

BY-LAWS
OF
LINDVILLE HOUSING CO., INC.
(Organized pursuant to the Limited Profit Housing Law)

ARTICLE I. Declaration of Purposes

Section 1. This corporation is organized under and pursuant to the Limited-Profit Housing Companies Law of the State of New York and with the approval of the Housing and Redevelopment Board of the City of New York and the Commissioner of Housing and Community Renewal of the State of New York

The object of the corporation is to construct and operate adequate, safe and sanitary housing accommodations for persons of moderate income, in accordance with cooperative principles.

ARTICLE II. Stockholder Meetings

Section 1. Annual Meetings. The annual meeting of the stockholders of the corporation for the election of directors and for the transaction of other business of the corporation shall be held at the office of the corporation in the City of New York, State of New York, or such other place as may be designated in the notice of meeting, to be held in November or thereafter if necessary as determined by the Board. Written notice of the annual meeting shall be mailed to each stockholder entitled to vote, at such address as appears on the stock book, not less than ten (10) nor more than sixty (60) days prior to the date of the meeting; but any meeting at which all stockholders shall be present, or at which all

stockholders not present have waived notice in writing, shall be deemed held on due notice. [Amendment made in 2018]

Section 2. Special Meetings. Special meetings of stockholders for any purposes may be called at any time by the President, and shall be called by the President or Secretary at the request in writing of a majority of the Board of Directors, or at the request in writing 25% of the stockholders who shall require the Secretary or other officer of the corporation to give notice of such meetings. Written notice of such meeting, setting forth the time and place of the holding of such meeting and the object thereof shall be mailed to each stockholder entitled to vote at such address as appears on the stock book, not less than ten (10) days nor more than sixty (60) days prior to the date of the meeting; but any meeting at which all the stockholders shall be present, or at which all stockholders not present have waived notice in writing, shall be deemed held on due notice.

Section 3. Additional Notice. The Department of Housing Preservation and Development of the City of New York shall be notified in writing of and shall have the right to designate a representative to attend all meeting of the stockholders of the corporation.

Section 4. Quorum. Presence in person or by proxy of one-third (1/3) of the holders of the outstanding stock entitled to vote shall be necessary to constitute a quorum, but a lesser number may adjourn from time to time without notice other than an announcement at the meeting at which the requisite number of stockholders shall not be present.

Section 5. Voting. At all meetings of the stockholders, all questions, the manner of deciding which is not specifically regulated by statute or by these by-laws, shall be determined by a vote of the majority of the stockholders present at the meeting. Each stockholder shall be entitled to one vote for any and all purposes regardless of the number of the shares held by such holder. All voting shall be viva voce except as otherwise prescribed by statute or by these by-laws.

Section 6. Nominations. The notice of any meeting at which a director is to be elected shall include the statement that any shareholder wishing to run for a position on the Board must give notice to the Management in writing that he/she wishes her name to be presented to the stockholders as a nominee. Such notice to the Management must be delivered to the Management no later than thirty (30) days prior to the scheduled date of such meeting. The Board shall call a "meet the candidates" evening no later than ten (10) days prior to the date of the meeting at which the election is to take place. Notice of such meeting shall be given at least seven (7) days before the actual meeting. At the meeting, which is to be chaired by the President, unless he/she is a candidate in which case the chair shall be the Vice President, stockholders may ask the candidates questions. If the Vice President cannot chair the meeting, either the Secretary or the Treasurer (in that order) shall chair the meeting. There will be no nominations taken from the floor at the annual meeting, and there are to be no questions of the candidates at such meeting. [Amendment made 2018]

Section 7. Order of Business. At all meetings of the stockholders the following order of business shall be observed so far as consistent with the

purposes of the meeting:

1. Calling the roll (or signing in) of persons entitled to vote.
2. Proof of notice of meeting.
3. Reading of Minutes of prior meeting, unless waived.
4. Management Report.
5. Reports, respectively, of President and Treasurer.
6. Election of Directors.
7. Transaction of such other business as may properly come before the meeting.

ARTICLE III. Directors

Section 1. Number and Term of Office and Qualifications. The number of directors shall be five. Directors shall be stockholders, and only those shareholders who are current in their maintenance shall run, or serve, as directors. A director shall not be considered current in their maintenance if according to the management records there is any outstanding balance due in regard to their apartment for over thirty (30) days. In even years, three directors are to be elected and in odd years, two directors are to be elected. The directors shall be elected at the annual meeting of stockholders in each year for a term of two years, and until their successors are elected and qualify. No person may serve on the Board of Directors if such person has been found guilty, or who has plead guilty or no contest, to the charge of (i) damaging, stealing or defacing any property on, in, or owned by, the Corporation, or (i) threatening, injuring, or harming in any manner any shareholder of the Corporation or any resident of the Corporation's building. [Added in 2019]

Section 2. Vacancies. Any vacancy occurring in the Board of Directors by reason of death, resignation, removal or otherwise of any director, or by reason of any increase in the number of members constituting the full Board of Directors, may be filled for the until the next annual meeting by a majority vote of the remaining directors, unless such remaining directors are not sufficient to constitute a quorum, in which case a special meeting of stockholders shall be called and such number of directors shall be elected as may be necessary to constitute the full membership of the Board. The Board shall not vote to name a replacement of a Board member who is not current on their maintenance (as defined in Section 1, above) unless that Board member has been given written notice and time to cure of at least 10 days prior to the Board meeting at which he is to be replaced.

Section 3. Meetings. Meetings of the Board of Directors may be held at any time upon the call of the President, the Vice-President. or any three members of the Board. Such meetings shall be held at the office of the corporation except as otherwise fixed from time to time by the Board of Directors.

Section 4. Notice of Meetings and Waiver of Notice. Notice of each meeting, stating the time and place and objects thereof, shall be given by personal delivery or by mailing at least forty-eight hours before such meeting, a copy of such notice addressed to each director at his last known post office address. Notice may be waived in writing by any director. Any meeting at which every director is present, or of which directors who are absent have waived notice, may validly be held without notice.

The Department of Housing Preservation and Development of the City of New York shall be notified in writing of and shall have the right to designate a representative to attend all meetings of the Board of Directors.

Section 5. Quorum. A majority of the Board of Directors shall constitute a quorum, and a majority of the members in attendance at the meeting of the Board shall, in the presence of a quorum, decide its action. A minority of the Board present at any meeting may, in the absence of a quorum, adjourn to a later date, but may not transact any other business.

Section 6. Committees. The Board of Directors may, from time to time, appoint from among its members and the stockholders, committees with such powers and duties as it shall determine.

Section 7. Duties and Powers. The Board of Directors shall have the entire charge of the property, interests, business and transactions of the corporation, and may adopt such rules and regulations for the conduct of its meetings and management of the corporation as it may deem proper, not inconsistent with law or these by-laws. The Board of Directors may delegate to the officers of the corporation such powers and authority and assign them such duties as the Board may deem necessary, proper or appropriate to the effective prosecution of the business of the corporation.

ARTICLE IV. Officers.

Section 1. Election. The Board of Directors at its first meeting after the

election of directors in each year shall elect from its number a President, and shall also elect a Vice-President, a Treasurer and a Secretary. It may elect an Assistant Treasurer and an Assistant Secretary, and such other officers as in its discretion it may determine that the needs of the corporation may from *time to time* require.

Section 2. Term of Office. All officers of the corporation shall be appointed to hold their respective offices during the pleasure of the Board of Directors, and any vacancy occurring in the office of President, Vice-President, Treasurer or Secretary or any other office shall be filled by the Board of Directors.

Section 3. President. The President shall preside at all meetings of the Board of Directors, and shall act as chairman at, and call to order, all meetings of stockholders. Subject to the supervision and direction of the Board of Directors, the President shall have the general management of the affairs of the corporation and perform all duties incidental to his office.

Section 4. Vice-President. The Vice-president shall, in the absence, disability or incapacity of the President, have the power to perform the duties of President, and those which the Board of Directors may assign him/her from time to time.

[Amendment made in 2018]

Section 5. Secretary. The Secretary shall keep the minutes of the meetings of the directors and stockholders; shall attend to the serving of notices of the meetings of the directors and stockholders; shall affix the seal of the corporation to such documents, certificates and papers as may require it, except from time to time the Board of Directors may direct such seal to be affixed by any other officer or officers;

shall attend to such correspondence as may be assigned to him/her; and shall perform all other duties incidental to his/her office and those which the Board of Directors may from time to time designate. [Amendment made in 2018]

Section 6. Treasurer. The Treasurer shall be the chief financial officer of the corporation and shall have the care and custody of all the funds and securities of the corporation and shall deposit same in the name of the corporation in such bank or banks as the Board of Directors may designate. [Amendment made 2018]

Section 7. Assistant Secretary and Assistant Treasurer. The Assistant Treasurer and the Assistant Secretary shall, respectively, in the absence, disability or incapacity off the officer to whom he/she is an assistant, have the powers to perform the duties of such officer and shall perform such other duties as may be assigned to him/her from time to time by the Board of Directors. They may be required by the Board of Directors to give such bonds as it shall determine, for the faithful performance of their duties. [Amendment made in 2018]

Section 8. Other Officers. Other officers shall perform the duties and have such powers as may be assigned to them from time to time by the Board of Directors.

Section 9. Secretary-Treasurer. The Treasurer may at the same time hold the office of Secretary or Assistant Secretary but no other office in the corporation.

ARTICLE V. Operation of the project as a Cooperative. Subject to the provisions of statute, the corporation will operate the project which it has developed in the Borough of Bronx, City and State of New York as a

cooperative, and in accordance therewith, may pay, or allow, as and when determined by the Board of Directors, with the approval of the Department of Housing Preservation and Development of the City of New York, after the payment of obligations, expenses, taxes and assessments, or after making suitable provision therefore, a rebate or rebates of rent to each tenant-cooperator in proportion to the rental payments made by him during the period in respect of which such rent rebate or rebates are allowed or paid. The monthly rentals paid by the tenant-cooperators shall be deemed to be payment on account of their annual rental obligation, which shall be finally determined by the Board of Directors in light of each year's operating experience, subject however, in all respects to the approval of the Department of Housing Preservation and Development of the City of New York.

ARTICLE VI. Signature of Instruments. Checks, notes, drafts and orders for the payment of money and obligations of the corporation, and all contracts, mortgages, deeds, and other instruments, except as otherwise in these by-laws provided, shall be signed by such officer, officers, individual or individuals as the Board of Directors may from time to time designate.

ARTICLE VII. Capital Stock.

Section 1. Certificates. Certificates of stock shall be numbered and issued in consecutive order, shall be signed by the President or the Vice-President and by the Secretary or an Assistant Secretary or the Treasurer or an Assistant Treasurer, and sealed with the seal of the corporation; and in appropriate books of record shall be entered the name of the person owning the shares represented by each

certificate, the number of shares and the date of issue. All certificates exchanged and returned to the corporation shall be marked "Canceled", with the date of cancellation by the President, a Vice-president, the Secretary or the Treasurer, and shall be filed among the corporate records of the corporation.

Section 2. Transfers. Shares represented by any certificate shall be transferred only as an entirety on the books of the corporation by the holder in person or by an attorney, upon surrender of the certificate for such shares.

Section 3. Restrictions on Transfers.

A. No share or shares of the capital stock shall be sold, pledged, encumbered or otherwise disposed of without the prior written consent of the Department of Housing Preservation and Development of the City of New York.

B. (1) In the event the consent of the Department of Housing Preservation and Development of the City of New York has been obtained, no share or shares of the capital stock shall be sold, pledged, encumbered or otherwise disposed of unless such share or shares are first offered for sale to the corporation at a price which shall amount to the consideration the retiring stockholder paid for such shares, plus reimbursement for any capital assessments and contributions approved by the supervising agency which were paid, plus a proportionate share of the actual aggregate amortization paid by the corporation on all existing and prior mortgages from the date of such stockholder's initial occupancy of the apartment which is the subject of the resale to the date of resale. The retiring stockholder shall receive no credit for actual aggregate amortization paid on prior apartments which the stockholder occupied.

(2) Such offer shall be made in writing, signed by such stockholder, and sent by mail to the corporation in a postpaid wrapper to the post office address of the corporation, at its principal place of business, and such offer shall remain good for acceptance by the corporation or a person designated by the corporation for a period of ninety days from the date of the mailing such notice. Such offer shall constitute the corporation an agent for the sale of the shares of stock to the corporation or to such person as may be designated by the corporation.

(3) If the corporation, or person designated by it, within the said ninety day period, shall indicate that it, or the person designated by it, desires to purchase said shares of stock and shall give notice thereof in writing to the retiring shareholder, the latter shall be bound, within thirty days thereafter to transfer such shares to the corporation or the person designated by the corporation, upon payment and receipt of the price herein provided. The corporation may sell such shares to an incoming stockholder for an amount equal to the consideration the retiring stockholder paid for such shares, plus reimbursement for any capital assessments and contributions approved by the supervising agency which he paid to the extent not already included in the consideration for such shares; plus a proportionate share of the actual aggregate amortization paid by the corporation on all existing and prior mortgages from the date of the initial occupancy of the development to the date of resale to the extent not already included in the consideration for such shares: provided that such portions shall be in the same ratio to such aggregate amortization as the number of shares being sold bears to the total number of issued and outstanding capital stock of the corporation. To the extent that the amount obtained

by the sale of stock to the incoming stockholder exceeds the amount paid to the retiring stockholder for such shares, such monies will be retained by the corporation. The corporation shall also charge the incoming stockholder a non-refundable administrative fee of \$150.00 for the transfer of such shares.

(4) In the event that the corporation or the person designated by the corporation shall not purchase said share or shares of capital stock of the corporation within said ninety day period, then and in such event only, the stockholder shall have the right or power to pledge, sell or otherwise dispose of said shares of capital stock of the corporation to any person acceptable to the corporation and to the Department of Housing Preservation and Development of the City of New York, provided such person shall, upon the transfer of said shares, enter into a lease with the corporation for the premises formerly occupied by the retiring stockholder, for a term and upon the same terms and conditions contained in the lease between the stockholder and the corporation. The corporation will not, however, unreasonably withhold its acceptance of any person to whom the stockholder proposes to sell such shares as aforesaid.

In the event that the stockholder does not sell his stock to any person within six months after his right to do so has accrued, he must again notify the corporation of his intent to transfer his shares, and he shall again be bound by the provisions of this Paragraph B of Section 3 of Article VII.

(5) If in any case the retiring stockholder, after becoming bound to sell convey or transfer his/her shares to the corporation or such other person as may be designated by the corporation, defaults in transferring said shares, the

corporation or such other person 'designated by the corporation shall, after notice to and approval by the Department of Housing Preservation and Development of the City of New York, hold the purchase money in trust for the retiring stockholder, or his executors, administrators or assigns, and shall substitute the name of the purchaser upon the books of the corporation in place of the name of the retiring stockholder. After the name of the purchaser has been entered on the books of the corporation in the exercise of the aforesaid powers, the validity of the proceedings shall not be questioned by any person and the corporation or such other person as may be designated by the corporation shall be deemed and taken to be the owner of such shares. [Amendment made in 2018]

(6) In the event that the stockholder shall have defaulted in the payment of any obligation arising under his lease with the corporation or shall, apart from said lease, become indebted to the corporation, or in the event of the termination of the lease or the recovery of possession of the apartment by the lessor under any of the provisions of the lease, or in the event of the violation by the stockholder of any provision of Section 3 Article VII of these by-laws, the stockholder shall forthwith surrender to the corporation the certificate representing the shares of capital stock of the corporation owned by the stockholder, and upon failure or refusal of the stockholder so to surrender said shares of stock, the same shall, after notice to and approval by the Department of Housing Preservation and Development of the City of New York, be automatically cancelled and rendered null and void, and the corporation may issue a new certificate or certificates in their place and stead, which new certificate or certificates shall represent the same shares as were represented

by the original certificate or certificates. The stock represented by the certificate or certificates so surrendered or by such new certificate or certificates may be sold by the corporation at public or private sale without notice, and the proceeds applied towards a11 indebtedness of the stockholder, and the corporation shall remit any balance, after payment of the expenses of the sale, to the stockholder.

(7) The provisions of this Article VII shall be binding upon the executors, administrators or other legal representatives, and successors and assigns of any stockholder. Any person acquiring by will, descent, or conveyance to take effect at death, any share or shares of the corporation, shall be bound to offer the same for sale and transfer to the corporation upon the terms hereinabove set forth in this Section 3 of Article VII of the by-laws.

(8) The certificates of stock shall bear a legend to the effect that the right to pledge, encumber, sell, alienate or otherwise dispose of the share or shares represented by such certificate is restricted as provided in Sections 2 and 3 of this Article VII.

Section 4. The corporation shall be entitled to treat the holder of record of any share or shares of the corporation as the holder in fact thereof, and shall not be bound to recognize any equitable or other claim to or interest in such share or shares on the part of any other person, whether or not it shall have express or other notice thereof, except as expressly provided by the laws of the State of New York.

Section 5. The corporation shall have a lien upon the shares of stock of any stockholder and upon all moneys due and owing by the corporation to any

stockholder for any and all debts owed to the corporation by such stockholder. The directors may refuse to approve a transfer of any shares upon which the corporation has such a lien.

Section 6. As used in this Article, the words "shares of stock" shall include any interest in the corporation, and the word "stockholder" shall include the owner or holder of any such interest.

ARTICLE VIII. Interested Directors.

Section 1. No contract or other transaction between the corporation and one or more of its directors, or between the corporation and any other corporation, firm, association or other entity in which one or more of its directors are directors or officers, or are financially interested, shall be either void or voidable for this reason alone or by reason alone that such director or directors are present at the meeting of the Board of Directors, or of a committee thereof, which approves such contract or transaction, or that his or their votes are counted for such purposes:

(a) if the fact of such common directorship, officer-ship or financial interest is disclosed or known to the Board of Directors or committee, and the Board of Directors or committee approves such contract or transaction by vote sufficient for such purpose without counting the vote or votes of such interested director or directors.

(b) if such common directorship, officership or financial interest is disclosed or known to the shareholders entitled to vote thereon, and such contract or transaction is approved by vote of the shareholders; or

(c) if the contract or transaction is fair and reasonable as to the corporation at the time it is approved by the Board of Directors, a committee or the shareholders.

Section 2. Common or interested directors may be counted in determining the presence of a quorum at a meeting of the Board of Directors or of a committee which approves such contract or transaction.

ARTICLE IX. Indemnification.

Section 1. Any person connected with the corporation as an officer, director or employee who shall be made a party to any action, suit or proceeding by reason of the fact that he, his testator or intestate, is or was a director, officer or employee of the corporation shall be indemnified by the corporation against reasonable expenses, including attorney's fees, actually and necessarily incurred by him in connection with the defense of such action, suit or proceeding, or in connection with any appeal therein, except in relation to matters as to which it shall be adjudged in such action, suit or proceeding that such officer, director or employee is liable for negligence or misconduct in the performance of his duties.

Section 2. Such right of indemnification shall not be deemed exclusive of any other rights to which such director, officer or employee may be entitled apart from this provision. The amount of indemnity shall be determined as provided by the applicable provisions of law. Where indemnity shall be paid as herein provided otherwise than pursuant to a court order or action by stockholders, the corporation shall, within eighteen months of the date of such payment, mail to its stockholders of

record at the time entitled to vote for the election of directors, a statement specifying the persons paid, the amounts of the payments, and the final disposition of the litigation.

ARTICLE X. Amendments. These by-laws may be amended, repealed, or altered, in whole or in part, by vote of a majority of the stockholders of the corporation at any duly called annual or special meeting of the stockholders, subject to the approval thereof by the Department of Housing Preservation and Development of the City of New York. The Board of Directors shall not alter or repeal any by-laws adopted by the stockholders of the corporation, but may adopt additional bylaws, in harmony therewith, which may be amended or altered by the stockholders at any annual meeting or at a special meeting of the stockholders called for that purpose, subject to the approval of the Department of Housing Preservation and Development of the City of New York.

All stockholders shall receive written copies of amendments to the by-laws, and new stockholders shall receive a complete copy of the by-laws as currently in effect.