

As of
2006

As amended up to
April 25, 1998

BY-LAWS
of
THE CRANE NECK ASSOCIATION

ARTICLE I

The purposes of the Association are:

- (1) To institute and carry out activities designed to promote the safety, health, welfare and comfort of its members within the area known as Crane Neck in the Village of Old Field, Suffolk County, New York, said area being bounded on the north by Long Island Sound, on the east by Flax Pond Inlet, Flax Pond and Flax Pond Lane, on the south by Mount Gray Road and John's Hollow Road and on the west by Smithtown Bay:
- (2) To maintain, preserve and protect for the benefit of its members the real property and improvements thereon owned by the Association on Crane Neck, comprising the private roads known as Crane Neck Road and Beach Path, the triangular plot of land adjacent to the entrance to Crane Neck Road at Mount Gray Road, and the Association Beach on Long Island Sound at the foot of Beach Path of which real property and improvements thereon no part shall be sold, transferred or leased and no structure will be built thereon except for general use by all Association members:
- (3) To repair and maintain the following private roads on Crane Neck owned by the adjoining property owners, viz. the paved roads known as Johns' Hollow Road, Laurel Lane, Shore Drive, Childs Lane, Woodcock Lane (both portions) and Silsbee Road and the dirt road known as Holly Lane:
- (4) To stimulate the interest of its members in community and civic affairs affecting Crane Neck; and
- (5) To promote social intercourse and friendship among its members.

ARTICLE II

Principal Office Post Office Address

Section 1. Principal Office.

The principal office of the Association from time to time shall be at the residence on Crane Neck of the then president of the Association, but s/he may from time to time delegate to other officers responsibility for keeping books and records of the Association as s/he may see fit.

Section 2. Post Office Address.

The Post Office Address of the Association to which dues payments, notices and other communications to the Association may be delivered by mail is PO Box 1135, Setauket, New York 11733..

ARTICLE III

Section 1. Membership.

Any family which owns real property on Crane Neck shall be eligible for membership in the Association. A family which owns real property, improved or unimproved, on Crane Neck need not reside on Crane Neck to be eligible for membership in the Association. A corporation, trust, partnership, limited liability company or estate which is a record owner of real property on Crane Neck may designate a family as a beneficial owner eligible for membership.

The term "family" shall be as defined in the Zoning Ordinance of Incorporated Village of Old Field, namely:

"One or more persons related by blood, adoption or marriage living and cooking together as a single housekeeping unit, including household servants. A number of persons, but not exceeding three (3) living and cooking together as a single housekeeping unit though not related by blood, adoption or marriage shall be deemed to constitute a family."

Any family which is eligible for membership in the Association as provided above shall be a member of the Association provided that all dues and special assessments for the real property which is owned by said family, and which real property makes said family eligible for membership in the Association, have been paid in full for every year from April 1, 1998 through the current year on a cumulative basis, whether or not said family has owned the real property since April 1, 1998. In the event the dues and special assessments for a parcel of real property have not been paid in full for every year from April 1, 1998 through the current year on a cumulative basis, the family which owns the real property may become a member of the Association provided the family pays in full all unpaid dues and special assessments plus interest computed at ten (10%) percent per annum, compounded annually, for every year from April 1, 1998 through the current year.

Section 2. Family Ownership of Real Property.

Real property owned by a family, for the purposes of these By-Laws, means all real property owned of record by any one or more individuals comprising a family, including property owned separately, jointly, or in common, and including all parcels owned of record by all individuals in one family, whether or not such parcels are adjacent. If real property is leased, the lessee shall be treated as the owner, in place of the lessor, if the latter notifies the Treasurer of the Association in writing of the lease and requests the substitution of the lessee for the lessor on the records of the Association.

Section 3. Termination of Membership; Succession to Membership.

If a member's family disposes of its real property on Crane Neck, its membership in the Association shall automatically terminate. If a new family acquires property on Crane Neck, and the dues for said property have been paid in full for every year from April 1, 1998 through the current year on a cumulative basis, the new family shall automatically become a member of the Association for the balance of the year, subject to payment of any subsequent assessments. If a new family acquires some, but not all of a parcel of property on Crane Neck owned by a member of the Association; (i) both families shall be members of the Association for the balance of the year, subject to the payment of any subsequent assessments; and (ii) the dues for the newly subdivided parcel of property must be paid for every year after the date of the sale to the new family through the current year on a cumulative basis in order for the owner of the subdivided parcel of property to be a member in the Association. A lease shall be treated as a disposition of the property leased, if the

lessor requests that lessee be substituted as owner as specified in Section 2. of this article.

Section 4. Privileges of Membership.

All individuals comprising a family which is a member of the Association shall be entitled to use and enjoy the roads, beach, parking area at the beach and other properties of the Association, subject to such rules and regulations as may from time to time be adopted by the Board of Directors or by any committee by authority of the Board. Guests when accompanied by any individual in a family which is a member, shall have similar privileges. Any adult in a family which is a member may extend similar privileges to unaccompanied guests for a period not exceeding one day by a signed guest card. Guest privileges for more than one day, but not more than one week, including privileges limited to parking at Beach Path may be extended only by a guest card counter-signed by a Director of the Association. Fishing permits are good only from April 1st to November 15th for the particular year issued, and must be re-issued each year.

Section 5. Rights on Liquidation.

In the event of a dissolution of the Association, any assets distributable in liquidation shall, subject to applicable law, be distributed exclusively among those families who at the time shall have been continuously members of the Association in good standing as to payment of all dues and assessments for not less than each of the preceding five (5) years, or for such shorter period as they shall have owned real property on Crane Neck in the case of families who have owned such property for less than five (5) years. Such distributions to each such family member shall be made in accordance with its interest in all parcels of real property on Crane Neck owned by such family, as shown by the latest assessment roll of the Village of Old Field, and in the proportion which the assessed valuation of all such parcels bears to such assessed valuation of all parcels owned by all such family members. Among any such family such distribution shall be made to individuals according to their record ownership of real property as shown on the assessment roll.

ARTICLE IV

Section 1. Annual Dues.

To qualify for membership in the Association, a family owning real property on Crane Neck shall pay annual dues to the Association based on the aggregate assessed valuation of all parcels of real property on Crane Neck owned by such family as shown on the latest assessment roll of the Village of Old Field filed prior to the beginning of the current calendar year. The rate, minimum and maximum dues shall be set at the annual meeting. At said meeting, the Board of Directors shall recommend the level of dues for the following year to the membership, and approval shall be subject to a majority vote of the membership present and voting.

Section 2. Bills for Dues.

Bills for the dues for each calendar year shall be mailed in January by the Treasurer to all families owning real property on Crane Neck. In rendering bills for dues and assessments, if any, the Treasurer shall combine all parcels owned by any family according to his best information and may thereafter make such proper adjustments as may be brought to his attention. Bills may be addressed to any adult in a family owning real property on Crane Neck, according to such person's address appearing on the Village assessment roll, or at such other address as any person shall have furnished to the Treasurer for this purpose. Annual dues shall be payable upon receipt of the dues bill.

Section 3. Good Standing as to Dues.

To be in good standing as to payment of dues for any current calendar year a family owning real Property on Crane Neck shall pay dues in accordance with the provisions of Sections 1 and 3 of Article III and Section 1 of Article IV on or before the annual meeting of such year and thereafter a family shall not be deemed a family in good standing until such dues are paid. Any family which was in good standing for the preceding calendar year shall continue in good standing until the annual meeting, except that if a special meeting of the members of the Association shall be held for any purpose after January 1st and before the annual meeting, only family members in good standing as to payment of dues for the current calendar year shall be entitled to vote at such meeting.

Section 4. Special Assessments by the Membership.

The members of the Association, by affirmative vote of at least three-fourths (3/4) of the votes cast at a special meeting of the members called for the purpose, may at any time levy a special assessment on the families owning real property on Crane Neck. Any such assessment may be in such amount and levied on such basis and payable on or before such time as the members shall specify in authorizing it, provided that any such assessment shall be determined on the same basis for all families owning real property on Crane Neck. After the time specified for payment of any special assessment in any calendar year, a family shall not be in good standing and entitled to membership privileges unless and until such assessment is paid.

ARTICLE V

Meeting of Members

Section 1. Annual Meeting.

An annual meeting of the members of the Association for the election of directors and the transaction of any other proper business shall be held on a Saturday in April in each year, on such date and at such place and time as shall be determined by the Board of Directors and specified in the notice of such meeting.

Section 2. Special Meetings.

Special meetings of the members may be called by the Board of Directors, or the President, or by members entitled to cast at least one-fourth (1/4) of the total number of votes entitled to be cast at such meeting, determined as of the time notice of the meeting is given.

Section 3. Notice of Meetings.

Written notice of any meeting of the members shall be given by the Secretary of the Association or by the person or persons calling the meeting which shall state the place, date and hour of

the meeting, and unless it is the annual meeting, shall 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 the meeting is called. A copy of the notice of any meeting shall be given, personally or by mail, not less than ten (10) nor more than fifty (50) days, before the date of the meeting, to each family which is an owner of real property on Crane Neck whether or not such family is a member of the Association at the time the notice is given. Only a single notice need be given to any one family, and such notice may be addressed to any adult in a family, at such person's address used for the purpose of bills for dues and assessments. Receipt of the notice of a meeting shall not entitle any person in a family to attend, vote at, or otherwise participate in the meeting unless such family is qualified as a member of the Association in good standing at the time of the meeting.

Section 4. Quorum.

Members entitled to cast one-fourth (1/4) of the total number of votes entitled to be cast at a meeting shall constitute a quorum at a meeting of the members for the transaction of any business, but the members present may adjourn the meeting despite the absence of a quorum.

Section 5. Voting.

Each family which is a member of the Association in good standing shall be entitled to one vote at any meeting of the members. Such vote may be cast by any adult in the family present in person at the meeting, or fractional votes may be cast by or for each such adult, unless they otherwise agree and specify when voting, fractional parts of a single vote to which a family is entitled shall be allocated equally among those voting. Whenever directors are to be elected at a meeting, they shall be elected by a plurality of the votes cast at the meeting on behalf of the members entitled to vote. Whenever any action, other than the election of directors, is to be taken by vote of the members at a meeting, it shall, except as otherwise required by law or these By-Laws, be authorized by a majority of the votes cast at the meeting on behalf of the members entitled to vote. The method of voting shall be discretionary with the presiding officer at the meeting.

Section 6. Presiding Officer and Secretary.

At every meeting of members, the President, or in his absence the Vice President, or if neither be present, the appointee of the meeting shall preside. The Secretary, or in his/her absence an Assistant Secretary, or, if none be present, the appointee or the presiding officer of the meeting shall act as Secretary of the meeting.

Section 7. List of Members.

If the right to vote at any meeting is challenged, the presiding officer of the meeting shall require a list of the family members entitled to vote be produced by the Treasurer as evidence of the right of the persons challenged to vote at such meeting, and all families which appear from such list to be members entitled to vote may vote at such meeting.

ARTICLE VI

Board of Directors

Section 1. Number of Directors.

The number of directors constituting the entire Board shall be twelve (12). No amendment of this section which decreases the number of directors shall shorten the terms of any incumbent director.

Section 2- Election and Term of Directors.

At each annual meeting of members, directors shall be elected to hold office until the next annual meeting. The term of office of each director shall be from the time of his election and qualification until the annual meeting of the members next succeeding his election and until his successor shall have been elected and shall have qualified. No person shall serve as a Director for more than three (3) consecutive one year terms. This should not be construed to mean that a person cannot serve for more than three (3) one year terms as long as no more than three (3) of them are consecutive.

Section 3. Nomination of Directors.

Nomination for Directors to be elected shall be made by:

- a) a nominating committee selected at the previous annual meeting.

The nominating committee shall be comprised of five (5) members, two (2) of whom shall be Directors of the Association appointed by the Board and three (3) of whom shall be elected from the general membership at the annual meeting. The Board shall nominate three candidates from the general membership and additional nominations may be made at the meeting. All nominees must have agreed to serve if elected. This nominating committee shall nominate candidates for consideration at the next annual meeting. If any member of the Committee resigns, before the committee completes its task, the board shall name a replacement.

The slate of nominees presented to the membership by the nominating committee shall include the names of persons to be re-elected as well as the names of persons to be elected for the first time.

Any person who is a member of the family, as defined in Article III, Section 1 of these By-Laws, of any member of the Board of Directors shall be ineligible to be a member of the nominating committee.

- b) with the annual dues notice, a notice shall be distributed to all members of the Association requesting that any member who wishes to be considered for nomination to the Board of Directors should so notify the Secretary in writing not later than February 15 of that year. The Secretary shall turn all such information over to the nominating committee upon its appointment as set forth herein above. This information shall in no way bind the nominating committee but shall be used merely so that the nominating committee shall be aware of any person willing to serve on the Board. The nominating committee shall be permitted to seek nominees from among qualified persons who have not so notified the Board, if it is in the best interests of the Association to do so.

The report of the nominating committee shall be distributed to the membership with the notice of the annual meeting in accordance with the provisions of Section 3 of Article V.

c) members of the Association may at the annual meeting, nominate other members from the floor whose names do not appear on the slate introduced by the nominating committee.

Section 4. Newly Created Directorships and Vacancies.

Newly created directorships resulting from an increase in the number of directors and by vacancies occurring in the Board for any reason may be filled either by vote of the members at any annual or special meeting of members or by vote of a majority of the directors then in office.

Section 5. Resignations.

Any director may resign from office at any time by delivering his resignation in writing to the Association, and the acceptance of such resignation, unless required by its terms, shall not be necessary to make such resignation effective.

Section 6. Qualification of Directors.

Only adult individuals in families which are members of the Association shall be qualified to serve as directors. Any director who ceases so be so qualified shall thereupon cease to be a director.

No person who is a member of the Board of Directors shall be qualified for renomination if said person missed three (3) consecutive meetings of the Board or missed a total of four (4) such meetings during his/her current term of office. The President shall keep a record of the attendance of the members at all meetings of the Board and membership meetings, and shall provide said record to the nominating committee prior to its meeting.

Section 7. Meetings of the Directors.

An annual meeting of the Board of Directors for the appointment of officers shall be held on the day on which the annual meeting of members shall have been held, at the same place and as soon after the holding of such meeting of members as is practicable, and no notice thereof need to be given. Other meetings of the Board shall be held at such times and places as shall be specified in the respective notices thereof, whenever called by the President or by at least one-third (1/3) of the directors for the time being in office. Notice of such meeting shall be given

by the Secretary or by a person calling the meeting to each director by mailing the same not later than one week before the meeting, or personally, or by telephoning the same not later than two (2) days before the meeting. Any member in good standing may appear before the board at a regular meeting to discuss a specific issue. The member must notify the President or Secretary two weeks before the meeting and identify the issue to be discussed. The appearance of the member and a discussion of the issue will be the first item on the agenda of the meeting after which the member will leave and the meeting continue.

Section 8. Quorum and Voting.

One-half (1/2) of the entire Board shall constitute a quorum for the transaction of any business. Except as otherwise provided by law or by these By-Laws, the vote of a majority of the directors present at the meet at the time of the vote, if a quorum is present at such time, shall be the act of the Board, but a majority of directors present, whether or not a quorum is present, may adjourn any meeting to another time and place.

Section 9. Annual Reports.

The Board shall present at the annual meeting of members a report, verified by the President and Treasurer or by a majority of the directors, or certified by an independent public accountant or a firm of such accountants selected by the Board, showing in appropriate detail: (1) the fiscal year of the Association shall be from April 1st through March 31st; (2) the assets and liabilities of the Association as of the end of the previous fiscal year; (3) the principle changes in assets and liabilities during such year; (4) the receipts of the Association during such year; (5) the disbursements of the Association during such year; (6) the number of members of the Association as of the date of the report, together with a statement of increase or decrease in such number during the year immediately preceding the date of the report, and a statement of the place where the names and places of residences of current members may be found; (7) the names of all families who are eligible to be members but have not paid their dues and assessments in accordance with the provisions of Sections 1 and 3 of Article III. The annual report and minutes of the annual meeting shall be distributed to all members of the Association within thirty (30) days after the meeting.

ARTICILE VII

Section 1. Committees.

The Board, by resolution adopted by a majority of the entire Board, may create other committees, each consisting of two (2) or three (3) Directors, and three (3) or four (4) regular members of the Association, up to a total of seven (7). The Board shall also designate one person to be Chairman of each of these committees. The Chairman may choose the other members of the committee with the approval of the Board of Directors. Each committee, to the extent prescribed in the resolution, shall have all the authority of the Board to the full extent permitted by law. Each committee shall serve at the pleasure of the Board.

ARTICLE VIII

Officers

Section 1. General Provisions.

The officers of the Association shall be a President, a Vice President, a Secretary and a Treasurer, and may include one or more Assistant Secretaries and one or more Assistant Treasurers. The officers shall be appointed by the Board of Directors at the first meeting of the Board after the annual meeting of the members in each year. The Board may appoint other officers, agent and employees, who shall have such authority and perform such duties as may be prescribed by the Board. All officers shall hold office until the meeting of the Board following the next annual meeting of the members after their appointment and until their successors shall have been appointed and shall have qualified. Any officer, agent or employee of the Association may be removed by the Board with or without cause.

No person shall serve in the office of President or Vice President for more than three (3) consecutive one year terms. This shall not be construed to mean that a person cannot serve for more than three (3) one year terms, as long as no more than three (3) of them are consecutive. For the purposes of this paragraph, terms served as President and Vice President shall not be combined.

Section 2. President.

The President shall be the chief executive officer of the Association. S/he shall preside at all meetings of the members and of the Board at which s/he is present. S/he shall have general charge of the affairs of the Association. S/he may employ and discharge employees and agents of the Association, except such as shall be appointed by the Board, and he may delegate these powers.

Section 3. Vice President.

In the absence or inability to act as the President, the Vice President shall perform all the duties and may exercise any of the powers of the President.

Section 4. Secretary.

The Secretary shall have charge of the minutes of all proceedings of the members and of the Board of Directors. The Secretary shall attend to the giving of all notices to members and directors. The Secretary shall maintain a list of the members and their places of residence. The Secretary shall have charge of the seal of the Association and shall attest the same by his signature whenever required. The Secretary shall bring a copy of the most recent edition of Robert's Rule of Order and a copy of these By-Laws to all meetings of the Directors or the Association.

Section 5. Treasurer.

The Treasurer shall have charge of all funds of the Association and deposit the same to the credit of the Association in such banks as the Board of Directors may authorize. S/he shall annually in December prepare a list of all families owning real property on Crane Neck and shall attend to the mailing of dues notices to such families as promptly as practicable in January of each year. S/he shall maintain a record of all families in good standing as to payment of dues and assessments, if any, and qualified for membership in the Association during the current year.

ARTICLE IX

Rules

Section 1. Adoption of Rules.

The Board of Directors may adopt, amend or repeal such rules as it may deem necessary or proper as to matters not specifically provided for in these By-Laws, including rules for the use of the Association's roads, beach and other property. The Board may delegate power to adopt such rules to any committee of the Board.

Section 2. Fines and Penalties.

The Board may impose reasonable fine or other penalties including suspension of membership privileges, upon member of the Association for violation of these By-Laws or of any rules adopted by the Board or by any duly authorized committees, including parking violations, beach rule infractions and failure to pay dues and special assessments. The Board may remit or reduce any fines or penalties so imposed on such terms and conditions as it may deem proper.

ARTICLE X

Seal

The seal of the Association shall be circular in form and contain the name of the Association, the words "Corporate Seal" and "New York" and the year the Association was formed in the center. The Association may use the seal by causing it or a facsimile to be affixed or impressed or reproduced in any manner.

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ARTICLE XI

Checks, Notes, etc.

Checks, notes and other order of obligations for the payment of money shall be signed by such officer or officers or person or persons as the Board of Directors shall from time to time determine.

ARTICLE XII

Fiscal Year

The fiscal year of the Association shall be from April 1st through March 31st.

ARTICLE XIII

Amendments

These By-Laws may be amended or repealed, and new By-Laws may be adopted by vote of the members at two successive annual meetings. Proposed amendments to these By-Laws must be distributed to the membership at least four (4) weeks before the annual meeting.

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