S T A T E O F N E W Y O R K

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I N A S S E M B L Y

May 13, 2014

Introduced by M. of A. KOLB -- read once and referred to the Committee on Corporations, Authorities and Commissions

AN ACT to amend chapter 159 of the laws of 1929, relating to increasing the number of trustees of The Clifton Springs Sanitarium Company from thirteen to fifteen and amending in that respect the deed of trust made by Henry Foster and wife to said Company, in relation to the number of members of such company

THE PEOPLE OF THE STATE OF NEW YORK, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

Section 1. Section 1 of chapter 159 of the laws of 1929 relating to increasing the number of trustees of The Clifton Springs Sanitarium Company from thirteen to fifteen and amending in that respect the deed of trust made by Henry Foster and wife to said Company, as amended by chapter 83 of the laws of 1989, is amended to read as follows:

Section 1. Chapter two hundred and eighty-two of the laws of eighteen hundred eighty-one having provided that the board of trustees of The Clifton Springs Sanitarium Company should consist of such number of persons not exceeding fifteen as should be prescribed by Henry Foster in a conveyance to be executed by him to the said The Clifton Springs Sanitarium Company, said company being a corporation organized for benevolent purposes under chapter one hundred and fifty-five of the laws of eighteen hundred fifty-four, as supplemented and amended by chapter nine hundred and seventy-three of the laws of eighteen hundred sixty-seven and by chapter eight hundred and ninety-four of the laws of eighteen hundred seventy-one, and by said chapter two hundred and eighty-two of the laws of eighteen hundred eighty-one, and said Henry Foster and Mary E. Foster, his wife, having made such conveyance dated November one, eighteen hundred eighty-one, which was recorded in the office of the clerk of Ontario county, whereby the number of said trustees was fixed at thirteen, and said deed of trust having contained a clause that any of the provisions of said deed of trust not affecting the fundamental nature and object thereof may be altered or amended by the legislature upon the written petition of all the trustees of said company in office at the time and said deed of trust having been amended by chapter four

EXPLANATION--Matter in ITALICS (underscored) is new; matter in brackets [ ] is old law to be omitted.

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hundred four of the laws of nineteen hundred eighty to increase the number of trustees of The Clifton Springs Sanitarium Company from fifteen to twenty-five, and all of the trustees of said The Clifton Springs Sanitarium Company having duly presented their petition addressed to the legislature of the state of New York asking that said deed of trust be further amended with respect to the number of said trustees by altering the number from twenty-five to not less than fifteen or more than twenty-seven and by altering the powers, terms of office and election of said trustees, it is hereby enacted that the number of trustees of The Clifton Springs Sanitarium Company shall be not less than fifteen nor more than twenty-seven, and further enacted that the terms of said deed of trust relating to the number, powers, terms of office and manner of election of said trustees shall be amended to read as follows:

Powers and election:

The board of trustees shall manage the corporation and shall have general control of the institution and its property, including the power to purchase real estate or to sell any part thereof, by a two-thirds vote of the members of the board in office; to make improvements and incur obligations; to delegate to committees of their own number such powers as they may deem expedient, consistent with law; to appoint and dismiss directly or indirectly all salaried officers and employees; to fix salaries; to prescribe rules and regulations for the government of the institution which shall be binding upon all connected therewith; and in general to do all acts which they may deem necessary for the welfare of the corporation and the institution not inconsistent with the constitution and laws of the state of New York and the United States, the guidelines as they may exist from time to time of the joint commission on accreditation of health care organizations, and the provisions of the deed of trust.

The trustees shall be elected by the members at the annual meeting, and each trustee shall serve until his/her successor is elected or appointed and qualified unless his/her trusteeship be theretofore vacated by resignation, death, removal or otherwise.

Honorary trustees may be elected by the bored of trustees by unanimous vote, but shall have no right to vote or hold office.

Number of trustees:

The board of trustees shall consist of not less than fifteen nor more than twenty-seven persons. The number of trustees may be increased or decreased, within the provisions set forth above, by the vote of a majority of the board of trustees by resolution adopted prior to the election of trustees at the annual meeting of the corporation. In the absence of such resolution of the number of trustees to be elected at such annual meeting shall be the number last fixed by the board of trustees. Any board action designating a change in the number of trustees shall require a vote of the majority of the entire board. The "entire board" shall mean the total number of trustees which the corporation would have if there were no vacancies.

Classes of trustees:

The trustees shall be classified with respect to the time for which they shall severally hold office by dividing them into three classes, each consisting of one-third of the whole number of trustees. At the first annual meeting of the corporation the trustees of the first class shall be elected for a term of one year, the trustees of the second class for a term of two years, and the trustees of the third class for a term of three years; and at each succeeding annual meeting the succes-

sors to the class of trustees whose terms shall expire in that year shall be elected to hold office for a term of three years, so that the term of office of one class of trustees shall expire each year.

Vacancies:

In case of any vacancy in the board of trustees caused by resignation, death, increase in the number of trustees, or any other cause other than removal, a majority of the remaining trustees, although such a majority is less than a quorum, may elect a successor to hold office for the unexpired portion of the term of the trustees whose place shall be vacant, or in the event of increase in the number of trustees, such additional trustees as may be required, to hold office until their successors shall have been duly elected and qualify.

Removal of trustees:

Unless otherwise provided by law or the deed of trust, any elected or appointed trustee may be removed from office at any time by a two-thirds vote of the members of the board in office.

MEMBER:

THE BOARD OF TRUSTEES SHALL HAVE THE POWER TO AMEND THE CERTIFICATE OF INCORPORATION OF THE CLIFTON SPRINGS SANITARIUM COMPANY TO CHANGE THE AUTHORIZED NUMBER OF MEMBERS OF THE CLIFTON SPRINGS SANITARIUM COMPANY TO A SINGLE MEMBER THAT IS A NEW YORK NOT-FOR-PROFIT CORPORATION ("CORPORATE MEMBER") AND TO DELEGATE TO THE CORPORATE MEMBER PURSUANT TO PARAGRAPH (B) OF SECTION 701 OF THE NOT-FOR-PROFIT CORPORATION LAW SUCH DECISION MAKING AUTHORITY AS IS PERMITTED TO BE EXERCISED BY A CORPORATION WITH AUTHORITY TO OPERATE A HOSPITAL, RESIDENTIAL HEALTH CARE FACILITY, HOME HEALTH AGENCY, ADULT HOME, DIAGNOSTIC TREATMENT CENTER OR ANOTHER TYPE OF HEALTH CARE FACILITY OR PROGRAM, AS THE CASE MAY BE, FOR AND ON BEHALF OF THE CLIFTON SPRINGS SANITARIUM COMPANY.

Said deed of trust is, and shall be deemed to be amended accordingly.

S 2. This act shall take effect immediately.