

I
BY-LAWS

OF

QUANSOO BEACH ASSOCIATION, INC.

Including those proposed and adopted amendments to the QBA bylaws
(August 15, 2009)

. II

ADDITIONAL RESTRICTIONS

APPLICABLE TO PROPERTY AT QUANSOO BEACH

OWNED BY CLASS A MEMBERS

III

RULES APPLICABLE TO

MEETINGS OF BOARD OF GOVERNORS OF

QUANSOO BEACH ASSOCIATION, INC.

October 1, 1955
as amended, August 13, 1977

I
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of
QUANSOO BEACH ASSOCIATION, INC.

ARTICLE I. NAME, LOCATION, CORPORATE SEAL

Section 1. The name of the corporation is Quansoo Beach Association, Inc.

Section 2. The location of the corporation shall be at Chilmark, in the Commonwealth of Massachusetts

Section 3. The corporate seal shall be circular in form and have inscribed thereon the name of the corporation, year of its incorporation, and the word "Massachusetts".

ARTICLE II. CORPORATE PURPOSES AND POWERS

Section 1. The purpose of the corporation shall be to protect and preserve the natural beauty of the area commonly known as Quansoo Beach, being that part of the South Beach in Chilmark which is bounded easterly by the West Tisbury-Chilmark town line; southerly by the Atlantic Ocean; westerly by land now or formerly of Johnson Whiting on Black Point Road; and northerly by Crab Creek, so-called, and Tisbury Great Pond; and for safety and convenience, to maintain and control the means of entrance and exit, parking and parking areas, and the ways and bridges used in common to afford an opportunity for the consideration of and action in regard to such matters as safety, health, fire, and police protection, improvements and other matters considered appropriate for the general welfare and interest of members; these purposes shall not include the right to apply for a license to sell alcoholic beverages.

Section 2. The corporation shall have all the powers and enjoy all the privileges granted by the laws of Massachusetts to corporations organized under General Laws, Chapter 180.

ARTICLE III. MEMBERS (AS AMENDED AUGUST 13, 1977)

Section 1. The members of this Association shall be the subscribers to the Articles of Agreement of Association and such other persons as shall fall within a category set forth in Section 2 of this Article and have been elected members by the Board of Governors and whose respective memberships shall not have terminated.

Section 2. There shall be three classes of members, as follows:

- a. Class A members shall be those who are owners of beach property on Quansoo Beach and who, by signing the by-laws of the Association and/or becoming parties to the Agreement among the Association and its members dated as of August 9, 1969, recorded in the Dukes County Registry of Deeds in Book 255 at page 208, have become subject to the restrictions set forth therein and who have been elected Class A members by the Board of Governors.

b. Class B members shall be those who are such owners but are not subject to such restriction, and who were subscribers to the Articles of Agreement of Association or have been elected Class B members by the Board of Governors.

c. Class C members shall be those persons who are such co-owners with a Class A member of beach property on Quansoo Beach and who maintain a separate household on Martha's Vineyard from that of that Class A member, and who shall apply for and be elected to Class C membership by the Board of Governors.

Section 3. Only natural persons may be members of this Association. A conveyance of beach property on Quansoo Beach to a corporation shall not be approved unless it shall have subjected itself and that property to the provisions of the Agreement of August 9, 1969, mentioned in subdivision a. of Section 2., as if a member, by an instrument in recordable form.

Thereupon, one or more members of that corporation who are also parents, siblings, spouses, or descendants of one specified person, each of whom maintains a separate household on Martha's Vineyard, may apply for and be elected to membership in this Association. If there should be more than one such member of the owner corporation, one may be elected to Class A membership, and the other or others to Class C membership. The membership of such persons in this Association shall terminate upon their ceasing to be members of the owner corporation or upon that corporation's ceasing to be an owner of beach property upon Quansoo Beach.

Section 4. Only Class A and B members shall be entitled to vote at meetings of this Association or for its dissolution or liquidation or to share in the distribution of its assets upon liquidation.

Section 5. The membership of all classes of members shall terminate upon their ceasing to be owners of beach property upon Quansoo Beach, unless the Board of Governors shall otherwise decide.

Section 6. Entrance fees and annual dues and charges shall be equal for all Class A and Class C members,

ARTICLE IV. MEETINGS

Section 1. The annual meeting of the members shall be held at the residence of Mr. Selden D, Bacon in Chilmark, Massachusetts, or at such other place as the Chairman may designate, at 3:00 P.M. on the second Saturday of August in each year, and nine members shall constitute a quorum.

Section 2. Due notice of the calling of meetings, except meetings of the Board of Governors, shall be given by the Clerk to all persons qualified to vote at said meeting by written notice mailed at least seven days prior to the holding thereof to members at the addresses which appear in the Clerk's records.

Section 3. Special meetings of the members may be called by the Chairman, or by a majority of the Board of Governors, and shall be called by the Clerk, or in case of the death, absence, incapacity or refusal of the Clerk, by any other officer.

Section 4. The order of the business at the annual meeting shall be:

- (a) Roll call and determination of quorum.
- (b) Proof of due notice of meeting.
- (c) Reading and disposal of minutes of preceding meeting.
- (d) Report of officers and committees.
- (e) Determination of the number of Governors to be elected.
- (f) Election of the Board of Governors.
- (g) Election of Clerk.
- (h) Election of Treasurer.
- (i) Unfinished business.
- (j) New business.
- (k) Adjournment.

ARTICLE V. BOARD OF GOVERNORS

Section 1. The Board of Governors shall have and exercise full control and management of the affairs and business of the corporation, subject to the provisions of law, and to any action by the members.

Section 2. The Board of Governors shall consist of not less than three nor more than five members as the members may determine at the annual meeting, shall be elected by ballot at such meeting, and shall serve for one year or until their successors are elected and qualified.

Section 3. The Board shall have power to fill vacancies occurring in any office, including vacancies in its own membership, between annual meetings of the members.

Section 4. The Board of Governors may fix the time and method of calling its meetings. A Quorum of the Board shall consist of a majority of the Board.

ARTICLE VI. OFFICERS

Section 1. The officers of the corporation shall be a Chairman of the Board of Governors, a Treasurer, a Clerk, and such other officers as may from time to time be appointed by the Board or as may be required by law.

Section 2. The Chairman of the Board of Governors shall be elected annually by and from the Board of Governors and shall be the chief executive officer of the corporation.

Section 3. The Clerk of the corporation shall be elected by ballot at the annual meeting; he shall keep the records of the corporation and the corporate seal; he shall give notice of all meetings of the members, and shall perform such other duties as may be prescribed by the Board. The Clerk shall at all times be a resident of Massachusetts.

Section 4. The Treasurer of the corporation shall be elected by ballot at the annual meeting and he shall give bond if and when required by the Board.

He shall receive and disburse the funds of the corporation, and he shall perform such other duties as may be prescribed by the Board.

Section 5. All officers, except when chosen to fill vacancies, shall hold office for one year and until their respective successors are chosen and qualified.

ARTICLE VII. ENTRANCE FEES AND DUES

Section 1. The entrance fees and annual dues for membership shall be fixed by the Board of Governors, from time to time.

ARTICLE VIII. FISCAL YEAR

Section 1. The fiscal year of the corporation shall be the calendar year.

ARTICLE IX. SALE OF LAND OR PROPERTY RIGHTS

Section 1. No sale or transfer of land or property rights (Within the above described Quansoo Beach area) by a Class A member shall become effective unless or until - -

- (a) Such land or property rights shall have first been offered to the Corporation at the same price and terms as those offered by the prospective purchaser and the Corporation has indicated no interest in such offer; and
- (b) The proposed sale (unless made to the Corporation) has been unanimously approved by the Board of Governors;
- (c) The purchaser has agreed to become a Class A member of the Corporation and to be bound by the provisions of this Article.

Section 2. Whenever a Class A member receives an offer for his beach property (within the above described Quansoo Beach area) which he desires to accept, he shall give written notice of such offer to the Corporation, including the price, terms, and name of the prospective purchaser; and the Corporation shall have an option, good for sixty days from receipt of said notice, to purchase the property at the same price and on the same terms as those contained in such offer.

If the Corporation fails to exercise its option, the member shall request the Board of Governors in writing to approve the proposed sale and shall accompany such request with the prospective purchaser's agreement to join the Corporation as a Class A member if the sale is consummated; it shall be the duty of the Chairman to obtain the views of each governor within thirty days after the Board has been requested to act, and this may be done in the Chairman's discretion through a meeting of the Board or by mail ballot.

If no action is taken Within said thirty day period the sale shan be deemed to have been approved.

Section 3. The foregoing restrictions and procedure shall not apply to sales or transfers of land or property rights of Class B members or transfers by Class A members by gift, will, or intestacy.

ARTICLE X. AMENDMENTS

Section 1. With the exception of Article III, Section 2; Article IX and Article X, these By-Laws may be altered, amended or repealed at any duly called annual or special meeting of the members by the affirmative vote of two-thirds of all the members of the Corporation, provided that a statement of the proposed alteration, amendment or repeal is sent with the notice of such meeting.

Section 2. Whenever any by-law or amendment thereto is altered, amended or repealed, the Clerk shall at once insert a reference to such change in the margin of the original record books of the Corporation opposite the Article affected.

ARTICLE XI. INDEMNIFICATION (AS AMENDED AUGUST 15, 2009)

Section 1. The corporation shall to the extent legally permissible indemnify each of its present and former directors, officers, employees and agents, and the heirs, executors and administrators of the foregoing (the party herein being indemnified being called the "Agent") against all expenses, costs, losses, and liabilities which the Agent has reasonably incurred in connection with or arising out of any action or threatened suit or proceeding in which the Agent may be involved by reason of being or having been an Agent, such expenses and liabilities to include, but not be limited to, judgments, court costs and attorney's fees and the cost of reasonable settlements, provided no such indemnification shall be made in relation to matters as to which such Agent shall be finally adjudged in any such action, suit or proceeding not to have acted in good faith in the reasonable belief that his action was in the best interests of the corporation. The corporation may reimburse an Agent for expenses incurred in defending a civil or criminal action or proceeding, upon receipt of an undertaking by him to repay such reimbursement if the Agent shall be adjudicated to be not entitled to indemnification hereunder, which undertaking may be accepted regardless of the financial ability of the Agent to make repayment. In the event that a settlement or compromise of such action, suit or proceeding is effected, indemnification may be had but only if the Board of Governors shall have been furnished with an opinion of counsel for the corporation to the effect that such settlement or compromise is in the best interests of the corporation and that such Agent appears to have acted in good faith in the reasonable belief that his action was in the best interests of the corporation and if the Board of Governors (not including the vote of any person seeking indemnification hereunder) shall have adopted a resolution approving such settlement or compromise. The foregoing right of indemnification shall not be exclusive of other rights to which any director, officer, or employee may be entitled as a matter of law. The rights of indemnification and exoneration hereunder shall apply whether or not the to be indemnified continues to be an Agent at the time any such expense, loss, cost, or liability expense is suffered or incurred.

II

ADDITIONAL RESTRICTIONS

In addition to the restrictions contained in Article IX of the by-laws, the following restrictions and general understandings shall apply to property at Quansoo Beach owned by Class A members of the Association:

1. The Property shall not in any way be subdivided.

2. No structures of any kind shall be erected on the property.
3. Unless the Association shall consent, the owner shall not permit any persons to occupy the property except his family and house guests.
4. The property shall not be leased.

III

RULES APPLICABLE TO MEETINGS OF THE BOARD OF GOVERNORS

1. Meetings of the Board of Governors may be called by the Chairman or by any two governors and may be held on twenty-four hours' notice which may be given orally or in writing.
Where two governors certify in writing that the meeting is urgent, it shall not be necessary to give notice to governors who are off-island.
Waiver of notice may be given after as well as before a meeting.
2. If less than three governors are on the Island at the time when it is desired to hold a meeting of the Board, it shall be the duty of the Chairman or the Clerk to address a letter to the absentee governors advising them of the matters to be considered and requesting them to cast their votes in regard thereto by mail. Votes thus cast shall have the same force and effect as if cast in person at a meeting of the Board.
If such a letter remains unanswered for ten days from the date thereof, the Governor to whom it was addressed shall be deemed to have waived his right to vote on the matter set forth therein.
3. A quorum of the Board shall consist of three members.
A governor voting by mail shall be deemed to be present within the meaning of this requirement.
4. The Chairman when present shall preside at meetings of the Board. In his absence, the governors present shall select a presiding officer.
5. Notwithstanding the foregoing:
 - a. Any action permitted or required to be taken by the Board of Governors may be taken without a meeting if all Governors entitled to vote on the matter consent to the action by a writing filed with the records of the meetings of the Board of Governors. Such consent shall be treated, for all purposes, as a vote at a meeting. Such a writing may be in the form of a letter, an email, or a fax.
 - b. The Governors may participate in a meeting of the Board of Governors by means of a conference telephone or similar or other communications equipment by which all persons participating in the meeting can hear each other at the same time; and participation by such means shall constitute presence in person at a meeting.
 - c. Any Governor shall be deemed to have waived the requirement for receiving notice of a meeting by doing any of the following: a) attending or participating at the meeting, and/or b) delivering a signed waiver of notice either before or after the meeting.

QUANSOO BRACH ASSOCIATION

RESTRICTIONS AND EASEMENTS

1. Each party, for himself and his heirs, devisees, successors and assigns, now gives and grants to each of the others, his heirs, devisees, successors and assigns, an easement and right of ingress, egress, and passage, on foot only, to, over and across, and to use, such grantor's aforesaid parcel of property for the purpose of recreation.
2. Each party agrees to use his right of way and easement in a reasonable manner so as not to interfere with the reasonable use of the servient tenement by the owner thereof or his family and guests, and further agrees not to commit any nuisance in the use of such easement and right of way and not to pollute the waters covered thereby or adjacent thereto or located in the vicinity of Quangoo Beach, including the adjacent ponds.
3. Each of the parties agrees that no sale or transfer of his aforesaid parcel of land or property rights shall become effective unless it be in accordance with the provisions of this Article 3.

A. There shall be a priority list which shall govern the order which prospective transferees shall be accorded preference by the Board of Governors, which shall be as follows:

- (1) The prospective purchaser of the home on Martha's Vineyard owned by the owner of the aforesaid parcel.
- (2) A parent, sibling, spouse or descendant of the owner.
- (3) A riparian owner upon Tisbury Great Pond.
- (4) A homeowner in West Tisbury.
- (5) A homeowner in Vineyard Haven,
- (6) A homeowner elsewhere on Martha's Vineyard.
- (7) Should no-one appearing upon the list within one of the above categories purchase or acquire the parcel, the Association shall be offered it, at a fair valuation to be determined by arbitration should the owner and the Association be unable to agree upon the price.
- (8) Should the Association fail to purchase it, the parcel may then be sold or transferred without further restriction.

B. To be placed upon the list under subdivisions 3 through 6, a person shall have made a dated, written application to the Association for membership and to purchase a beach lot when available. Within each of the said categories, there shall be priority in the order of the dates of the written applications.

C. Whenever a party to this agreement shall desire to dispose of his aforesaid parcel of beach property, he shall notify the Association in writing by certified or registered mail of his purpose, the name and address of his prospective transferee and the facts, if relevant, concerning the familial relationship between them or the prospective transferee's ownership of other property on Martha's Vineyard

or the purpose to sell to the latter a Martha's Vineyard home of the party, Upon receipt of such notice, the Association shall notify the party as to whether the prospective transferee is the person entitled to acquire the aforesaid parcel by the aforesaid priority list and, not, as to the names and addresses of those enjoying higher priority and their order of preference. Upon the consummation of arrangements for the transfer of the parcel and the establishment to the satisfaction of the Board of Governors that no-one enjoying a higher priority had been denied a reasonable opportunity to acquire the parcel upon at least as favorable terms, and upon the compliance by the prospective transferee with the provisions of subdivision D hereof, the Chairman of the Board of Governors shall execute and deliver to the party a certificate in recordable form to the effect that the said prospective transferee is entitled by this agreement and the by-laws and additional restrictions of the Association to acquire the said parcel.

D. The validity of any transfer and of any approval or certification of the propriety thereof shall be contingent and conditional upon the prospective transferee applying for and accepting Class A membership in the Association and becoming a party to any and all zoning and restriction agreements among the Association and its members including this one, and subjecting his said parcel to the bylaws and additional restrictions of the Association as they now are or hereafter or thereafter may be; all in recordable form.

4. Each of the parties agrees that the provisions of Article 3 shall not apply to succession by intestacy provided that the parcel shall not thereby be subdivided and that the succeeding owner shall become a Class A member of the Association and a party to this and all other zoning and restriction agreements among the Association and its members and subject his said parcel to its bylaws and additional restrictions as they then shall be.

5. Each of the parties agrees that no parcel shall in any way be subdivided, whether by sale, gift, devise or the operation of the laws of intestacy.

6. Each of the parties agrees that no structures or improvements, permanent or temporary, of any kind, shall be erected on his said parcel.

7. Each of the parties agrees that he shall not permit any person or persons to occupy or use his said parcel, right of way or easement, except members of his family, and house guests and guests accompanied by him or then, or those who shall for the time being be in residence in the one family home on the Island of Martha's Vineyard owned by him or his spouse and who shall not exceed one family at any one time and their accompanied guests.

8. Each of the parties agrees that his said parcel shall not be leased or used for commercial purposes.

9. Each of the parties agrees that he will not litter his own parcel or those of the other parties or the

approaches thereto, or permit others to do so if in his power to hinder or prevent it.

10. Each of the parties agrees that he will not traverse, or permit to be traversed, his said parcel, or those of the other parties to this agreement, in a vehicle of any kind except when and as required for the maintenance, conservation and protection of the beach.

11. The easements and rights of way hereby given and granted shall run with the land, and the parcel of each grantor shall be both a dominant and a servient tenement with respect to such easements and rights, and each dominant tenant shall be entitled to enforce this agreement,

12. Any person or persons other than those named herein or who have executed this agreement who owns or who shall acquire a parcel of real property upon Quansoo Beach may become a party or parties to this agreement by subscribing to this agreement by certificate, to be in recordable form, upon his being admitted to Class A membership in the Association and agreeing to be bound by the provisions of its said bylaws and additional restrictions.

13. Each of the parties agrees that he will remain a member in good standing of the Association and abide by its bylaws and additional restrictions, as they shall be from time to time.

14. No restrictions, covenant, right or easement herein created may be released or waived in any manner without the written consent of all of the persons who at the time of such waiver or release shall be the owners of all of the parcels of land affected by this agreement.

15. If at any time or times any one or more of the easements, provisions, rights, covenants or restrictions created or provided for herein shall be legally determined to be unenforceable for any cause whatsoever, such fact shall not affect the enforceability of any of the other provisions, easements, rights, covenants, and restrictions herein referred to.

16. In case of any violation or threatened violation of any of the easements, rights, provisions, restrictions and covenants herein referred to by any of the parties or their heirs, devisees, successors or assigns, or anyone else, a bill may be filed by any one or more of the others, or his heirs, devisees, successors or assigns, or by the Association, to obtain an injunction against the same and otherwise to enforce the agreement.

This agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective heirs, executors, administrators, successors, and assigns.