

**BY-LAWS**  
**OF**  
**10 PARK AVE. TENANTS' CORP.**

**ARTICLE I**

**Place of Business**

Section 1. *Location of Office.* The principal office and place of business of the corporation shall be in the County of New York, City of New York, or at such other place as may be designated by the Board of Directors.

**ARTICLE II**

**Meetings of Shareholders**

Section 1. *Annual Meeting.* The first annual meeting of the shareholders of this corporation, for the election of directors and such other business as may properly come before such meeting, shall be held within 30 days after the closing under the Offering Statement - A Plan to Convert to Cooperative Ownership premises Hotel Ten Park Avenue, New York, New York, dated October 25, 1972, promulgated by The Community Church (Second Congregational Church) of the City of New York, Sponsor, and subsequent annual meetings shall be held in October of each year, commencing with the year following the year in which the first annual meeting is held. Such meetings shall be at a place in the County of New York, City of New York, and at a date and time, as shall be determined by the Board of Directors. Written notice of each meeting shall be given to all shareholders entitled to vote thereat at the time such notice is given or on the record date designated by the Board of Directors in accordance with Section 5 of this Article II. Such notice shall state the date and time when, and the place where the meeting is to be held, and shall set forth any proposed action, notice of which is specifically required elsewhere in these by-laws; and the secretary shall cause a copy thereof to be delivered, personally or mailed to each such shareholder, not less than ten nor more than fifty days before the meeting.

Section 2. *Special Meetings:* Special meetings of shareholders may be called at any time and may be held at any place where an annual meeting could be held, by the president and secretary or by a majority of the Board of Directors. It shall also be the duty of the secretary to call such meetings whenever requested in writing to do so by shareholders owning at least twenty-five per cent of the outstanding shares of the corporation. The secretary shall cause a notice of such special meeting stating the date and time when, the place where, the purpose or purposes thereof, and the officer or other person or persons by whom the meeting is called, to be delivered personally or mailed to each and the officer or other person or persons by whom the meeting is called, to be delivered personally or mailed to each shareholder entitled to vote at such meeting not less than ten nor more than fifty days before such meeting. No business other

than that stated in such notice shall be transacted at such special meeting. A pledgee or mortgagee of shares, or a transferee of either, shall not be deemed a shareholder of record except upon compliance with the provisions of Article 16 of the corporation's proprietary lease.

Section 3. *Notice and Waiver of Notices:* Any notice given by mail shall be directed to each such shareholder at his address as it appears on the shareholders' record book, unless he shall theretofore have filed with the secretary of the corporation a written request that notices intended for him be mailed to some other address, in which case it shall be mailed to the address designated in such request. The notice provided for in the two foregoing sections is not indispensable and any shareholders' meeting shall be deemed validly called for all purposes if all the outstanding shares of the corporation are represented thereat in person or by proxy, or if a quorum is present and waivers of notice of the time, place and objects of such meeting shall be duly executed in writing either before or after said meeting by those shareholders not so represented and not given such notice. The attendance of any shareholder at a meeting, in person or by proxy, without protesting prior to the conclusion of the meeting the lack of notice of such meeting, shall constitute a waiver of notice by him.

Section 4. *Quorum:* At each meeting of shareholders, except where otherwise provided by law or by the certificate of incorporation, shareholders representing, in person or by proxy, a majority of the shares then issued and outstanding shall constitute a quorum. In case a quorum shall not be present at any meeting, however, the holders of a majority of the shares represented may adjourn the meeting to some future time and place. No notice of the time and place of the adjourned meeting need be given other than by announcement at the meeting. Only those shareholders who, if present at the original meeting, would have been entitled to vote thereat, shall be entitled to vote at any such adjourned meeting.

Section 5. *Voting:* If a quorum is present the affirmative vote of a majority of the shares represented at the meeting shall be the act of the shareholders, unless the act of a greater number is required by law or elsewhere in these by-laws, except as provided in Section 2 of Article III of these by-laws and except that the certificate of incorporation may be amended only by the affirmative vote of the holders of two thirds of the shares of the corporation issued and outstanding. At each meeting of shareholders each shareholder present in person or by proxy shall be entitled to one vote for each share registered in his name. Proxies shall be in writing duly signed by the shareholder but need not be acknowledged or witnessed, and the person named as proxy by any shareholder need not himself be a shareholder of the corporation. Voting by shareholders shall be viva voce unless any shareholder present at the meeting, in person or by proxy, demands a vote by written ballot, in which case the voting shall be by ballot, and each ballot shall state the name of the shareholder voting and the number of shares owned by him, and in addition, the name of the proxy of such ballot if cast by a proxy. At all meetings of shareholders for election of directors of this corporation, each shareholder shall be entitled to as many votes as shall equal the number of votes which (except for these provisions) he would be entitled to cast for the election of directors with respect to his shares multiplied by the number of directors to be elected, and he may cast all of such votes for a single director or may distribute them among the number to be voted for or any two or more of them as he may set fit.

Section 6. *Inspectors of Election*: The Board of Directors in advance of any meeting of shareholders may appoint one or more inspectors of election to act at the meeting or any adjournment thereof. If inspectors are not so appointed, the person presiding at a shareholders' meeting may, and on the request of any shareholder entitled to vote thereat shall, appoint one or more inspectors. In case any person appointed as inspector fails to appear or act, the vacancy may be filled by the Board in advance of the meeting or at the meeting by the person presiding thereat. Each inspector, before entering upon the discharge of his duties, shall take and sign an oath faithfully to execute the duties of inspector at such meeting with strict impartiality and according to the best of his ability, and the oath so taken shall be signed by the inspector before the person presiding at the meeting and shall be filed with the secretary. No director, or candidate for director at a meeting, one of the purposes of which is to elect directors, shall act as inspector.

Section 7. *Consent of Shareholders*: Whenever the shareholders are required or permitted to take any action by vote, such action may be taken without a meeting on written consent, setting forth the action so taken and signed by the holders of all outstanding shares entitled to vote thereon.

Section 8: *Order of Business*: At each meeting of shareholders, the president, or in his absence a vice president or such other individual designated by the Board, shall act as chairman of the meeting. The secretary, or in his absence such person as may be appointed by the chairman, shall act as secretary of the meeting. So far as is consistent with the purposes of the meeting, the order of business shall be as follows:

1. Call to order.
2. Presentation of proofs of due calling of the meeting.
3. Roll call and presentation and examination of proxies.
4. Reading of minutes of previous meeting or meetings.
5. Reports of officers and committees.
6. If the annual meeting, the appointment of inspectors of election, if any.
7. If the annual meeting, the election of directors.
8. Unfinished business.
9. New business.
10. Adjournment.

### **ARTICLE III**

## **Directors**

Section 1. *Number:* The number of the directors of the corporation is hereby fixed at three until the first annual meeting of shareholders at which time the number of directors shall automatically be fixed at seven. The number of directors may be changed by resolution of the shareholders from time to time at any annual or special meeting, provided that the notice of such meeting shall state that a resolution will be considered to change the number of directors and shall set forth the number to be proposed in such resolution. Any such resolution shall specify the manner in which the selection of directors necessitated by an increase in the number of directors shall be accomplished, or shall state that a decrease in the number of directors shall not shorten the term of any incumbent director, as the case may be. The number of directors so determined shall be the number of directors of the corporation until changed by further action of the shareholders in accordance with the foregoing.

Section 2. *Qualification and Election:* Directors shall be at least twenty-one (21) years of age, but need not be residents of the State of New York or shareholders of the Corporation. Directors shall be elected at the Annual Meeting of Shareholders or at a Special Meeting called for that purpose as provided by law. At the Annual Meeting of Shareholders in 1975 the six members of the Board of Directors to be elected by shareholders other than the holders of unsold shares, shall be divided into three classes. The two candidates for Director polling the first and second highest vote shall be elected Directors of the First Class, and serve for three years; the two candidates polling the third and fourth highest vote shall be elected Directors of the Second Class, and serve for two years; and the candidates polling the fifth and sixth highest votes shall be elected Directors of the Third Class, and serve for one year. At the expiration of the respective terms, successors shall be elected for a term of three years. The term of the Director elected by holders of unsold shares at the Annual Meeting of Shareholders in 1975 shall be for a term of one year; and the successor of said Director shall, following the expiration of his term, be elected for a term of one year. Thereafter each Director shall serve for three year terms or until his successor has been elected and qualifies. Notwithstanding anything to the contrary set forth herein, any holder of unsold shares may nominate only one candidate for the board and cast their votes only for such candidate. Like any other candidate, the candidate nominated by the holder of unsold shares must receive enough votes, from all shareholders voting, to be elected to the Board.

Section 3. *Vacancies:* Vacancies in the Board of Directors resulting from death, resignation or removal may be filled without notice to any of the shareholders by a vote of a majority of the remaining directors present at the meeting at which such election is held even though a quorum is not present, which election may be held at any regular meeting of the Board of Directors or any special meeting thereof called for such purpose. Vacancies in the Board of Directors resulting from an increase of the number of directors by resolution as set forth in Section 1 of this Article III shall be filled in the manner provided in said resolution. A director elected to fill a newly created directorship shall serve until the next succeeding annual meeting of the shareholders and until his successor shall have been elected and qualifies.

Section 4. *Management of the Corporation*: The business affairs of the corporation and the operation of its apartment building shall be managed by the Boar of Directors which may exercise all such powers of the corporation and do all such lawful acts and things as are not by statute or by the certificate of incorporation or by these by-laws directed or required to be exercised or done by the shareholders.

Section 5. *Meetings*: Meetings of the Board of Directors, regular or special, may be held either within or without the State of New York. The first meeting of each newly elected Board of Directors shall be held immediately after the annual meeting of the shareholders and no notice of such meeting shall be necessary to the newly elected directors in order legally to constitute the meeting, provided a quorum shall be present, or it may convene at such place and time as shall be fixed by the consent in writing of all the directors. Regular meetings of the Board of Directors shall be held not less than once every six weeks and may be held upon such notice, or without notice and at such time and at such place as shall from time to time be determined by the Board. Special meetings of the Board of Directors may be called by the president on two days' notice to each director, either personally or by mail or by telegram, by fax or other electronic means as may be available from time to time; special meetings shall be called by the president or secretary in like manner and on like notice on the written request of a majority of the number of directors fixed by Section 1 of this Article III, except in the case of a special meeting called to fill vacancies in the Board of Directors, in which case a majority of the then acting directors shall suffice. Notice of a meeting need not be given to any director who submits a signed waiver of notice whether before or after the meeting, or who attends the meeting without protesting prior thereto or at its commencement, the lack of notice. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the Board of Directors need be specified in the notice or waiver of notice of such meeting, except where otherwise required by law or by these by-laws. A majority of the number of directors fixed by Section 1 of this Article III shall constitute a quorum for the transaction of business unless a greater or lesser number is required by law or by the certificate of incorporation or elsewhere by these by-laws. The act of a majority of the directors present at any meeting at which a quorum is present shall be the act of the Board of Directors, unless the act of a greater number is required by law or by the certificate of incorporation or elsewhere in these by-laws. If a quorum shall not be present at any meeting of directors, the directors present may adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum shall be present. At all meetings of the Board of Directors, each director shall be entitled to one vote.

Section 6. *Resignation and Removal*. Any director may resign at any time by written notice delivered or sent by registered mail to the president or secretary of the corporation. Such resignation shall take effect at the time specified therein, and unless specifically requested acceptance of such resignation shall not be necessary to make it effective.

Any director may be removed from office with or without cause by the shareholders of the corporation at a meeting duly called for that purpose provided, however, that shareholders shall have the right to vote cumulatively on such removal and no director shall be removed without cause if the number of votes cast against his removal shall be such as would have been sufficient to have elected him on the election of the full board at a meeting at which the number

of shareholders present and entitled to vote equaled the number of shareholders present and entitled to vote at the removal meeting.

If any director who was a shareholder at the time of his selection as a director ceases to be a shareholder, he shall be deemed to have resigned as a director.

Section 7. *Compensation*: No salary or other compensation for services shall be paid to any director of the corporation for services rendered as such director, but this shall not preclude any director from performing any other service for the corporation and receiving compensation therefor.

Section 8. *Annual Cash Requirements*: In furtherance of the definitions, purposes and provisions of the proprietary leases entered into or to be entered into by the corporation with its shareholders, the Board of Directors shall, from time to time, by resolution, determine the cash requirements as defined in the corporation's proprietary leases, and fix the terms and manner of payment of rent (maintenance charges) under the corporation's proprietary leases. In the event such determination differs from the last preceding determination, the Board of Directors shall cause notice of such determination to be mailed immediately to each tenant shareholder. The Board of Directors shall have discretionary power to prescribe the manner of maintaining and operating the premises owned or leased by the corporation and to determine the cash requirements of the corporation to be paid as aforesaid by the tenant-shareholders under their respective proprietary leases. Every such determination by the Board of Directors shall be final and conclusive as to all tenant-shareholders and any expenditures made by the corporation's officers or its agents under the direction or with the approval of the Board of Directors of the corporation shall, as against the tenant-shareholders, be deemed necessarily and properly made for such purposes.

Section 9. *House Rules*: The Board of Directors may, from time to time,, adopt and amend such reasonable house rules as it may reasonably deem necessary or desirable in respect to the premises owned or leased by the corporation for the health, safety and convenience of, the tenant-shareholders, in addition to, or in substitution for those house rules set forth in the form of proprietary lease used by the corporation. Copies thereof and of changes therein shall be furnished to each tenant-shareholder. Such rules shall be binding upon all tenant-shareholders. In addition to any other remedy available to the Board, the Board may impose a fine for the violation of the terms of the Proprietary Lease and House Rules in such amounts as the Board may deem appropriate from time to time. Such fines shall be deemed Additional Rent under the Proprietary Lease.

Section 10. *Executive Committee*: The Board of Directors may, by resolution approved by a majority of the number of directors fixed by Section 1 of this Article III, appoint an Executive Committee consisting of three or more directors of the corporation. The Executive Committee, to the extent provided in the resolution that creates it, shall have and may exercise all of the powers of the Board of Directors in the management of the business affairs of the corporation during the intervals between meetings of the Board of Directors, so far as may be permitted by law, except that the Executive Committee shall not have the power to determine the

cash requirements defined in the proprietary leases made by the corporation, or to fix the amount of rent to be paid under the proprietary leases, or to vary the terms of payment thereof as fixed by the Board of Directors. Vacancies in the membership of the Executive Committee shall be filled by the Board of Directors at a regular or special meeting. The Executive Committee shall keep regular minutes of its proceedings and shall report same to the Board of Directors when required.

Section 11. The President may appoint such committees as the Board deems fit to carry out the business of the corporation. Such committees shall be comprised of at least one member of the Board of Directors and shall not have the power to bind the corporation without the Board's approval. All committees shall report to the President or such other officer as the President directs.

## **ARTICLE IV**

### **Officers**

Section 1. *Number and Election:* The officers of the corporation shall be a president, one or more vice presidents, a secretary and a treasurer. Such officers shall be elected at the first meeting of the Board of Directors after these by-laws become effective, and thereafter at the regular meeting of the Board of Directors following each annual meeting of shareholders, and shall serve until the meeting of the Board of Directors following the next annual meeting of shareholders and until their successors shall have been elected and qualify.

Section 2. *Assistants:* The Board of Directors may at anytime or from time to time appoint one or more assistant secretaries and one or more assistant treasurers to hold office at the pleasure of the Board. Such assistants, if any, in order of their seniority or in any other order determined by the Board of Directors shall, in the absence or disability of the secretary or treasurer, as the case may be, perform the duties and exercise the powers of the secretary or treasurer, as the case may be, and shall perform such other duties as the Board of Directors or the secretary or Treasurer, as the case may be, shall prescribe.

Section 3. *Qualifications; Removal and Vacancies:* None of the officers need be a member of the Board of Directors. One person may hold two offices at the same time, except that the same person may not hold the offices of president and secretary. Any officer appointed by the Board of Directors pursuant to the provisions of Sections 1 and 2 of this Article IV may be removed by the Board of Directors at any time, with or without cause. Vacancies occurring in any office may be filled by the Board of Directors at any time. If any officer who was a shareholder at the time of his selection as an officer ceases to be a shareholder, he shall be deemed to have resigned as an officer.

Section 4. *Duties of President and Vice Presidents:* The president shall preside at all meetings of the shareholders and of the Board of Directors. The president or any vice president shall sign the name of the corporation on all certificates for shares of the corporation, proprietary and other leases and subleases, contracts and other instruments which are authorized from time to time by the Board of Directors. The president, subject to the control of the Board of Directors,

shall have general management of the affairs of the corporation and perform all the duties incidental to the office. If the president is absent from the City of New York or is unable to act, the vice president if there is only one, or if there is more than one, the vice president senior in rank (or, if he is absent or unable to act, the vice president next senior in rank), shall have the powers and perform the duties of the president.

Section 5. *Duties of Treasurer*: The treasurer shall have the care and custody of all funds and securities of the corporation, and shall deposit such funds in the name of the corporation in such bank or trust companies as the directors may determine, and he shall perform all other duties incidental to his office. If so required by the Board of Directors, he shall, before receiving any such funds, furnish to the corporation a bond with a surety company as surety, in such form and amount as the Board of Directors from time to time shall determine. The premium upon such bond shall be paid by the corporation. As promptly as possible, after the close of each calendar year, the treasurer shall cause to be furnished to each tenant-shareholder whose proprietary lease is then in effect, a statement of the receipts, disbursements and paid-in surplus of the corporation during such year, on which statement shall be indicated the amount of rental paid by tenant-shareholders under their proprietary leases during such year which has been used by the corporation for the payment of taxes on the real property owned by the corporation, interest on any mortgage indebtedness, the principal of any mortgage, and any other capital expenditure and such other information as may be necessary to permit him to compute his income tax liability or income tax benefits that may accrue to him in respect thereof.

Section 6. *Duties of Secretary*: The secretary shall keep the minutes of the meetings of the Board of Directors and of the meetings of the shareholders; he shall attend to the giving and serving of all notices of the corporation, shall be empowered to affix the corporate seal to all written instruments authorized by the Board of Directors or these by-laws, shall attest every certificate of shares issued by the corporation and shall have authority to sign in the name of the corporation all proprietary leases authorized from time to time by the Board of Directors. He shall also perform all other duties incidental to his office. He shall cause to be kept a shareholders' record book containing the names, alphabetically arranged, and addresses, of all shareholders, the number of shares held by each, the dates when they respectively become the owners of record thereof, and the denomination and the amount of all issuance or transfer stamps affixed thereto, and such book shall be open for inspection as provided by law.

Section 7. *Compensation*: No salary or other compensation for services shall be paid to any officer of the corporation for services rendered as such officer, but this shall not preclude an officer of the corporation from performing any other service for the corporation and receiving compensation therefor.

## **ARTICLE V**

### **Proprietary Leases**

Section 1. *Form of Lease*: The Board of Directors shall adopt a form of proprietary lease to be used by the corporation for the leasing of all apartments in the apartment hotel property



(hereinafter called "apartment building") of the corporation (to which shares of the corporation have been allocated) to tenant-shareholders. Such proprietary leases shall be for such terms, with or without provisions for renewals, and shall contain such restrictions, limitations and provisions in respect to the assignment thereof, the subletting and use of the premises demised thereby and the sale and/or transfer of the shares of the corporation allocated to the apartment covered thereby, and such other terms, provisions, conditions and covenants as the Board of Directors may determine. After a proprietary lease in the form so adopted by the Board of Directors shall have been executed and delivered by the corporation, all proprietary leases subsequently executed and delivered shall be the same (except with respect to the statement as to the number of shares owned by the lessee), unless varied in accordance with the terms thereof.

Section 2. *Assignment*: Proprietary leases shall be assigned or transferred only in compliance with, and shall never be assigned or transferred in violation of, the terms, conditions or provisions of such proprietary leases. A duplicate original of each proprietary lease shall always be kept on file in the principal office of the corporation or with the managing agent of the apartment building of the corporation.

Section 3. *Allocation of Shares*: The Board of Directors shall allocate to each apartment in the apartment building of the corporation to be leased to tenant-shareholders under proprietary leases the number of shares of the corporation that must be owned by the proprietary lessee of such apartment. The allocation of shares to an apartment shall bear a reasonable relationship to the portion of the value of the corporation's equity in the apartment building and the land which is attributable to the apartment.

Section 4. *Fees on Assignment, Subletting or Reallocation*: Subject to the provisions of the for-in of proprietary lease adopted by the Board of Directors, (a) the Board of Directors shall have authority before an assignment of a proprietary lease or a subletting thereunder, or a reallocation of shares takes effect as against the corporation as lessor, to fix a reasonable fee to cover actual expenses and attorneys' fees of the corporation in connection with each such proposed transaction, and may direct that such attorneys' fees be paid directly to the attorneys; and (b) in connection with any such transaction, the Board of Directors may, at its option, require a title search, at the expense of the tenant-shareholders) of the subject apartment(s), as the Board of Directors sees fit.

Section 5. *Lost Proprietary Leases*: In the event that any proprietary lease in full force and effect is lost, stolen, destroyed or mutilated, the Board of Directors may authorize the issuance of a new proprietary lease in lieu thereof, in the same form and with the same terms, provisions, conditions and limitations. The Board may, in its discretion, before the issuance of any such new proprietary lease, require the owner thereof, or the legal representative of the owner, to make an affidavit or affirmation setting forth such facts as to the loss, destruction or mutilation as it deems necessary, and to give the corporation a bond in such reasonable sum as it directs, not exceeding double the value of the shares appurtenant to such lease, to indemnify the corporation.

Section 6. *Regrouping of Space*: The Board of Directors, upon the written request of the lessee or lessees of one or more proprietary leases covering one or more apartments in the apartment building and the owner or owners of the shares issued to accompany the same, may in its discretion, at any time, permit such lessee-owner or lessees-owners, at his or their own expense, as determined or approved by the Board of Directors,

(a) (i) to subdivide any apartment into any desired number of apartments, (ii) to combine all or any portions of any such apartments into one or any desired number of apartments; and (iii) to reallocate the shares issued to accompany the proprietary lease or leases, but, subject to subsection (b) of the number of shares previously allocated to the apartment or apartments involved; or

(b) to incorporate one or more servant's rooms or other space in the apartment building not covered by any proprietary lease, into one or more apartments covered by a proprietary lease, whether in connection with any regrouping of space pursuant to subsection (a) of this Section or otherwise, and in allocating shares to any such resulting apartment or apartments, shall determine the number of theretofore unissued shares to be issued and the purchase price for such shares to be purchased by the Shareholders on account of including common areas into their apartments and allocated in connection with the appropriation of such additional space, in accordance with the principle set forth in Section 3 of this Article V.

Upon any regrouping pursuant to subsections (a) or (b) above, the proprietary leases so affected, and the accompanying certificates of shares, shall be surrendered and there shall be executed and delivered in place thereof, respectively, a new proprietary lease for each separate apartment involved, and a new certificate of shares for the number of shares so reallocated to each new proprietary lease.

Section 7. *Allocation of Shares to Additional Space*: The Board of Directors may, in its discretion, authorize the conversion of space in the apartment building not covered by a proprietary lease into space suitable for the primary purposes of the corporation, as set forth in the certificate of incorporation, allocate theretofore unissued shares to such space and the Board will have the right to determine in its sole and absolute discretion the price to be paid for such shares as may be allocated to such space created, and authorize the execution of a proprietary lease or leases covering such space.

## **ARTICLE VI**

### **Capital Shares**

Section 1. *Authorization and Rights*: No shares hereafter acquired by the corporation shall be reissued except in connection with the execution by the purchaser and delivery by the corporation of a proprietary lease of an apartment. The ownership of shares shall entitle the holder thereof to occupy the apartment for the purposes specified in the proprietary lease to which the shares are appurtenant, subject to the provisions, covenants and agreements contained in such proprietary lease.

Section 2. *Form and Record of Shares*: Certificates of shares of the corporation shall be in the form adopted by the Board of Directors, and shall be signed by the president or a vice president, and by the secretary or an assistant secretary and sealed with the seal of the corporation, and shall be numbered in the order in which issued. Certificates shall be bound and issued in consecutive order, and in the margin or stub thereof shall be entered the name of the person holding the shares therein represented, the number of shares, the date of issue, and the name of the transfer agent. Each certificate exchanged or returned to the corporation shall be canceled, and the date of cancellation shall be indicated thereon by the transfer agent, and such certificate shall be immediately pasted in the certificate book opposite the memorandum of its issue.

Section 3. *Issuance of Certificates*: Shares allocated to the apartments covered by each proprietary lease shall be issued in the amount allocated by the Board of Directors to the apartment or other space described in such proprietary lease and shall be represented by a single certificate. Unless and until all proprietary leases which shall have been executed by the corporation shall have been terminated, no shares shall be issued, transferred or reissued except to tenants under proprietary leases.

Section 4. *Transfers*: Transfers of shares shall be made upon the books of the corporation only by the holder in person or by power of attorney, duly executed and filed with the secretary of the corporation and on the surrender of the certificate for such shares, except that shares sold by the corporation to satisfy any lien which it holds thereon may be transferred without the surrender of the certificate representing such shares. No transfer of shares shall be valid as against the corporation, its shareholders and creditors for any purpose except to render the transferee liable for the debts of the corporation to the extent provided for in the Business Corporation Law or any other applicable provision of law, until it shall have been entered in the shares ledger, or as required by any then existing applicable provision of law, by an entry stating from whom and to whom transferred. Subject to the provisions of the form of proprietary lease adopted by the Board of Directors, the Board of Directors shall have authority before an assignment of shares takes effect as against the corporation, to fix a reasonable fee to cover actual expenses and attorneys' fees of the corporation in connection with each such proposed assignment, and may direct that such attorneys' fees be paid directly to the attorneys.

Section 5. *Units of Issuance*: Unless and until all proprietary leases which shall have been executed by the corporation shall have been terminated, the shares appurtenant to each proprietary lease shall not be sold or assigned except as an entirety to the corporation or an assignee of such proprietary lease, after complying with and satisfying the requirements of such proprietary lease in respect to the assignment thereof.

Section 6. *Corporation's Lien*: The corporation shall at all times have a lien upon the shares owned by each shareholder, which shall be superior to all other liens, for all indebtedness and obligations owing and to be owing by such shareholder to the corporation, arising under the provisions of any proprietary lease issued by the corporation and at any time held by such shareholder, or otherwise arising. Unless and until such shareholder as lessee shall make default

in the payment of any of the rental or in the performance of any of the covenants or conditions of such proprietary lease, and/or unless and until such shareholder shall make default in the payment of any indebtedness or obligation owing by such shareholder to the corporation otherwise arising, such shares shall continue to stand in the name of the shareholder upon the books of the corporation, and the shareholder shall be entitled to exercise the right to vote thereon as though said lien did not exist. The Board of Directors may refuse to consent to the transfer of such shares until any indebtedness of the shareholder to the corporation is paid. The corporation shall have the right to issue to any purchaser of such shares upon the enforcement by the corporation of such lien and the corporation will be deemed a secured party under the Proprietary Lease with all such rights as may be available at law as a secured party, or to the nominee of such purchaser, a certificate of the shares so purchased substantially of the tenor of the certificate issued to such defaulting shareholder, and thereupon the certificate for such shares theretofore issued to such defaulting shareholder shall become void and such defaulting shareholder agrees to surrender such last mentioned certificate to the corporation upon the latter's demand, but the failure of such defaulting shareholder so to surrender such certificate shall not affect the validity of the certificate issued in replacement thereof.

Section 7. *Lost Certificates*: In the event that any certificate of shares is lost, stolen, destroyed or mutilated, the Board of Directors may authorize the issuance of a new certificate of the same tenor and for the same number of shares in lieu thereof. The Board may, in its discretion, before the issuance of such new certificate, require the owner of the lost, stolen, destroyed or mutilated certificate, or the legal representative of the owner, to make an affidavit or affirmation setting forth such facts as to the loss, destruction or mutilation as it deems necessary and to give the corporation a bond in such reasonable sum as it directs, but not more than double the value of the shares, to indemnify the corporation.

Section 8. *Legend on Stock Certificates*: Unless and until all proprietary leases which shall have been executed by the corporation shall have been terminated, all certificates representing shares of stock of the corporation shall bear a legend reading as follows:

The rights of any holder of the shares evidenced by this certificate are subject to the provisions of the certificate of incorporation and the by-laws of 10 Park Ave. Tenants' Corp. and to all the terms, covenants, conditions and provisions of a certain proprietary lease made between the corporation, as lessor, and the person in whose name this certificate is issued, as lessee, for an apartment in the premises known as Hotel Ten Park Avenue, 10 Park Avenue, New York, New York, which limit and restrict the title and rights of any transferee of such shares and this certificate. The shares represented by this certificate are transferable only as an entirety and only to an approved assignee of the aforementioned proprietary lease. Copies of the certificate of incorporation, by-laws and the proprietary lease are on file and available for inspection at the office of the corporation.

Pursuant to the certificate of incorporation, certain actions of the Board of Directors and of the shareholders require a greater quorum and/or a greater vote than would otherwise be required by law.

Pursuant to the by-laws, the corporation has a lien on the shares represented by this certificate for all sums due and to become due under the aforesaid proprietary lease and the Board of Directors of 10 Park Ave. Tenants' Corp. may refuse to consent to the transfer of the shares represented by this certificate until any indebtedness of the shareholder to the corporation is paid.

Section 9. *Distributions*: The tenant-shareholders shall not be entitled (either conditionally or unconditionally) to receive any distribution not out of earnings and profits of the corporation, except upon a complete or partial liquidation of the corporation.

## **ARTICLE VII**

### **Seal**

Section 1. *Form*: The seal of the corporation shall contain, within a circle, the name of the corporation, the words "Corporate Seal New York", and the year 1972.

## **ARTICLE VIII**

### **Negotiable Instruments**

Section 1. *Checks, etc.*: All checks, drafts, orders for payment of money and negotiable instruments shall be signed by such officer or officers or employee or employees as the Board of Directors may from time to time, by standing resolution or special order, prescribe.

Section 2. *Transfer of Securities*: Endorsements on transfers of shares, bonds or other securities shall be signed by the president or any vice president and by the secretary or an assistant secretary unless the Board of Directors, by special resolution in one or more instances, prescribes otherwise.

Section 3. *Safe Deposit Boxes*: Such officer or officers, as from time to time shall be designated by the Board of Directors, shall have access to any safe of the corporation in the vault of any safe deposit company.

Section 4. *Securities*: Such officer or officers as from time to time shall be designated by the Board of Directors shall have. power to control and direct the disposition of any shares, bonds or other securities or property of the corporation deposited in the custody of any trust company, bank or other custodian.

## **ARTICLE IX**

### **Fiscal Year**

Section 1. *Calendar Year*. The fiscal year of the corporation shall be the calendar year unless changed by the vote of the majority of the Board of Directors.

## **ARTICLE X**

### **Indemnification of Directors, Officers and Employees**

Section 1. Nonexclusivity. The indemnification and advancement of expenses granted pursuant to, or provided by, this Article shall not be deemed exclusive of any other rights to which a director or officer seeking indemnification or advancement of expenses may be entitled, including such rights to indemnification and/or advancement of expenses as may be authorized by (a) a resolution of the shareholders of the Corporation, (b) a resolution of the Board of Directors, or (c) 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 such director's or officer's 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 such director or officer personally gained in fact a financial profit or other advantage to which such director or officer was not legally entitled. Nothing contained in this Article shall affect any rights to indemnification to which corporate personnel other than directors and officers may be entitled by contract or otherwise under law.

Section 2. Indemnification of Directors and Officers. (a) The Corporation shall indemnify any person made, or threatened to be 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 director or officer, or such director's or officer's 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 such director or officer 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 such director's or officer's conduct was unlawful.

(b) The termination of any such civil or criminal action or proceeding by judgment, settlement, conviction or upon a plea of nolo contendere, or its equivalent, shall not in itself create a presumption that any such director or officer did not act, in good faith, for a purpose which such director or officer 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 or that such director or officer had reasonable cause to believe that such director's or officer's conduct was unlawful.

(c) 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, or such person's 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 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 such director or officer 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, the person is fairly and reasonably entitled to indemnity for such portion of the settlement amount and expenses as the court deems proper.

(d) For the purpose of this Section, the Corporation shall be deemed to have requested a person to serve an employee benefit plan where the performance by such person of his or her duties to the Corporation also imposes duties on, or otherwise involves services by, such person to the plan or participants or beneficiaries of the plan; excise taxes assessed on a person with respect to an employee benefit plan pursuant to applicable law shall be considered fines; and action taken or omitted by a person with respect to an employee benefit plan in the performance of such person's duties for a purpose reasonably believed by such person to be in the interest of the participants and beneficiaries of the plan shall be deemed to be for a purpose which is not opposed to the best interests of the Corporation.

Section 3. Payment of Indemnification. (a) A person who has been successful, on the merits or otherwise, in the defense of a civil or criminal action or proceeding of the character described in Section 2 of this Article shall be entitled to indemnification as authorized in such Section.

(b) Except as provided in paragraph (a) of this Section, any indemnification under Section 2 of this Article or otherwise permitted by Section 1 of this Article, unless ordered by a court under the applicable provisions of the Business Corporation Law, shall be made by the Corporation, only if authorized in the specific case:

(i) By the Board of Directors acting by a quorum consisting of directors who are not parties to such action or proceeding upon a finding that the director or officer has

met the standard of conduct set forth in Section 2 of this Article or established pursuant to Section 1 of this Article, as the case may be; or

(ii) If a quorum under subparagraph (i) is not obtainable or, even if obtainable, a quorum of disinterested directors so directs:

(A) By the Board of Directors upon the opinion in writing of independent legal counsel that the indemnification is proper in the circumstances because the applicable standard of conduct set forth in such Sections has been met by such director or officer, or

(B) By the shareholders of the Corporation upon a finding that the director or officer has met the applicable standard of conduct set forth in such Sections.

(c) Expenses incurred in defending a civil or criminal action or proceeding shall be paid by the Corporation in advance of the final disposition of such action or proceeding upon receipt of an undertaking by or on behalf of such director or officer to repay such amount, and to the extent, required by paragraph (a) of Section 4 of this Article.

Section 4. Other Provisions Affecting Indemnification of Directors and Officers. (a) All expenses incurred in defending a civil or criminal action or proceeding which are advanced by the Corporation under paragraph (c) of Section 3 of this Article shall be repaid in case the person receiving such advancement or allowance is ultimately found, under the procedure set forth in this Article, not to be entitled indemnification or, where indemnification is granted, to the extent the expenses so advanced by the Corporation exceed the indemnification to which such person is entitled.

(b) No indemnification, advancement or allowance shall be made under this Article in any circumstance where it appears:

(i) That the indemnification would be inconsistent with a provision of the Certificate of Incorporation of the Corporation, the By-Laws, a resolution of the Board of Directors or of the shareholders, an agreement or other proper corporate action, in effect at the time of the accrual of the alleged cause of action asserted in the threatened or pending action or proceeding in which the expenses were incurred or other amounts were paid, which prohibits or otherwise limits indemnification; or

(ii) If there has been a settlement approved by a court, that the indemnification would be inconsistent with any condition with respect to indemnification expressly imposed by the court in approving the settlement.

(c) If any expenses or other amounts are paid by way of indemnification, otherwise than by court order or action by the shareholders, the Corporation shall, not later than the next annual meeting of shareholders unless such meeting is held within three (3) months from the date of such payment, and, in any event, within fifteen (15) months from the date of such payment, mail to its shareholders of record at the time entitled to vote for the election of



directors a statement specifying the persons paid, the amounts paid, and the nature and status at the time of such payment of the litigation or threatened litigation.

(d) If any action with respect to indemnification of directors and officers is taken by way of amendment of this Certificate of Incorporation, resolution of the Board of Directors, or by agreement, then the Corporation shall, not later than the next annual meeting of shareholders, unless such meeting is held within three (3) months from the date of such action, and, in any event, within fifteen (15) months from the date of such action, mail to its shareholders of record at the time entitled to vote for the election of directors a statement specifying the action taken.

## **ARTICLE XI**

### **Sale, Lease, Demolition or Disposition of Property**

Section 1. Except as may otherwise be provided for in the certificate of incorporation of this corporation, no decision to demolish or reconstruct any building standing on the land owned or leased by the corporation, or to sell or exchange the corporation's fee simple interest therein, or to lease any such building in its entirety or substantially in its entirety, shall be made except upon the affirmative vote of the holders of two-thirds of the shares of the corporation then issued and outstanding. Notwithstanding the foregoing, the sale, exchange, lease or other disposition of the property owned by the corporation after the termination of all the proprietary leases which are made by the corporation shall be determined by the affirmative vote of the holders of a majority of the shares of the corporation then issued and outstanding.

## **ARTICLE XII**

### **Amendments**

Section 1. These by-laws may be amended, enlarged or diminished only by the affirmative vote of the holders of a majority of the shares of the corporation represented at any meeting of shareholders, or by the affirmative vote of two-thirds of the number of directors fixed by Section I of Article III of these by-laws, and' then only in conformity with the certificate of incorporation of this corporation. The notice of any meeting of shareholders or of the Board of Directors at which such an amendment shall be considered shall set forth the text or substance of the proposed amendment.