

By-Laws
of
Rosedale Gardens, Inc.

As Amended
Feb. 15, 1968

BY-LAWS
OF
ROSEDALE GARDENS, INC.
Organized Pursuant to the Public Housing Law.

ARTICLE I

DECLARATION OF PURPOSES

SECTION 1. This corporation has been organized under the Public Housing Law, Section 58, with the approval of the Housing and Re-development Board of the City of New York, for the purpose of purchasing and operating adequate, safe and sanitary housing accommodations for persons with incomes within the limits prescribed by the law, in accordance with cooperative principles.

ARTICLE II

STOCKHOLDERS MEETINGS

SECTION 1. *First Annual Meeting.* The first annual meeting of the stockholders of the corporation shall be held within sixty days after the corporation takes title to the buildings and grounds, designated as Numbers 1760, 1770, 1790 and 1810 Bruckner Boulevard, in the Bronx, from the New York City Housing Authority. Within thirty days after title has been taken by the corporation, the Board of Directors shall adopt a resolution authorizing the issuance of stock to subscribers in accordance with the subscription agreement signed by them. At the said first annual meeting the Board of Directors shall be elected and other proper business of the corporation shall be transacted. The meeting shall be held at the office of the corporation, as designated in its Certificate of Incorporation, or at such other place as may be designated in the notice of meeting. Written notice of such meeting 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 (fifty (50) days prior to the date of the meeting.

SECTION 2. 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 each year on the second Wednesday of the month in which the first annual meeting is held, and the place shall be designated and notice shall be given in the same manner as provided in SECTION 1, hereof, for the first annual meeting.

SECTION 3. *Special Meetings.* "Special meetings of stockholders for any purpose or purposes, except as otherwise prohibited by law, may be called at any time by the President at his discretion, and shall be called by the President or Secretary at the request in writing of a majority of the Board of Directors. Upon presentation to the President or Secretary of a petition signed by three-fourths of the stockholders requesting the calling of a special meeting of stockholders for a purpose or purposes permitted by law, the presiding officer at the next meeting of the Board

of Directors must place the petition on the agenda for action by the Directors. In the event a majority of the Directors vote in favor of calling the meeting requested in the Petition, the President or Secretary shall call such meeting in the manner provided for in these By-Laws. Designation of the place thereof, and the manner of notice therefor shall be the same as provided for in Section I hereto for the first annual meeting.

SECTION 4. Notification to Housing and Redevelopment Board. The Housing and Redevelopment Board of the City of New York shall be notified in writing and shall have the right to designate a representative to attend all meetings of the stockholders of the company.

SECTION 5. Quorum. Presence in person or by proxy of a majority 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 are not present.

SECTION 6: Voting. At all meetings of the stockholders, all questions as to which manner of decision is not specifically regulated by statute or 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 shares held by such holder. All voting shall be viva voce except as otherwise prescribed by statute or these by-laws.

SECTION 7. Order of Business. At all meetings of the stockholders the following order of business shall be observed as far as it is consistent with the purposes of the meeting:

1. Calling the Roll of persons entitled to vote.
2. Proof of notice of meeting.
3. Reports of President, Treasurer and Secretary.
4. Reports of committees, if any.
5. Election of directors.
6. 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 nine (9). Directors need not be stockholders. The Directors shall be elected at the annual meeting of stockholders in each year. At the annual meeting of stockholders held in 1968, three (3) Directors shall be elected for a term of three years, One (1) director for a term of two years and one (1) Director for a term of one year. At all subsequent annual meetings of stockholders, Directors shall be elected for a term of three years, except where an election is held to fill a vacancy on the Board of Directors for a reason other than

the expiration of a Director's term. Directors shall serve until their successors are duly elected and shall qualify."

SECTION 2. Vacancies. "Any vacancies occurring in the Board of Directors by reason of death, resignation, removal or otherwise, other than the expiration of a term, of any Director, may be filled by a majority vote of the remaining Directors until the next annual meeting of stockholders at which meeting, the stockholders shall elect a Director for the unexpired term."

SECTION 3. Meetings. Meetings of the Board of Directors may be held at any time at the call of the President or of any two members of the Board. Such meetings shall be held either at the office of the corporation or at such place as may be fixed for each meeting by the Board of Directors.

SECTION 4. Notice of Meetings and Waiver of Notice. Notice of each meeting, stating the time, place and objects thereof shall be given by mailing at least forty-eight hours before such meeting, or by telegraphing at least twenty-four 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 at which those Directors who are absent had waived notice, may be validly held without notice. The Housing and Redevelopment Board 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 any 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 or shareholders committees with such powers and duties as it shall determine."

SECTION 7. Duties and Powers. The Board of Directors shall have 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 to them such duties as the Board may deem necessary, proper or appropriate to the effective prosecution of the corporation's business.

SECTION 8. Director Ceases to be Shareholder. "Where a shareholder of the Corporation is elected a Director and thereafter ceases to be a shareholder of the Corporation, his office as Director shall be deemed vacated and terminated simultaneously with his ceasing to be

a shareholder and the unexpired portion of his term as Director shall be filled in accordance with the provisions of the By-Laws.

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 among its number a President, and shall also elect a Vice-President, a Secretary and Treasurer. It may elect an Assistant Secretary and an Assistant Treasurer, and such other officers as in its discretion the needs of the corporation may from time to time require.

SECTION 2. *Term of Office.* All officers of the corporation shall be elected to hold their respective offices until the next annual stockholders meeting, and until their successors shall have been elected, and any vacancy occurring in the office of the President, Vice-President, Treasurer or Secretary or of 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 of and call to order all meetings of the 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 the duties incidental to his office.

SECTION 4. *Vice-President.* The Vice-President shall, in the absence, disability or incapacity of the President, have the powers and perform the duties of the President, and those which the Board of Directors may assign to him from time to time.

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 certificates, documents and papers as may require it, except that from time to time the Board of Directors may direct such seal to be affixed by any other officer or officers: shall have charge of the stock certificate book and of such other books and papers as the Board of Directors may direct; shall attend to such correspondence as may be assigned to him, and shall perform all the other duties incidental to his office and those which the Board of Directors may from time to time designate.

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 the same in the name of the corporation in such bank or banks as the Directors may designate. He may be required by the Board of Directors to give such bonds as it shall determine for the faithful performance of his duties.

SECTION 7. *Assistant Secretary and Assistant Treasurer.* The Assistant Secretary and the Assistant Treasurer shall, respectively, in the

absence, disability or incapacity of the officer to whom he is an assistant, have the powers and perform the duties of such officer, and shall perform such other duties as may be assigned to them 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.

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

ARTICLE V

OPERATION OF THE PROJECT AS A COOPERATIVE

Subject to the provisions of statute, the corporation will operate the ROSEDALE GARDENS, in the Borough of the Bronx, City and State of New York, as a cooperative and, in accordance therewith, shall pay, or allow, as and when determined by the Board of Directors, after the payment of obligations, expenses, taxes and assessments, or after making suitable provision therefor, 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 the light of each year's operating experience, subject, however, in all respects, to the approval of the Housing and Redevelopment Board 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, and sealed with the seal of the corporation; in appropriate books of record there shall be entered the name of the person owning the shares represented by each certificate, the number of such shares and the date of issue. All certificates exchanged and returned to the corporation shall be marked "Cancelled", with the date of cancellation by the President and 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 transferable only as an entirety on the books of the corporation by the holder in person or by 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 pledged or otherwise encumbered.

B. (1) No share or shares of the capital stock shall be sold, alienated or otherwise disposed of unless such share or shares are first offered for sale to the corporation for the aggregate sum which the stockholder paid for such share or shares.

B. (2) Such offer shall be made in writing, signed by the stockholder *and together with the stockholder's Certificate of Stock, endorsed in blank, and Occupancy Agreement* 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 sixty (60) days from the date of mailing of such notice. Such offer shall constitute the Corporation an agent for the sale of the shares of the stock to the Corporation or to such person who may be designated by the Corporation.

B. (3) If the Corporation, or the person designated by it, within the said sixty (60) 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 stockholder, the latter shall be bound, within thirty (30) days thereafter, *to vacate the apartment he occupies on the premises of the corporation. Payment of the price for the stock as herein provided shall be paid to the retiring stockholder as follows:*

- (a) *Two-thirds (2/3), less any carrying charges or other charges owed by the retiring stockholder to the Corporation, within seven (7) days after the retiring stockholder has vacated the apartment he occupies on the premises of the Corporation.*
- (b) *The balance within thirty (30) days after the retiring stockholder has vacated the apartment he occupies on the premises of the Corporation, less any and all other monies due and owing by the stockholder to the Corporation.*

B. (4) In the event that the corporation, or the person designated by the Corporation, shall not purchase the said share or shares of capital stock of the corporation within said sixty (60) day period, then, and in such event the Corporation shall return to the stockholder his Certificate of Stock and his Occupancy Agreement which he had previously delivered to the Corporation, the stockholder shall have the right or power to sell or otherwise dispose of said share or shares of the capital stock of the corporation to any person acceptable to the corporation, and to the Housing and Redevelopment Board 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, then and in such event 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.

B. (5) If in any case the retiring stockholder, after becoming bound to sell, convey or transfer his shares to the corporation (or such other person as may be designated by this corporation), defaults in transferring said shares, the corporation (or such other person as may be designated by the corporation) shall, after notice to and approval by the Housing and Redevelopment Board 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 or corporation as may be designated by this corporation) shall be deemed and taken to be the owner of such shares.

B. (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 provisions of Section 3 of 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 the failure or refusal of the stockholder so to surrender said shares of stock, the same shall, after notice to and approval by the Housing and Redevelopment Board of the City of New York, be automatically cancelled and rendered null and void. The corporation may issue a new certificate or certificates in their place and stead and such 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 toward all indebtedness of the stockholder, and the corporation shall remit any balance, after payment of the expenses of sale, to the stockholder.

B. (7) The provisions of this ARTICLE VII shall be binding upon the executor, administrator or other legal representatives and successors and assigns of any stockholder. Any person acquiring by will, descent

or by conveyance to take effect at death, any share or shares of the corporation, except a spouse of a stockholder, 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.

B. (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 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 monies 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 "stockholders" shall include the owner or holder of any such interest.

ARTICLE VIII

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. The Board of Directors shall not alter or repeal any By-Laws adopted by the stockholders of the corporation, but may adopt additional By-Laws, 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.

ARTICLE IX

SECTION 1. *Seal.* The seal of the corporation shall be circular in form and shall bear the name of the corporation, the words "Corporate Seal," the year of incorporation, and the words "New York."

ARTICLE X

COMPENSATION OF DIRECTORS AND OFFICERS

SECTION 1. *Compensation.* Directors and officers of the corporation shall receive no salaries or other compensation for their services.