will not be tolerated. Police shall be notified, and a Written Warning of Noncompliance sent to the household of the offender. This Association and its Board of Directors shall seek prosecution of the offender to the fullest extent of the law. The Board of Directors can revoke the Property Owner's rights and privileges until restitution and/or a settlement have been made.

Property Owners are responsible for the conduct of all the individuals residing within their household and any guests of that household. Property Owners are also responsible to make full restitution for any and all damages caused by any and all individuals or guests of their household and as defined by laws of the State of Rhode Island.

J. **Order of Business and Conduct of Meetings:** The President (or in his absence, the Vice-President) shall preside over all meetings of the Association. The Secretary shall keep the minutes of the meeting and record in a minute book all resolutions adopted at the meeting as well as a record of all transactions. The regular order of business meetings of the Board of Directors shall be as follows:

1. Rollcall.
2. Reading and disposal of any unresolved agenda.
3. Reports of officers and committees.
4. Unfinished business.
5. New business.
6. Adjournment.

ARTICLE VIII

ASSOCIATION PROPERTY

Association Property is that which is defined by the property owned by this Association as recorded at the Town land records. That property consisting of the beaches, roads, any easements and any other property owned by the Property Owners Association of Keech Pond, Inc. is property owned by this Association. Beaches cannot be sold or transferred, unless voted upon and approved by the Association Property Owners and Board of Directors. These beaches are for the use of Property Owners in good standing and their guests only.

The Association shall maintain signs, furniture, and fixtures that are considered to be the property of this Association.

The Town shall maintain the roads within the sections Sunrise Gardens; Lakeside Terrace; Westcott Beach; Chepachet Beach; Cherry Valley, Section A; and Cherry Valley, Section B and C.

Association property can be purchased or sold as necessary for the common good and welfare of the Association.

ARTICLE IX

FINANCES

The Board of Directors shall not incur any indebtedness on part of the Association, without the approval of the Property Owners for any indebtedness in excess of:

1. the total cash on hand.
2. all debt and liabilities.
3. dues and obligations in process of collection from the Property Owners.
4. reserve amounts for unexpected appropriations.

In the event of an emergency, the Property Owners, by a majority vote of Property Owners in good standing, can authorize the appropriation and/or allocation of funds to cover the indebtedness of such an event.

ARTICLE X

INSURANCE AND LIMITATION OF LIABILITY

The Executive Board and Board of Directors shall be held harmless and indemnified by the Association in performing their services for this Association.

- A. **Limited Liability of the Executive Board and Board of Directors:** The Executive Board, Board of Directors and its members shall not be liable to the Property Owners as a result of injury or damage to Persons or personal property caused by the elements or by another Property Owner, family member or guest of that Property Owner.

The Executive Officers and Board of Directors shall not be liable to the Property Owners as a result of their performance and duties for any mistake of judgment, negligence, or otherwise, except for the Executive Board, Board of Directors, and its members own willful misconduct or gross negligence.

The Executive Officers and Board of Directors shall have no personal liability in the performance of duties and have no liability in contract to a Property Owner or any other person or entity under any agreement, contract, or transaction entered into by them on behalf of the Association.

The Executive Officers and Board of Directors shall not be liable to any Property Owner, family member, or guest or the Property Owner as a result of loss caused by damages, vandalism, theft, misuse, or any other natural or unnatural causes.

B. **Indemnification:** Each Executive Officer and Director shall be indemnified by the Association against all expenses and liabilities, including attorney's fees incurred or imposed upon them in connection with any and all proceedings and practices performed by them as Property Owners. This indemnification shall apply only if and when the Board of Directors approves such settlement and reimbursement as being in the best interest of the Association.

The Executive Officers and Board of Directors shall not be indemnified by the Association against all expenses and liabilities, including attorneys' fees incurred or imposed upon them in such cases of willful misconduct or gross negligence.

C. **Insurance:** The Board of Directors, at any time shall have the authority to seek proposals for any type of Insurance necessary to protect the Association and its Property Owners against claims for loss or damages resulting from any natural or unnatural causes. Such proposals shall then be presented to the Property Owners at the Annual Meeting, or any Special Meeting called by the President for approval.

ARTICLES XI

AMENDMENTS

These Bylaws may be amended, repealed, or altered, in whole or in part at any meeting held by the Board of Directors or the Property Owners.

1998