

BY-LAWS

of

EAST MIDTOWN PLAZA HOUSING COMPANY, INC.

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 Development Administration 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 in accordance with cooperative principles.

ARTICLE II

Capital Stock

SECTION 1. Classes of Stock. The corporation shall have two classes of capital stock: Class A common stock and Class B common stock.

SECTION 2. Class A Stock. Class A common stock shall be issued to the sponsors of the corporation as approved by the Housing and Development Administration of the City of New York. The entire voting power of the corporation shall be vested in such Class A common stock until the Housing and Development Administration of the City of New York shall certify the total actual project cost of the housing project to be developed by the corporation and shall issue a Certificate of Final Acceptance of the said housing project.

SECTION 3. Class B Stock Class B common stock shall be issued to the tenant-cooperators who will occupy the residential units in the said housing project pursuant to leases with the corporation as approved by the Housing and Development Administration of the City of New York. Such Class B common stock shall not be issued until the Housing and Development Administration shall certify the total actual project cost of the said housing project and shall issue a Certificate of Final Acceptance of the said housing

project, and until such time there will be no meetings of the subscribers to or owners and holders of Class B common stock and no voting rights shall be vested in said Class B common stock.

SECTION 4. Retirement of Class A Shares and Issuance of Class B Shares. Immediately after the Housing and Development Administration shall certify the total actual project cost of the said housing project and shall issue a Certificate of Final Acceptance of the said housing project:

- (a) The Class A common stock shall be retired by the corporation and the corporation shall pay and the holders of such stock shall accept the price paid for such stock when originally issued; and
- (b) The Class B common stock shall be issued to the subscribers therefor and the entire voting power of the corporation shall vest in said Class B common stock; and
- (c) A special meeting of Class B stockholders for the election of directors and for conduct of other business shall be called within 60 days after the Housing and Development Administration of the City of New York shall have certified the total actual project cost of the said housing project and shall have issued a Certificate of Final Acceptance of said housing project.

SECTION 5. References to Stock and Stockholders. Unless otherwise expressly limited, all references hereinafter to stock, shares, stockholders, and synonymous terms, shall be deemed (a) to refer only to Class A common stock and the holders thereof during the period prior to the time the Housing and Development Administration shall certify the total actual project cost of the said housing project and shall issue a Certificate of Final Acceptance of the said housing project, and (b) to refer only to Class B common stock and the holders thereof during the period subsequent to the time the Housing and Development Administration shall certify the total actual project cost of the said housing project and shall issue a Certificate of Final Acceptance of the said housing project.

SECTION 6. No provision of these By-Laws is intended to or shall prohibit the corporation from issuing, and the corporation shall have the right to issue, Class B common stock to the New York State Housing Finance Agency pursuant

to the provisions of the Private Housing Finance Law of the State of New York, in accordance with and to effectuate the provisions of said Law relating to the leasing of apartments to the New York State Housing Finance Agency and the subleasing by such Agency of such apartments to persons or families eligible therefor; and the corporation may enter into such agreements with the New York State Housing Finance Agency with respect to any Class B common stock issued to such Agency as shall be determined by the Board of Directors of the corporation. Notwithstanding any provision to the contrary in these By-Laws and in exception thereto, any share or shares of Class B common stock may be pledged to the New York State Housing Finance Agency for the purpose of implementing Section 44, Subdivision 20 and Section 44a of Article 3 of the Private Housing Finance Law.

ARTICLE III
Stockholders' Meetings

(amended
(12/7/81))

SECTION 1. Annual Meetings. The annual meetings 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, County and State of New York, or such other place as may be designated in the notice of meeting, on such business day in the month of December as may be determined by the Board of Directors. Written notice of the annual meetings shall be mailed to each stockholder entitled to vote, at such address as appears on the stock book, not less than ten days nor more than forty 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.

SECTION 2. Special Meetings. Special meetings of the stockholders for any purpose or 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 of 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 nor more than forty 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.

SECTION 3. Additional Notice. The Housing and Development Administration 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 stockholders of the corporation.

SECTION 4. Quorum. The presence in person or by proxy of 33-1/3% of the holders of the outstanding stock entitled to vote thereon, 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.

(amended
and added
2/12/76)

SECTION 5. Voting. That at all meetings, 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 shares held by the said holders and shares which are held by two or more persons in any lawful form of co-ownership and which have been allocated to one particular apartment and are appurtenant to one particular Occupancy Agreement shall be treated as if owned by one stockholder and the one vote to which shares are entitled must be cast as a unit and not as a fraction of a vote. All voting shall be viva voce except at meetings called for the purposes of the election of directors at which voting shall be by secret written ballot except as otherwise prescribed by statute or by these By-Laws. The procedure for nomination and election of directors shall be as follows, except as otherwise prescribed by statute:

1. Nomination of a candidate for election to the position of Director shall be by petition on a form prepared by the then managing agent of East Midtown Plaza Housing Company, Inc., and a nominating petition must be signed in ink by not less than 25 stockholders of the corporation. There shall be no limitation on the number of nominating petitions that a stockholder may sign.

2. Nominating petitions and candidates' written acceptance of nomination must be filed with the management office of the corporation not later than eighteen days prior

to the annual or special meeting called for the purpose of electing Directors.

3. Candidates nominated in the aforementioned manner shall be introduced at the annual or special meeting called for the purpose of electing directors and the meeting shall thereafter be recessed for the purpose of balloting to a date or dates to be specified by the Board of Directors, within the next fourteen succeeding days to a location or locations on the corporation grounds, to be specified by the Board of Directors where balloting shall take place.

4. Written ballots containing the names of those nominated candidates for director shall be prepared on a form to be determined by the managing agent of the corporation which shall contain the names of all candidates timely filing the aforementioned nominating petition and acceptance.

5. Balloting for the purpose of the election of Directors shall be in person only, provided however, that stockholders who certify to management that they will be unable to vote on the date scheduled for balloting for Directors shall be presented with a written ballot prior to such date and shall be permitted to vote thereon and deposit the same with management in a signed and sealed envelope to be opened only on the tallying of the votes cast on the date scheduled for balloting.

6. A plurality of the votes cast shall determine election. In the election to be held in March, 1976, the two candidates for whom the most votes are cast shall serve for a three-year term, the two candidates receiving the next most votes shall serve for a two-year term, and the two candidates receiving the next most votes shall serve for a one-year term. In the event of a tie vote affecting only the term to be served lots shall be drawn to determine the length of term.

ARTICLE IV **Directors**

(amended
12/13/88)

SECTION 1. Number and Term of Office and Qualifications. The number of Directors shall be seven. All Directors shall be subscribers for stock or stockholders, and shall be residents of East Midtown Plaza. At each Annual Election there will be three resident directors elected. The two directors receiving the highest number of votes will serve for a term of three years and the third one receiving the next highest number of votes shall serve for one year.

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 a full Board of Directors, may be filled by a majority vote of the remaining Directors for a term to expire on the next election by stockholders for 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 numbers of Directors shall be elected as may be necessary to constitute a full membership of the Board.

SECTION 3. Meetings. Meetings of the Board of Directors may be held at any time upon call of the President, Vice-President, or any two members of the Board. Such meetings shall be held at the office of the corporation except as otherwise determined and 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, 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 of which those Directors who are absent have waived notice, may be validly held without notice.

The Housing and Development Administration 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 any meeting of the Board shall, in the presence of a quorum, decide its action. A majority of the Board present at any meeting may, in the absence of 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 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 business of the corporation.

ARTICLE V

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 the 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 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 stock-holders; shall affix the seal of the corporation to such documents, certificates and papers as it may require, 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 Board of 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 him 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.

ARTICLE VI

Operation of the project as a Cooperative

SECTION 1. Subject to the provisions of statute, the corporation will operate the project which it will develop in the Borough of Manhattan, 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 Housing and Development Administration of the City of New York, after the payment of obligations, expenses, taxes and assessments, or after making suitable provisions 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 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 Development Administration of the City of New York.

(amended
12/05/95

SECTION 2. Whenever the Corporation, by its Board of Directors, shall seek to participate in a program sponsored by the City of New York or an agency thereof (a "Program"), whose purpose is the conservation of water, it shall be the obligation of every stockholder to allow the corporation to fully participate, inter alia by permitting the installation at the Corporation's cost and expense, of such resource-saving fixtures or devices as the Board of Directors shall select, to replace or supplement, as appropriate, existing fixtures or devices in such stockholder's apartment. The Board of Directors may take action to enforce the obligation of a stockholder to permit the installation contemplated by the Corporation's participation in such Program in the manner provided in the stockholder's Occupancy Agreement for termination of a Member's Membership for default of a member's obligation to the Corporation.

ARTICLE VII **Signature of Instruments**

Checks, notes, drafts and orders for the payment of money and obligations of the corporation, and all contracts, mortgages, deed 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 VIII **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 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, 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 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 sold, pledged, encumbered or otherwise disposed of without the prior written consent of the Housing and Development Administration of the City of New York.

B. (1) In the event that the consent of the Department of Housing Preservation and Development of the City of New York has been obtained (if necessary), 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 for an aggregate sum which shall not exceed the consideration the stockholder paid for such share or shares; plus the amount such stockholder has actually paid through his carrying charges towards the aggregate amortization of the first mortgage on the project, from the date of such stockholder's purchase of such shares to the date of resale, provided that such amount is in the same ratio to the aggregate amortization as the number of shares held by the stockholder bears to the total number of shares of capital stock of the corporation issued and outstanding.

(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 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 stockholder, 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.

(4) in the event that the corporation or the person designated by the corporation shall not purchase said

(amended
12/08/81)

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 share or shares of the capital stock of the corporation to any person acceptable to the corporation, and to the Housing and Development Administration 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 VIII.

(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 the 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 Development Administration 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.

(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 this Section of Article VIII 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 to so surrender said shares of stock, the same shall, after notice to and approval by the Housing and Development Administration 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 of 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 the sale, to the stockholder.

(7) The provisions of this Article VIII shall be binding upon the executors, administrators or other legal representatives, and successors and assigns of any stockholder. Any person, other than a surviving spouse, 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 VIII 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 VIII.

(amended
added
12/14/82)

(9) Upon request of the Shareholder, any and member of the Shareholder's household may become a co-owner of the shares and co-signatory of the Occupancy Agreement provided (a) such Shareholder is not in default under the terms and conditions of the Occupancy Agreement and of these By-Laws; (b) the proposed co-owner appears and has appeared on the books and records of the Corporation as a bona-fide resident of the apartment and has complied with all income reporting requirements for the last two annual income reporting periods; and (c) the Shareholder and the proposed co-owner certify in writing on a form approved by the Corporation that both parties intend in good faith to remain in occupancy of the apartment.

(amended
and added
12/14/82)

(10) A Shareholder, may transfer shares by will, descent, or by conveyance to take effect at death, his shares and Occupancy Agreement to any person who may be a member of Shareholder's household at the time of Shareholder's death provided (a) the Shareholder is not in default under the terms and conditions of the Occupancy Agreement or of these By-Laws at the time of the death of

such Shareholder and at the time of such transfer; (b) the proposed transferee appears and has appeared on the books and records of the Corporation as a bona-fide resident of the apartment for at least two years, immediately prior to the death of the Shareholder and has complied with all income reporting requirements for the last two annual income reporting periods; (c) the transferee certifies in writing on a form approved by the corporation that the transferee intends in good faith to remain in occupancy of the apartment; (d) the transferee signs an Occupancy Agreement agreeing to assume all of the members' obligations under the Occupancy Agreement; and (e) the proposed transferee furnishes to the corporation such proof in documentation, required by the corporation, to evidence the transfer of the shares to transferee and that the shares are free and clear of any and all liens or adverse interests.

(amended
and added
12/14/82)

(11) If any of the proposed transferees of shares under the transfers provided for in subparagraphs (9) or (10) of this Paragraph B of Section 3 of Article VIII of the By-Laws are minors, such transfer shall be further conditioned upon (a) the delivery to the corporation on a form approved by the corporation of a signed guarantee of the obligations of transferee under the Occupancy Agreement by the natural or legal guardian(s) of such minor transferee, or such other person or persons reasonably requested by the corporation; and (b) the agreement by the natural or legal guardians of such minor transferee to become a bona fide resident of the apartment with such minor transferee until the minor transferee shall have obtained his or her majority. At all times that such minor transferee shall reside in the apartment until he or she shall attains his or her majority, the legal and natural guardian of such minor or such other adult person as may be reasonably required by the corporation, must reside with the minor in the apartment.

(amended
and added
12/14/82)

(12) Notwithstanding any other provision of these By-Laws to the contrary, any transfer of shares of the corporation as provided in subparagraphs (9) and (10) of this subparagraph B of Section 3 of Article VIII of the By-Laws shall be exempt from the requirement of first offering the same for sale and transfer to the corporation as set forth in Section 3 B.(i) of Article VIII of the By-Laws.

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 share 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" or "shareholders" shall include the owner or holder of any such interest. The provisions of Sections 2 through 6, inclusive, of this Article VIII, shall be applicable to income debentures which maybe issued by the corporation to its stockholders.

(amended
and added
6/25/92)

SECTION 7. Recapitalization. Whenever the Directors and the Stockholders approve an amendment to the Corporation's Certificate of Incorporation and the Supervisory Agencies supervising the Corporation, consent, to a capitalization of the Corporation by an increase in the authorized number of shares of common stock (a "recapitalization") in order to defray the cost of necessary capital improvements to the property of the Corporation pursuant to the provisions of the Business Corporation Law, and the Private Housing Finance Law, the following provisions of this Section 7. shall govern the rights and obligations of stockholders in respect of subscriptions to the new shares authorized by such recapitalization:

(i) Stockholders shall subscribe for the number of additional shares ("New Shares") as is calculated in subdivision (vi) of this Section 7 and the timely performance of such subscription shall be deemed to be a substantial obligation of continued membership of a Stockholder as a Member under the Occupancy Agreement. The Board of Directors may take action to enforce a Stockholder's obligation to so subscribe for New Shares appurtenant to a stockholders apartment, in the manner as provided in the Occupancy Agreement to terminate a member's Membership, upon a Member's becoming in default of the timely payment of the rent charges reserved under the Occupancy Agreement;

(ii) Payment of the subscription price for such New Shares may be made in such installments and over such period of time, as may be determined by the Board of Directors. In the event a Stockholder opts to pay for the New Shares in installments, the Board of Directors may impose such interest charge on the unpaid balance of such subscription price as the Board of Directors may determine in its sole discretion, will be sufficient to offset the Corporation's costs occasioned by a Stockholder's opting to pay for the New Shares in installment payments.

(iii) Failure of a Stockholder to subscribe for New Shares and to remit the subscription price within the time limited by the Board of Directors for subscriptions, shall be deemed to be a violation of a Stockholder's payment

of a cash requirement of the Corporation, and the Board of Directors may deem any such Stockholder who is in such default to have elected to remit to the Corporation a like amount as the subscription price over the twelve-month period subsequent to delivery of notice of such default, whereupon such defaulting Stockholder shall remit such subscription price as rent under Article First of the Occupancy Agreement in twelve equal monthly installments.

(iv) Each stockholder shall subscribe to that percentage of new shares authorized by the amended Certificate of Incorporation equal to the percentage of the total number of shares of the Corporation held by the stockholder prior to the Recapitalization.

ARTICLE IX **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 or 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 purpose:

(a) if the fact of such common directorship, officership 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 a 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 X
Indemnification

(amended
12/12/91)

SECTION 1. To the fullest extent allowed by law, the corporation shall indemnify any person made a party to an action or proceeding (other than one by or in the right of the corporation to procure a judgment in its favor), whether civil or criminal, including an action by, or in the right of any other corporation of any type or kind domestic or foreign, or any partnership, joint venture, trust, employee benefit plan or other enterprise, which any director or officer of the corporation served in any capacity at the request of the corporation, by reason of the fact that such person, or such persons testator or intestate, was a director or officer of the corporation, or served such other corporation, partnership, joint venture, trust, employee benefit plan or other enterprise in any capacity, against judgments, fines, amounts paid in settlement and reasonable expenses, including attorneys' fees actually and necessarily incurred as a result of such action or proceeding, or any appeal therein, if such director or officer acted in good faith for a purpose which he or she reasonably believed to be in, or, in the case of service for any other corporation or any partnership, joint venture, trust, employee benefit plan or other enterprise, not opposed to, the best interests of the corporation and, in criminal actions or proceedings, in addition, had no reasonable cause to believe that his or her conduct was unlawful.

(amended
12/12/91)

SECTION 2. To the fullest extent allowed by law, the corporation shall indemnify any person made, or threatened to be made, a party to an action, by, or in the right of the corporation to procure a judgment in its favor, by reason of the fact that such person, his or her testator or intestate, is or was a director or officer of the corporation, or is or was serving at the request of the corporation as a director or officer of any other corporation of any type or kind, domestic or foreign, of any partnership, joint venture, trust, employee benefit plan or other enterprise, against judgments, fines, amounts paid in settlement, and reasonable expenses, including attorneys' fees, actually and necessarily incurred by such person in connection with the defense or settlement of such action, or in connection with an appeal therein, if such director or officer acted, in good faith, for a purpose which he or she reasonably

believed to be in, or, in the case of service for any other corporation or any partnership, joint venture, trust, employee benefit plan or other enterprise, not opposed to, the best interests of the corporation, except that no indemnification under this paragraph shall be made in respect of (i) a threatened action, or a pending action which is settled or otherwise disposed of, or (ii) any claim, issue or matter as to which such person shall have been adjudged to be liable to the corporation, unless and only to the extent that the court in which the action was brought, or, if no action was brought, any court of competent jurisdiction, determines upon application, that in view of all the circumstances of the case, such person is fairly and reasonably entitled to indemnity for such portion of the settlement amount, and expenses as the court deems proper.

SECTION 3. The indemnification and advancement of expenses granted pursuant to, or provided by, this Article X shall not be deemed exclusive of any other rights to which a director or officer seeking indemnification or advancement of expenses may be entitled, whether contained in the certificate of incorporation or the bylaws or, when authorized by such certificate of incorporation or By-Laws, by (i) a resolution of shareholders, (ii) a resolution of directors, or (iii) an agreement providing for such indemnification, provided that no indemnification may be made to or on behalf of any director or officer if a judgment or other final adjudication adverse to the director or officer establishes that his or her acts were committed in bad faith or were the result of active and deliberate dishonesty and were material to the cause of action so adjudicated, or that he or she personally gained in fact, a financial profit or other advantage to which he or she was not legally entitled. Nothing contained in this Article X shall affect any rights to indemnification to which corporate personnel other than directors and officers may be entitled by contract or other under law; nor shall anything in this Article X limit any right to indemnification to which any director or any officer may be entitled under any law hereinafter enacted. In the event of enactment of any law enlarging rights of indemnification of officers and directors, the right of indemnification provided for in this Article X shall be deemed to encompass the same enlarged rights of indemnification as provided in such legislation as if specifically referred to herein, it being intended that the officers and directors be afforded the widest rights of indemnification to the fullest extent allowed by law.

(amended
2/12/76)

ARTICLE XI

These By-Laws may be amended, repealed or altered, in whole or in part, by vote of a majority of those stockholders of the corporation present in person or by proxy, at any duly called annual or special meeting of the stockholders at which a quorum is present, subject to approval thereof by the Housing and Development Administration 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 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, subject to the approval of the Housing and Development Administration of The City of New York.

ARTICLE XII

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".

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Amended By-Law

Retro-fitted door

"The following shall be added as Article XIII of the by-laws of East Midtown Housing Company, Inc."

"The corporation shall, upon the written request of the applicable eligible stockholder,

As set forth in the variance of 27-123.1 included in ZRD1/CCD1 Response form, dated October 1, 2012, Control # 25150, Page7,

For any current or future tenant with a disability, with no cost to such individual, who is eligible for Reasonable Accommodations under the New York City Human Rights Law or Federal Fair Housing Act, the owner shall perform the following:

- a. Remove all of the new replacement door assemblies
- b. Remove all of the original door saddles and 1" cement setting beds
- c. Repair structural concrete slab as necessary
- d. Install new patio door assemblies with a saddle that does not exceed 1" above the interior finished floor (with a sloped triangle, if required per ANSIA117.1-1986, Section 4.5.2 & Figure 7(d), as measured by Reference Standard RS 4-6, and which would not result in an increased height from the prior measurement from the exterior balcony floor to the saddle height.

EXHIBIT A

The following is hereby added as Article XIV of the by-laws of East Midtown Plaza Housing Company, Inc.:

"ARTICLE XIV Insurance Requirements

SECTION 1. Each stockholder shall, at the stockholder's sole cost and expense, obtain and keep in full force and effect throughout the term of the Occupancy Agreement (a) personal liability insurance against any and all claims for personal injury, death or property damage (including, but not limited to, loss due to water damage) occurring in, upon, or from such stockholder's unit or any part thereof, and, if available from the stockholder's insurance carrier at no additional cost to the stockholder, containing an endorsement naming the corporation and the corporation's managing agent as additional insureds, and with a minimum limit of personal liability of \$1,000,000 for bodily injury or property damage arising out of one occurrence, and (b) the stockholder's personal property insurance in respect of property damage to personal property and additions and alterations occurring in, upon or from the unit or buildings of the corporation or any part thereof (including, but not limited to loss due to water damage). The Board of Directors may, from time to time, establish such other minimum limits of liability and types of insurance to be obtained by the stockholder as the Board of Directors deems appropriate in its sole discretion.

SECTION 2. The insurance required in this Article XIV shall be written by good and solvent insurance companies of recognized standing, admitted and licensed to do business in the State of New York. Upon thirty (30) days' written notice from the corporation, the stockholder shall deliver to the corporation either a duplicate original of the aforesaid policies or other evidence of such insurance reasonably satisfactory to the corporation (the "Evidence").

SECTION 3. The failure of the stockholder to obtain and maintain the insurance required in this Article XIV or to timely provide the Evidence throughout the term of the Occupancy Agreement shall be a default under the Occupancy Agreement and in addition to any other rights and remedies of the corporation if a stockholder fails to provide the Evidence within such 30 day period above, then (a) the corporation shall have the right, but not the obligation, without further notice, to obtain such insurance at the stockholder's cost and in such case the stockholder shall pay or reimburse the corporation, within ten (10) days of demand, for any and all premiums paid or incurred by the corporation for such insurance, and (b) the stockholder shall pay to the corporation a fee in the amount of \$100 per month (or portion of a month) until the stockholder provides Evidence of such insurance obtained by the stockholder (such fee is payable on the first day of each month) provided, however, if and so long as the corporation maintains such insurance pursuant to clause (a) above, then such \$100 monthly fee shall be reduced to \$20 monthly. All amounts due and payable by stockholders pursuant to this Article XIV shall be deemed to be additional rent under the Occupancy Agreement and failure to pay any such amounts shall be a default thereunder.

SECTION 4. This Article XIV shall become effective November 1, 2014."