

BY-LAWS
of
350 Bleecker Street Apartment Corp.

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TABLE OF CONTENTS

Article	Section	Caption	Page
I		Meeting of Shareholders	1
	1	Annual Meeting	1
	2	Special Meetings	1
	3	Waiver of Mailing of Notice	1
	4	Quorum	2
	5	Voting	2
	6	Inspectors of Election	2
	7	Consent of Shareholders	2
	8	Order of Business	2
II		Directors	3
	1	Qualification and Number	3
	2	Election and Term	3
	3	Vacancies	4
	4	Resignation and Removal	4
	5	Meetings	4
	6	Annual Budget	5
	7	Duties and Powers	6
	8	House Rules	6
	9	Executive Committee	7
	10	Admissions Committee	7
	11	Other Committees	7
	12	Contracts and Transactions of the Corporation	7
	13	Compensation	7

Article	Section	Caption	Page
	14	Distributions	7
III		Officers	8
	1	Election and Removal	8
	2	Qualification and Vacancies	8
	3	President and Vice President	8
	4	Secretary	8
	5	Treasurer	9
	6	Salaries	9
IV		Indemnification of Directors and Officers	9
	1(a)	In Actions by or in the Right of Corporation	9
	1(b)	In Other Actions or Proceedings	10
	1(c)	Payment	10
	1(d)	Other Provisions	10
V		Proprietary Leases	10
	1	Form	10
	2	Assignment	11
	3	Accompanying Shares	11
	4	Re-grouping of Space	11
	5	Allocation of Shares to Additional Space	12
	6	Fees on Assignment	13
	7	Lost Proprietary Leases	13
VI		Capital Shares	13
	1	Capital Shares	13
	2	Certificates and Issuance	13
	3	Transfer	14

Article	Section	Caption	Page
	4	Units of Issuance	14
	5	Fees on Transfer	14
	6	Corporation's Lien	14
	7	Lost Certificates	15
	8	Legend on Shares Certificate	15
	9	No Preemptive Right	16
VII		Seal	16
	1	Form	16
VIII		Checks, Notes, Etc.	16
	1	Signatures on Checks	16
	2	Signatures on Notes and Bonds	16
	3	Safe Deposit Boxes	16
	4	Securities	16
IX		Sale, Lease, Demolition or Disposition of Property	16
	1	Sale, Lease, Demolition or Disposition of Property	16
X		Amendments	17
	1	By the Shareholders	17
	2	By the Directors	17
	3	General	17
XI		Fiscal Year	17
	1	Fiscal Year	17
XII		Reports	18
	1	Annual Reports	18
	2	Tax Deduction Statement	18

Article	Section	Caption	Page
XIII		Appointment of Board of Directors for Service of Process or Notice ...	18
	1	Designation of Board of Directors for Service of Process or Notice Under Certain Circumstances	18

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OF
350 Bleecker Street Apartment Corp.

ARTICLE I
Meetings of Shareholders

Section 1. Annual Meetings. Except for the first meeting of shareholders to be held within approximately 30 days after closing under the Offering Plan to convert the corporation's property to cooperative ownership, each annual meeting of the shareholders of the corporation, for the election of directors and for such other business as may properly come before such meeting, shall be held in the City, Town or Village where such property is located, at such hour and place as may be designated in the notice of meeting, on the second Tuesday in May of each and every year, unless a legal holiday, in which event such meeting shall be held on the first day thereafter not a legal holiday. The notice of meeting shall be in writing and signed by the president or a vice president or the secretary or an assistant secretary. Such notice shall state the time when and the the place at which such meeting is to be held, and a copy thereof shall be served, either personally or by mail, upon each shareholder of record entitled to votge at such meeting, not less than ten nor more than fifty days before the meeting.

Section 2. Special Meetings. Special meetings of shareholders other than those regulated by statute, may be called at any time by any officer of the corporation or by a majority of the board of directors, and it shall also be the duty of the secretary to call such a meeting whenever requested in writing so to do by shareholders of record of at least one-quarter of the outstanding capital stock. A notice of each special meeting, stating the time, place and purpose thereof and the officer or other person or persons by whom the meeting is called, shall be served, either personally or by mail, on each shareholder of record, not less than ten nor more than fifty days before the date of the meeting. No business other than that stated in the notice shall be transacted at any special meeting unless the shareholders of record of all outstanding shares of the corporation are present thereat in person or by proxy.

Section 3. Waiver of Hailing of Notice. The notice provided for in the two foregoing sections is not indispensable and any shareholders' meeting whatever shall be valid for all purpose. if the shareholders of record of all shares of the corporation are present thereat in person or by proxy, or if a quorum is present as provided in the next

succeeding session and notice of the time, place and purpose of such meeting has been duly waived in writing by all shareholders not so present. 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. Any notice to be served upon a shareholder by mail shall be directed to the shareholder at his address as it appears on the stock book unless the shareholder shall have filed with the secretary of the corporation, prior to the giving of a notice, a written request that notices intended for him be mailed to such other address, in which case it shall be mailed to the address designated in such request.

Section 4. Quorum. At all meetings of shareholders in order to constitute a quorum and to permit the transaction of any business except to adjourn a meeting, there shall be present either in person or by proxy the holders of a majority of the shares entitled to vote thereat. A majority of the shareholders present may adjourn a meeting to a subsequent day despite the absence of a quorum.

Section 5. Voting. Each shareholder of record shall be entitled at each shareholders' meeting to one vote, in person or by proxy, for each share standing in his name on the stock book at the time of the meeting. All proxies shall be in writing out need not be acknowledged or witnessed and shall be filed with the secretary at or previous to the time of the meeting. The person named as proxy need not himself be a shareholder of the corporation. All voting shall be viva voce, except that any qualified voter may demand a ballot vote, 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, if such ballot is cast by a proxy. All elections shall be determined by a plurality vote; and unless otherwise specified in these bylaws or the certificate of incorporation, the affirmative vote of a majority represented at any meeting of shareholders shall be necessary for the transaction of any item of business and shall constitute the act of the shareholders.

Section 6. Inspectors of Election. At any election of directors where more candidates are nominated than there are positions to be filled, the election shall be conducted by two inspectors of election to be appointed by the president or other Chairman of the meeting. No director or candidate for director shall be eligible to appointment as inspector. Before entering upon the discharge of their duties, the inspectors appointed to act at any meeting of the shareholders shall be sworn faithfully to execute the duties of inspectors at such meeting with strict impartiality, and according to the best of their ability, and the oath so

taken shall be subscribed by them and immediately filed with the secretary of the corporation with a certificate of the result of the vote taken at such meeting.

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 upon the written consent of the holders of all outstanding shares entitled to vote thereon, which consent shall set forth the action so taken.

Section 8. Order of Business. At each meeting of shareholders, the president, or in his absence a vice president, 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 proof 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 an annual meeting, the appointment of inspectors of election, if any.
7. If an annual meeting, the election of directors.
8. Unfinished business.
9. New business.
10. Adjournment.

ARTICLE II

Directors

Section 1. Qualification and Number. At least one less than a majority of the directors to be elected must be residents of the building owned by the corporation, and not

holders of Unsold Shares. (The terms "Unsold Shares" and "holders of Unsold Shares" shall have the same meanings as in the aforesaid Offering Plan.)

All directors shall be at least 18 years of age.

The number of directors shall not be less than three and not more than seven. The first board shall consist of three (3) members. The number of directors shall be determined by the shareholders from time to time at any annual or any special meeting of shareholders called for that purpose, and the number so determined shall be the number of directors of the corporation until changed by further action of the shareholders, provided, however, that the number of directors shall not be decreased to a number less than the number of directors then in office, except at an annual meeting of shareholders. Reference is made to Section 7 of this Article for the power of the board to fix the number of directors.

Section 2. Election and Term. The directors constituting the first board of directors shall be elected by the incorporation at the organization meeting of the incorporator. Directors, other than those constituting the first board, shall be elected at the annual meeting of shareholders, or at a special meeting called for that purpose as provided by law, by a plurality of the votes cast at such election. The entire number of directors to be elected shall be balloted for at one and the same time and not separately.

Directors elected by the incorporator shall serve until the election and qualification of directors elected at the first annual meeting of shareholders. Directors elected at the first annual meeting of shareholders and at meetings subsequent thereto shall serve until the date herein fixed for the next annual meeting of shareholders and until the election and qualification of their respective successors.

Section 3. Vacancies. When any vacancy exists or occurs among the directors by death, resignation or otherwise, the same shall be filled for the remainder of the term by a majority of votes cast at a special meeting of the remaining directors duly called for the purpose or at any regular meeting of the directors, even though a quorum shall not be present at such special or regular meeting. If the number of the directors is increased, the additional directors shall be elected by a plurality of the votes cast at a meeting of shareholders duly called for that purpose and shall serve for the term above prescribed. If all the directors die or resign, any shareholder may call a special meeting of the shareholders as provided herein and directors for the unexpired term may be elected at such special

meeting in the manner provided for their election at the annual meeting.

Section 4. Resignation and Removal. Any director may resign at any time by written notice delivered or sent by certified or registered mail, return receipt requested, to the president or the 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 at any time with or without cause and at the pleasure of the shareholders, upon affirmative vote of the shareholders of record taken at a shareholders meeting duly called for that purpose; provided, however, that the directors elected by the holders of "Unsold Shares" may be replaced only by such holders of Unsold Shares.

Any vacancy on the board by a director designated or elected by a holder or holders of Unsold Shares, whether arising from the resignation, removal, death or otherwise, shall be filled only by such holder or holders of Unsold Shares.

Except for directors elected by the holders of Unsold Shares, a director who ceases to be a shareholder or whose spouse ceases to be a shareholder, as the case may be, shall be deemed to have resigned as a director. Notwithstanding the foregoing, any director elected by the holders of Unsold Shares may be removed for dishonesty, fraud or similar egregious misconduct in office, upon affirmative vote of a majority of the shareholders of record, taken at a shareholders meeting duly called for such purpose.

Section 5. Meetings of the board of directors, regular or special, shall be held at such place within the City, Town or Village where the corporation's property is located as shall be specified in the notice calling the meeting. 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 eight weeks and may be held upon such notice, or without notice, and at such time and at such place in the City, Town or Village where the corporation's property is located 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; 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 II, 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 meetings without protesting the lack of notice prior thereto or at its commencement. 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 II 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. Annual Budget. In furtherance of the definitions and provisions of the proprietary leases entered into or to be entered into by the corporation with its shareholders, the board of directors shall determine the cash requirements as defined therein, for each particular year of the term of such proprietary leases, by resolution or resolutions adopted during the particular year in question or the preceding year, and shall likewise fix the terms and times of payment of the rent due from shareholders who are lessees under such proprietary leases to meet such cash requirements. Immediately after the adoption of such resolution as above provided, the secretary shall mail or cause to be mailed, or deliver or cause to be delivered to each shareholder who is such a lessee a statement of the amount of the cash requirements so determined or a copy of the resolution of the board concerning the same. The board of directors shall have discretionary power to prescribe the manner of maintaining and operating the apartment building of the corporation, and any other premises acquired by the corporation by purchase or otherwise, and to deter-

mine the aforesaid cash requirements. Every such determination by the board shall be final and conclusive as to all shareholders who are lessees under proprietary leases and any expenditures made by the corporation's officers or agents under the direction or with the approval of the board shall, as against such shareholders, be deemed necessarily and properly made for such purposes. The operating year of the corporation shall be the calendar year.

The Board shall have the power to establish any needed reserves for capital purposes, including (without limitation) reserves for capital improvements, capital repairs or alterations or modifications to the building structure and components, and including a reserve for mortgage amortization, payments to which reserves shall be treated on the corporate books as capital contributions and not as income.

So long as the Unsold Shares constitute 25% or more of the outstanding shares of the corporation, the board of directors of the corporation shall not take any of the following actions unless shareholders owning at least 751 of the shares of the corporation approve same in writing or by vote, in person or by proxy, at a duly constituted meeting called for such purchase:

(i) increase the number or change the type of employees from that described in the aforesaid Offering Plan (Schedule of Projected Receipts and Expenses for First Year of Cooperative Operation);

(ii) provide for new or additional services from those indicated in the aforesaid Offering Plan in the Schedule of Projected Receipts and Expenses for First Year of Cooperative Operation unless the annual cost of such new or additional services, when added to the annual cost of all other services being provided, is not in excess of 125% of those provided in said Schedule; or

(iii) undertake any capital or major improvement or addition, unless required by law.

Section 7. Duties and Power.. The affairs and business of this corporation shall be managed by its board of directors except with respect to the powers which are herein delegated to the officers. The directors shall at all times act as a board, regularly convened, and they may adopt such rules and regulations for the conduct of their meetings the execution of their resolutions and the management of the affairs of the corporation as they may deem proper, provided same are not inconsistent with the laws of the State of New York, the certificate of incorporation or these by-laws. Furthermore, the board, from time to time, may fix the number of directors of the corporation, provided, the number of directors shall not be less than three (3), nor more than seven (7) or such higher number as the shareholders

shall have determined pursuant to Article II, Section 1. The power of the board to determine the number of directors as herein provided is subordinate to the power of the shareholders to make such determination under said Article II, Section 1, so that if the board after having fixed a new number of directors shall be overruled by the shareholders, the determination of the shareholders shall govern.

The board of directors shall be responsible for carrying out the duties imposed upon it under these by-laws and the proprietary leases referred to in Article V below, regardless of whether an apartment in the building is vacant or occupied by the owner thereof (i.e., Shareholder-Lessee) or a permitted lessee or other occupant of such owner. This provision shall not be deemed to impose any greater obligation or responsibility on the board of directors than now provided for in the Business Corporation Law.

Section 8. House Rules. The board of directors shall have power to make and change reasonable rules applicable to the apartment building owned or leased by the corporation whenever the board deems it advisable so to do. All house rules shall be binding upon all tenants and occupants of the apartment building. Copies of changes in house rules shall be furnished to each shareholder and shall be binding upon the delivery thereof in the manner provided in the proprietary lease.

Section 9. Executive Committee. The board of directors may by resolution appoint an executive committee to consist of three or more directors of the corporation. Such committee shall have and may exercise all of the powers of the board in the management of the business affairs of the corporation during the intervals between the meetings of the board, so far as may be permitted by law, except that the executive committee shall not have power to determine the cash requirements defined in the proprietary leases, or to fix the rent to be paid under the proprietary leases, or to vary the terms of payment thereof as fixed by the board. Vacancies in membership on the executive committee shall be filled by the board of directors at a regular or special meeting.

Section 10. Admissions Committee. In furtherance of the cooperative purposes of the corporation and to assure, so far as possible, that the occupants of all apartments therein shall be congenial and that all proprietary lessees shall be reputable and financially responsible, the board may by resolution create an admissions committee of two or more persons to interview and consider the qualifications of proposed assignees and subtenants. Once such committee has been created, no consent to transfer of stock or assignment of lease or subletting of apartments shall thereafter be given by any member of the board of directors until the admissions committee shall have approved same, or until there shall have been a meeting of the board of directors to act on an unfavorable report of the admissions committee or any member thereof. All information received and reports by the admissions committee or any member of the board of

directors (whether or not an admissions committee has been created) concerning a proposed assignee or subtenant, and the deliberations of the committee and the board thereon shall be deemed confidential and disclosed to no one except other directors of the corporation. On all applications for consent to assignment or subletting, the only action of the board shall be to "approve" or "disapprove" without comment. No member of the admissions committee or the board of directors shall be required to explain to any shareholder or any other person the reasons for his determination. The provisions of this Section are not applicable to a proposed assignment or subletting by purchasers of Unsold Shares.

Section 11. Other Committees. The board of directors shall also have the power to appoint such other committees, in accordance with Section 712 of the Business Corporation Law as it deems appropriate.

Section 12. Contracts and Transactions of the Corporation. No contract or other transaction between the corporation and any one or more of its directors or any other corporation, firm, association or other entity in which one or more of its directors are directors or officers, or are financially interested, shall be void or voidable for this reason alone or by reason alone that such director or directors are present at the meeting of the board, or of a committee thereof, which approves such contract or transaction, or that he or their votes are counted for such purpose, provided that the provisions of Section 713 of the Business Corporation Law are complied with.

Section 13. Compensation. No director, by virtue of his office as such, nor for any other reason, at any time, shall receive any salary or compensation for his services as such director, or otherwise, unless and until the same shall have been duly authorized in writing, or by affirmative vote taken at a duly held stockholders' meeting, by the record holders of at least two-thirds (2/3) of the then outstanding shares of the stock of the corporation.

Section 14. Distributions. No tenant-shareholder shall be entitled, either conditionally or unconditionally, except upon a complete or partial liquidation of the corporation, to receive any distribution not out of earnings and profits of the corporation.

ARTICLE III Officers

Section 1. Election and Removal. The board of directors at its first meeting after these by-laws become effective, and at each annual meeting, shall elect by a majority

vote, a president and one or more vice-presidents, a secretary and a treasurer, and may also at any time appoint or elect one or more assistant secretaries or assistant treasurers otherwise qualified may hold any two offices, except the offices of president and secretary. Each of the officers shall serve until the next annual meeting of the board and until the election or appointment of his respective successor; but any officer may be removed from office at any time, and a successor chosen, at the pleasure of the board, upon affirmative vote, taken at any meeting, by a majority of the then total authorized number of directors.

Section 2. Qualification and Vacancies. The president shall be a member of the board, but none of the other officers need by a member of the board.

Vacancies occurring in any office may be filled by the board at any time, upon affirmative vote taken at any meeting, by a majority of the then total authorized number of directors. An officer who ceases to be a shareholder or whose spouse ceases to be a shareholder, as the case may be, shall be deemed to have resigned as an officer.

Section 3. President and Vice President. The president shall preside at meetings of shareholders and of the board of directors. He shall, subject to the control of the board, have general management of the affairs of the corporation and shall perform all duties incidental to his office or prescribed for him by these by-laws or by the board, and shall make and sign in the name of the corporation all contracts, leases and other instruments which are authorized from time to time by the board. In the absence or inability of the president, the vice president shall have the powers and perform the duties of the president. The vice president shall at all times have power to make and sign proprietary leases in the name of the corporation.

Section 4. Secretary. The secretary shall keep and record in proper books provided for the purpose, the minutes of meetings of the board of directors and of the shareholders. He shall record all transfers of shares and cancel and preserve certificates of shares transferred, and he shall keep such other records as the board shall required. He shall attend to the giving and serving of notices of the corporation, he shall have custody of the corporate seal and affix the same to certificates of shares and to written instruments required by law, by these by-laws or by the board. He shall keep a book, to be known as the stock book, containing the names, alphabetically arranged, of all persons who are shareholders of the corporation, showing their places of residence, the number of shares of stock

held by them respectively, the time when they respectively became the owners thereof, the amount paid thereon, and the denomination and amount of all stock transfer stamps affixed thereto, and such books shall be open daily during at least three business hours, for inspection by any judgment creditor of the corporation, or by any person who shall have been a shareholder of record for at least six months immediately preceding his demand, or by any person holding, or thereunto in writing authorized by the holders of, at least five per cent of all the outstanding shares. Persons so entitled to inspect the stock book may make extracts therefrom. In the absence or inability of the secretary, the assistant secretary shall have all of the powers and perform all of the duties of the secretary.

Section 5. Treasurer. The treasurer shall, subject to the control of the board, have the care and custody of, and be responsible for, all funds and securities of the corporation and shall keep the same in its name in such banks, trust companies or safe deposit companies as the board shall designate, and shall perform all other duties incidental to his office, or prescribed for him by these by-laws or by the board. If so required by the board, he shall, before receiving any such funds or securities, furnish to the corporation a bond with a surety company as surety, in such form and amount as the board from time to time shall determine. The premium upon such bond shall be paid by the corporation. Within a reasonable time after the close of each year ending December 31st but in no event later than April 1st of the year following said December 31st, the treasurer shall furnish to each shareholder who is a lessee under a proprietary lease then in force a statement of he income, expenses and paid-in surplus of the corporation during such year. In addition, no later than March 15th of the year following the close of each year ending December 31st, the treasurer shall send to each shareholder who is a lessee under a proprietary lease in force during said prior year a statement under his proprietary lease during such year which has been used by the corporation for the payment of taxes on real estate and interest on its mortgage or other indebtedness 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. In the absence or inability of the treasurer, the assistant treasurer shall have all of the powers and perform all of the duties of the treasurer.

Section 6. Salaries. No salary or other compensation for service shall be paid to any office of the corporation for services rendered as such officer unless and until the same shall have been authorized in writing, or by affirmative vote taken at a meeting of shareholders called for that purpose, by the shareholders of record of at least two-thirds of the then outstanding capital stock.

ARTICLE IV
Indemnification of Directors and Officers

Section 1. (a) In Actions by or in the Right of Corporation. Any person 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 he, his testator or intestate, is or was a director or officer of the corporation, shall be indemnified by this corporation against the reasonable expenses, including attorneys' fees, actually and necessarily incurred by him, in connection with the defense of such action, or in connection with an appeal therein, except in relation to matters as to which such director or officer is adjudged to have breached his duty to the corporation under Section 717 of the Business Corporation Law and except with respect to those amounts and expenses referred to in Paragraph (b) of Section 722 of the Business Corporation Law.

(b) In Other Actions or Proceedings. 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, brought to impose a liability or penalty on such person for an act alleged to have been committed by such person, his testator or intestate, as a director or officer of the corporation, or of any other corporation which he served as such at the request of the corporation, shall be indemnified by this corporation 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 reasonably believed to be in the best interest of the corporation and, in criminal actions or proceedings, in addition, had no reasonable cause to believe that his conduct was unlawful.

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 he reasonably believed to be in the best interests of the corporation or that he had reasonable cause to believe that his conduct was unlawful.

(c) Payment. A person who has been wholly successful, on the merits or otherwise, in the defense of a civil or criminal action or proceeding of the character described in Sections 722 or 723 of the Business Corporation Law shall be entitled to indemnification as authorized in said Sections.

Except as provided in Paragraph (a) of Section 724 of the Business Corporation Law, any indemnification under Section 722 or 723 of that law, unless ordered by a court under Section 725 thereof, shall be made by the corporation only if authorized in the specific case in accordance with the provisions of Paragraph (a) of said Section 724.

Expenses incurred in defending a civil or criminal action or proceeding may be paid by the corporation in advance of the final disposition of such action or proceeding if authorized under Paragraph (b) of said Section 724.

(d) Other Provision-. Indemnification of directors or officers shall be subject to the other provisions affecting the same as set forth in Section 726 of the Business Corporation Law.

ARTICLE V Proprietary Leases

Section 1. Form. The board of directors shall adopt a form of proprietary lease to be issued by the corporation for the leasing of all apartments, extra servants' rooms and other residential space in the apartment building, if any, to be leased to shareholders under proprietary leases. Such proprietary leases shall be for such term, with or without provisions for renewals, and shall contain such restrictions, limitations and provisions in respect to the assignment thereof, the subletting of the premises demised thereby, and the sale or transfer of the shares of stock of the corporation accompanying the same, and such other terms, provisions, conditions and covenant., as the board deems advisable. After a proprietary lease in the form so adopted by the board has been executed and delivered by the corporation, all proprietary lease. subsequently executed and delivered shall be in the same form (except with respect to commencement of the lease term and the statement as to the number of shares owned by the lessee), and shall not be changed in form or substance unless varied in accordance with the terms thereof. The term of all proprietary leases shall be uniformly extended or renewed if so determined by (i) the holders of a majority of the shares in writing or by vote at a meeting called for such purpose, or (ii) the board of directors (except the board shall not have the right to so extend or renew if the holders of a majority of the shares shall determine not to extend or renew).

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 lease. A duplicate original of each proprietary lease shall always be kept on file in the office of the corporation or with the managing agent of the apartment building.

Section 3. Accompanying Shares. The board of directors shall allocate to each apartment to be leased under a proprietary lease the number of shares of the corporation which must be owned by the proprietary lessee thereof. The board shall adopt the allocation of shares set forth in the Offering Plan pursuant to which the corporation was organized. The allocation or any re-allocation of shares to an apartment shall bear a reasonable relationship to the portion of the fair market value of the corporation's equity in the building and the land on which it stands which is attributable to the apartment. In the event of any dispute between the board of director. and a shareholder as to whether such reasonable relationship. test has been met on a proposed reallocation of shares, such dispute shall be resolved by the then managing agent of the building, whose determination shall be final and conclusive.

Section 4. Re-grouping of Space. The board of directors, upon the written request of the owner or owners of one or more proprietary leases covering one or more apartments in the apartment building and of the shares issued to accompany the same, may in its discretion at any time, permit such owner or owners, at his or their own expense: A: (1) to subdivide any apartment into two or more apartments; (2) to combined all or any portions of any such apartments into one or any desired number of apartments; and (3) to reallocate the shares issued to accompany the proprietary lease or leases so affected in such proportions as such owner(s) request, provided only that (a) the allotment of shares is based upon the fair market value of the equity in the property (including the building) is based upon the fair market value of the equity in the property (including the building) attributable to the subdivided or combined apartments, and (b) in any case, the total number of the shares so reallocated remains the same, and (c) the proprietary lease or leases so affected and the accompanying certificate(s) of shares are surrendered, and that there are executed and delivered in place thereof, respectively, a new proprietary lease for each such separate apartment, extra servant's room or suite of extra servant's rooms so created and a new proprietary lease; or B: to incorporate one or more servant's rooms, or other space in the 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 subparagraph A of his Section 4 or otherwise, and in allocating shares to any such resulting apartment or apartments, the board shall

determine the number of shares from its treasury shares to be issued and allocated in connection with the incorporation of such additional space (such allocation to be based on the fair market value of the equity in the property (including the building) attributable to such resulting apartment or apartments), provided such incorporation shall be conditioned upon the surrender by the owner making such request of his proprietary lease and share certificate and provided further such owner shall execute a new proprietary lease covering such resulting apartment or apartments. A new certificate of shares for the number of shares so reallocated to the new proprietary lease will be issued to the owner surrendering said share certificate.

Anything hereinabove contained to the contrary notwithstanding, the holders of Unsold Shares shall have the absolute right, without payment of any fee or charge of whatsoever nature, to change the size and layout of any apartment including the right to subdivide any apartment owned by them, or any or them, into two or more apartments or to combined all or any portion of any such apartments into one or any desired number of apartments.

The reallocation of shares shall be based upon the fair market value of the equity in the property (including the building) attributable to the subdivided or combined apartments, but in any event, the total number of shares so reallocated shall remain the same. Upon the surrender of the share certificate or certificates and proprietary lease or leases affected by such subdivision or combination, the board or directors shall issue a new share certificate or certificates and accompanying proprietary lease or leases covering the subdivided or combined apartments (as the case may be) in accordance with the foregoing.

Any dispute under this Section 4 concerning the number of shares to be reallocated, shall be resolved by the then managing agent of the building, whose determination shall be final and conclusive.

Section 5. Allocation of Shares to Additional Space. The board of directors may, in its discretion, authorize the conversion of space in the 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 authorize the execution of a proprietary lease or leases covering such space.

Section 6. Fees on Assignment. Subject to the provisions of the form of proprietary lease adopted by the board of directors (and the rights of holders of Unsold Shares as herein and in the proprietary lease set forth), the board of

directors shall have authority to fix by resolution and to collect, before any assignment of a proprietary lease or any reallocation of shares takes effect as against the corporation as lessor, reasonable fees to cover the corporation's expenses and attorneys' fees in connection with such proposed assignment, or reallocation, or both, as the case may be. However, no such fees may be charged to the purchasers of Unsold Shares in connection with the sale or transfer of such Unsold Shares and appurtenant proprietary leases or a reallocation of shares.

Section 7. 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, require the owner of the lost, stolen, destroyed or mutilated proprietary lease, or the legal representative of the owner, (i) to pay to the corporation a reasonable fee for the time and expense incurred in preparing the same; (ii) to make an affidavit or affirmation setting forth such facts as to the loss, theft, destruction or mutilation as it deems necessary and (ii) to give the corporation a bond in such sum as it directs, not exceeding double the value of the shares accompanying such proprietary lease, to indemnify the corporation.

ARTICLE VI

Capital Shares

Section 1. Shares of stock of the corporation shall be issued only in connection with the execution and delivery by the purchaser and the corporation of a proprietary lease of an apartment in the building owned by the corporation, and the ownership of the said shares so issued shall entitle the holder thereof to occupy for dwelling purposes the apartment specified in the proprietary lease so executed and delivered in connection with the issuance of said shares, subject to the covenants and agreements contained in such proprietary lease. Shares of stock of the corporation hereafter acquired and subsequently reissued, and unissued but authorized shares of the corporation hereafter issued, shall only be so reissued or issued, as the case may be, in conjunction with the execution of a proprietary lease of an apartment in the building.

Section 2. Certificates and Issuance. Certificates of the shares of the corporation shall be in the form prepared by the board of directors, and shall be signed by the president or a vice-president and the secretary or an assistant secretary or the treasurer or an assistant treasurer, and sealed with the seal of the corporation, and

shall be numbered in the order in which issued. Certificates shall be bound in a book and issued in consecutive order therefrom, and in the margin or stub thereof shall be entered the name of the person holding the shares therein represented, the number of shares and the date of issue. Each certificate exchanged or returned to the corporation shall be cancelled, and the date of cancellation shall be indicated thereon, but the secretary and such certificate shall be immediately attached in the certificate book opposite the memorandum of its issue.

Section 3. Transfer. Transfers of shares shall be made only upon the books of the corporation by the holder in person or by power of attorney, duly executed and witnessed (or with such signature guaranty as the board may request) and filed with the secretary, and on the surrender of the certificate of such shares, except that shares sold by the corporation to satisfy an lien which it holds thereon, or shares required to be (but which are not) surrendered under the proprietary lease, may be transferred without the surrender of such certificate. 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, until it shall have been entered in the stock book as required by the Business Corporation Law or any other applicable law by an entry from whom and to whom transferred. No such transfer shall be valid or effected until all the requirements with respect thereto set forth in the proprietary lease shall have been satisfied and complied with.

Section 4. Unit. of Issuance. Shares issued to accompany each proprietary lease shall be issued in the amount allocated by the board of directors to the apartment or toerh space described in such proprietary lease. Unless and until all proprietary leases which shall have been executed by the corporation shall have been terminated, the shares of stock which accompany each proprietary lease shall be represented by a single certificate and shall not be sold or transferred except to the corporation or as an entirety to a person who has acquired such .proprietary lease, or a new one in place thereof, after complying with and satisfying the requirements of such proprietary lease in respect to the assignment thereof.

Section 5. Fees on Transfer. Subject to the provisions of Section 6 of Article V hereof and subject further to the provisions of the proprietary lease, the board of directors shall have authority to fix by resolution and to collect, before the transfer of any shares, reasonable fees to cover the corporation's expenses and attorney's fees in connection with such proposed transfer.

Section 6. Corporation's Lien. The corporation shall at all times have a first lien upon the shares of each shareholder to secure the payment by such shareholder of all rent to become payable by such shareholder under the provisions of any proprietary lease issued by the corporation and at any time held by such shareholder and for all other indebtedness from such shareholder to the corporation and to secure the performance by the shareholder of all the covenants and conditions of said proprietary lease to be performed or complied with by the shareholder. Unless and until such shareholder as lessee defaults in the payment of any of such rent or other indebtedness or in the performance of any such covenants or conditions, said 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 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, or to the nominee of such purchaser, a certificate for the shares so purchased substantially of the tenor of the certificate issued to such defaulting shareholder shall become void and such defaulting shareholder shall surrender the same to the corporation on demand. The failure of such defaulting shareholder to so 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, theft, 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 appraised value of the shares, to indemnify the corporation.

Section 8. Legend on Shares Certificate. Certificates representing shares 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 the corporation and to all the terms, covenants, conditions and provisions of a certain proprietary lease made between the

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 205 East 77th Street, New York, New York, which is owned by the corporation and operated as a 'co-operative', which proprietary lease limits and restricts the title and rights of any transferee of this certificate.

The shares represented by this certificate are transferable only as an entirety and only to an assignee of such proprietary lease approved in writing in accordance with the provisions of the proprietary lease.

Copies of the certificate of incorporation, proprietary lease and by-laws are on file and available for inspection at the office of the managing agent of the building.

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 Article VI Section 6 of the by-laws, the corporation shall at all times have a first lien upon the shares of each shareholder to secure the payment by such shareholder of all rent to become payable by such shareholder under the provisions of any proprietary lease issued by the corporation and at any time held by such shareholder and for all other indebtedness from such shareholder to the corporation and to secure the performance by the shareholder of all the covenants and conditions of said proprietary lease to be performed or complied with by the shareholder. The corporation shall have the right to issue to any purchaser of such shares upon the enforcement by the corporation of such lien, or to the nominee of such purchaser, a certificate for the shares so purchased substantially of the tenor of the certificate issued to such defaulting shareholder, and thereupon the certificate for such shares issued to such defaulting shareholder shall become void and such defaulting shareholder shall surrender the same to the corporation on demand. The failure of such defaulting shareholder to so surrender such certificate shall not affect the validity of the certificate issued in replacement thereof."

Section 9. No Preemptive Right. Ownership of shares of the corporation shall not entitle the holders thereof to any preemptive right under Section 622 of the Business Corporation Law, or otherwise, it being the purpose and intent hereof that the board of directors, as in its discretion it may deem advisable, shall have the full right, power

and authority to offer for subscription or sale, or to make any other disposition of any or all unissued shares of the corporation or of any or all shares issued and thereafter acquired by the corporation.

ARTICLE VII

Seal

Section 1. Form. The seal of the corporation shall be in the form of a circle and shall bear the name of the corporation, the year of its incorporation and the words "Corporate Seal, New York."

ARTICLE VIII

Checks, Notes, Etc.

Section 1. Signatures on Checks. All checks, drafts, orders for payment of money and negotiable instruments shall be signed by such officer or officers, or employee or employees as shall be designated from time to time by the board of directors by resolution or special order, for that purpose.

Section 2. Signatures on Notes and Bonds. Promissory notes and bonds of the corporation shall be signed by any two officers who, from time to time, shall be designated by the board of directors for that purpose.

Section 3. Safe Deposit Boxes. Any officer or officers who, from time to time, shall be designated by the board of directors for that purpose shall have access to any safe deposit box of the corporation in the vault of any safe deposit company.

Section 4. Securities. Any officer or officers who, from time to time, shall be designated by the board of directors for that purpose shall have the power to control and direct the disposition of any bonds or other securities or property of the corporation deposited in the custody of any bank, trust company or other custodian.

ARTICLE IX

Sale, Lease, Demolition or Disposition of Property

Section 1. 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 80% 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 of 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 X Amendments

Section 1. By the Shareholders. These by-laws may be amended, altered, repealed or added to at any shareholders' meeting by vote of shareholders of record, present in person or by proxy, of at least two-thirds (2/3) of the then outstanding capital shares, provided that the proposed amendment or the substance thereof has been inserted in the notice of meeting or that all of the shareholders are present in person or by proxy.

Section 2. By the Directors. The board of directors may, by a vote of two-thirds (2/3) of the then authorized total number of directors at any meeting (regular or special) of the board, make, alter, amend, or repeal these by-laws, other than Article I Section 5, Article II Sections 6, 13 and 14, Article III Section 6, Article V Sections 1 and 4, and Article VI Sections 1 and 4; provided, however, that the proposed amendment or the substance thereof shall have been contained in the notice of said meeting or that all directors shall be present in person and, provided further, that the board may not repeal or modify an amendment to these by-laws adopted by the shareholders pursuant to Section 1 of this Article X.

Section 3. General. Anything herein contained to the contrary notwithstanding, these by-laws and any provision hereof may not be altered, amended or repealed in such a manner as would adversely affect the rights or interests of the Sponsor under said Offering Plan (or its successors and assigns) in any shares and accompanying proprietary leases that may have been pledged with the Sponsor in connection with financing the purchase of apartments in the building. Anything herein contained to the contrary notwithstanding, so long as any Unsold Shares are issued and outstanding, these by-laws may not be latered, amended, repealed or added to without the unanimous consent of of all of the holders of Unsold Shares.

ARTICLE XI

Fiscal Year

1. Fiscal Year. The Fiscal year of the corporation shall be the calendar year unless otherwise determined by resolution of the board of directors.

ARTICLE XII

Reports

1. Annual Reports. The corporation shall within four (4) months following close of a fiscal year, send to each shareholder then listed on the books of the corporation, a financial statement including a balance sheet (as of the end of said prior fiscal year) and a profit and loss statement (for the entire prior fiscal year) prepared and certified by an independent certified public accountant. On the written request of any former shareholder who owned shares of the corporation during any portion of the fiscal year covered by the financial statement, such financial statement shall be sent to such former shareholder.

2. Tax Deduction Statement. The corporation shall, on or before ,March 15th following the close of a fiscal year, send to each shareholder listed on the books of the corporation for the prior fiscal year, a statement setting forth the amount per share of that portion of the rent paid by such shareholder under his proprietary lease during such year which has been used by the corporation for payment of real estate taxes and interest on mortgage or other indebtedness paid by the corporation with respect to property owned by it.

ARTICLE XIII

Appointment of Board of Directors for Service of Process or Notice

1. Designation of Board of Directors for Service of Process or Notice Under Certain Circumstances. Whenever an apartment in the building is occupied by other than the owner thereof (i.e., the Shareholder-Lessee) as permitted in these by-laws and the proprietary lease covering such apartment, the owner of such apartment, if the purchaser of Unsold Shares, shall be deemed to have designated the board of directors as such owner's agent for the service of process or notice upon said owner by such occupant as to matters relating solely to the occupancy of such apartment. The board of directors hereby consents to such designation

and, upon receipt of process or notice from such permitted occupant of the apartment, shall, with reasonable diligence, forward such process or notice (as the case may be) to the owner, at the last known address of such owner.

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Bylaw Amendments

Flip Tax

Immediately following Section 9, add new Section 10 in Article VI as follows:

As a condition to the transfer of shares of stock in the Corporation as an incident to a sale of the apartment to which such shares have been allocated, the seller shall pay to the corporation, by a certified check drawn on a New York bank payable to the Lessor, a fee of two per cent (2%) of the total sale price applicable thereto, payable at the time of such transfer. Such fee shall not be applicable to Unsold Shares (as defined in the Offering Plan therefor) or to transfers to or from the executors or administrators of a deceased stockholder or to assignments to an assignee who, at the time of the assignment, is a member of the immediate family of the Lessee, or to an executor or other personal representative on the death of a Lessee. For purposes of this subparagraph, "immediate family" shall mean the spouse, former spouse, parents or children of the Lessee.

Erratum

The Board of Directors shall elect by majority vote a president and one or more vice-presidents, a secretary and a treasurer, and may also at any time by affirmative vote appoint or elect a chairman, and one or more assistant secretaries or assistant treasurers. Any person otherwise qualified may hold two or more offices, except the offices of the president and secretary, except to the extent that the president may serve in a limited capacity as recording secretary for the purpose of recording the minutes of meetings of the Board of Directors, the committees thereof, and of Shareholders.

Article III Section I of the bylaws is hereby amended.

CHAIRMAN OF THE CORPORATION

The Board of Directors may designate a Chairman from among its members, whose responsibility shall be to prepare agendas, including the order of business (which may be changed by a majority of the Board present) which shall include new and old business submitted by any Director, for regular Meetings of Shareholders and Meetings of the Board of Directors, regular or special, and to preside over such Meetings of Shareholders and Meetings of the Board of Directors.

The parliamentary procedures followed shall be those outlined in Robert's Rules of Order; however, the Board of Directors may suspend these rules by unanimous consent, for Meetings of the Board of Directors.

Should the Board of Directors designate a Chairman, the President shall not have the authorities stipulated above. However, should a Chairman not be designated, or in his absence or inability, these authorities shall devolve to the President of the Corporation, and in his absence to the Vice President as stipulated by law and the bylaws.

Article III Section 1 and Section 3 of the bylaws specifically, and the bylaws in general, are amended to the extent they contradict this amendment.

ANNUAL MEETING OF SHAREHOLDERS

The Annual Shareholders Meeting shall be held each year on the first Tuesday in November following Election Day (in New York City) at 7:00 PM EST.

For purposes of an Annual Shareholders Meeting, 'shareholders of record' shall be those persons owning shares in the corporation as of the first day of November in the year of the election.

For purposes of a Special Shareholders Meeting, 'shareholders of record' shall be those persons owning shares in the corporation two weeks preceding said Special Shareholders Meeting.

MEETINGS OF SHAREHOLDERS VOTING PROCEDURES

1. Official Ballots

In order to facilitate fairness and to allow the results of any vote to be certified, for shareholder proposals and the election of directors, or for any other matter put to a vote by shareholders, the Board of Directors shall establish a form document which must be used by shareholders or their proxies when casting votes (hereinafter "Official Ballot"). The content of the Official Ballot shall be determined in accordance with the procedures herein established and no other form of ballot shall be valid on matters put to a vote by shareholders. Official Ballots shall be sent to shareholders pursuant to Sections 4(e) and 5(b) and also made available by the Secretary at the Shareholder Meeting at which a matter shall be put to a vote. Additional Official Ballots shall be kept in the building and also made available to any shareholder via fax.

The bylaws allow for a secret ballot when voting in the Corporation's election for for voting on the termination of the garage lease pursuant to the Condominium and Cooperative Abuse Relief Act. The voting procedures will be established by the Inspector of Elections.

2. Voting in Absentia

The Board of Directors hereby establishes reasonable procedures allowing votes on shareholder proposals or the election of directors or any other matter put to a vote by shareholders, to be cast by mail, e-mail, fax, or delivery service. (Hereinafter, the words "mail, e-mail, fax, or delivery service" will be referred to as "Mail.") Such procedures shall include the naming of an individual (hereinafter "Trustee") to receive ballots cast by Mail and to cast the vote of shareholders in accordance with the general proxy statement and the shareholder's designation on the official ballot. Such proxy shall not affect a shareholder's rights under Section 609 of the Business Corporation Law.

3. Trustee

(a) The Board of Directors shall name a Trustee by affirmative resolution. In doing so, the Board of Directors shall determine the Trustee's suitability and the adequacy of his facilities to handle the position of Trustee. Such facilities shall include the ability to receive and hold votes cast by Mail securely and in confidence.

(b) The Trustee shall be sworn by the Chairman of the Board or the person presiding over the meeting of shareholders to faithfully execute the duties of Trustee at such meeting with strict impartiality, and

according to the best of his ability, and the oath so taken shall be subscribed by him and immediately filed with the Secretary of the Corporation with a certificate of the result of the vote taken at such meeting.

(c) The Trustee shall act as depository for votes cast by Mail and as proxy for Official Ballots properly cast by Mail. The Trustee shall deliver his votes to the Inspector(s) of Election to be cast in accordance with the law and the bylaws. The Trustee and Inspector(s) of Election may be the same person.

(d) The Trustee shall cast valid Official Ballots with signed proxies received by the Trustee through 5:00 PM EST on the day of the election. The Trustee shall return any Official Ballots or proxies received after 5:00 PM EST of the date of the election to the Secretary.

(e) The Trustee shall cast votes as marked on the Official Ballots. Should no selection be made on an Official Ballot cast by the Trustee as proxy, said Official Ballot shall be deemed an abstention. Should an Official Ballot cast by the Trustee as proxy contain a greater number of choices marked than the permitted number of selections, said Official Ballot shall be deemed spoiled and not cast. At no time shall the Trustee as proxy make any selection in behalf of a shareholder as to the matter being voted on.

(f) The Trustee may not be (i) a shareholder; (ii) the managing agent; (iii) an individual related to a shareholder or the managing agent; or (iv) employees, contractors or suppliers of the corporation. Notwithstanding the foregoing, the Trustee may be a duly elected officer or other employee of a firm of certified public accountants engaged by the corporation or such other person or entity as named by the Board of Directors consistent with this Section 3(f).

4. Election of Directors

(a) At least forty-five (45) days in advance of the election of directors, the Board of Directors or such person or persons as are authorized by it shall send notification to all shareholders requesting their nominations for candidates to the Board of Directors. Nominations may be made orally or in writing, and shall be sent or made to the Secretary. The Secretary shall contact the person nominated within no more than five (5) business days from the date on which the nomination is received, for the purpose of confirming

whether the person nominated accepts the nomination. Should a person nominate himself, this last step may be omitted.

(b) The Secretary shall record in the minutes of the subsequent meeting of the Board of Directors: (i) nominations made and accepted or rejected as of the date of that meeting; (ii) the names of any nominees whose acceptance the Secretary is unable to confirm; and (iii) the names of any nominee deemed ineligible under Section 4(c) below.

(c) Shareholders may nominate themselves and any other person or persons eligible to serve as directors in accordance with the laws and bylaws. The Secretary shall make a preliminary determination of the eligibility of the persons nominated in accordance with the law and the bylaws. In the event the Secretary deems any nominee to be ineligible, the Secretary shall so notify the nominee and the person offering the nomination, and the Board of Directors. The Board of Directors shall make the final determination of the eligibility and shall promptly notify any nominee deemed ineligible.

(d) A candidate may request a statement of position consisting of no more than one (1) typewritten page (provided by the candidate) to be included with the election materials prepared and sent to the shareholders pursuant to this amendment. A candidate must forward any such statement to the Secretary no later than twenty (20) days in advance of the scheduled election.

(e) At least fifteen (15) days prior to the scheduled date of election of directors, the Board of Directors or such other person or persons as it designates shall send to all shareholders of record the (i) Official Ballot with the names of all candidates to date; (ii) the instructions for voting by Mail; (iii) the instructions for voting in person; (iv) the general proxy statement to allow the Trustee to cast Official Ballots submitted by Mail and (v) the one-page statements of declared candidates.

(f) Ballots

(1) The names of qualified nominees received by the Secretary and accepted by the nominee at least twenty (20) days in advance of the scheduled election of directors shall be placed on the Official Ballot prepared and approved by the Board of Directors pursuant to this amendment. Said names shall appear in alphabetical order.

(2) At least as many blank lines shall be left on the Official Ballot as there are directorships up for election, for write-in candidates.

(3) The Official Ballot may be superceded by a later Official Ballot.

(g) Write-In Candidates

(1) Shareholders may write in the names of any person eligible to be a director in accordance with the law and the bylaws. The Secretary shall make a preliminary determination of the eligibility of write-in candidates at the time a write-in candidate is voted for, or may defer such determination until such time as he has sufficient information. The Board of Directors shall make the final determination of eligibility.

(2) Should any shareholder challenge the eligibility of a write-in candidate, the Official Ballot wherein that person's name appears shall be delivered to the Inspector(s), who shall hold such Official Ballot until a determination is made on the candidate's eligibility. However, if the vote cast for the candidate in question shall not affect the outcome of the election, said vote shall be counted as an abstention, and the Secretary need not ascertain the person's eligibility.

(3) Any eligible person may declare his candidacy for the Board of Directors at any time prior to the election, but the names of persons who are not nominated in accordance with this procedure shall not appear on the Official Ballot.

(4) If an error occurs which invalidates the election, the Board of Directors will vote to adjourn the meeting for two weeks to cure the deficiency.

(h) The Inspector(s) of Election shall determine the results of the election in accordance with the law and the bylaws.

5. Shareholder Proposals and Amendments to the Bylaws

(a) All shareholders of record shall be notified of any shareholder proposal or amendment to the bylaws being put to a vote by shareholders at least twenty (20) and no more than fifty (50) days prior to the date on which a special meeting of shareholders shall be held to decide the shareholder proposal or amendment. Said notification shall

contain at least the essence of the matter put forth and the date on which the special meeting of shareholders shall be held.

(b) At least fifteen (15) days prior to the shareholder meeting wherein the shareholder proposals or amendments to the bylaws shall be voted on, the Board of Directors or such person or persons as it designates shall send to all shareholders: (i) an Official Ballot; (ii) instructions for voting by Mail; (iii) instructions for voting in person; (iv) the general proxy statement to allow the Trustee to cast Official Ballots submitted by Mail and (v) any position statements as provided for under Section 5(c) below.

(c) The Official Ballot shall contain the text of the shareholder proposal or amendment to the bylaws to be voted on. Additionally, the Board of Directors may choose to take a position on the matter being submitted to the shareholders, in which case it may send its position statement with the election materials. Any shareholder may also request a position statement on the matter be sent to shareholders with the election materials, provided said position statement does not exceed one (1) typewritten page, to be provided by the shareholder. Said request shall be made at least twenty (20) days prior to the scheduled date of the special meeting wherein said matter shall be decided.

(d) The Inspector(s) of Election shall determine the results of the election in accordance with the law and the bylaws.

Article I Section 5 of the bylaws specifically, and the bylaws in general, are amended to the extent they contradict this amendment.

VICE PRESIDENT OF THE CORPORATION

The Board of Directors may elect more than one Vice President, and should it elect more than one Vice President, it shall elect a First Vice President, Second Vice President, Third Vice President, etc., until all Vice President positions have been filled. Should it elect only one Vice President, his title shall be Vice President.

When the law or bylaws call for the Vice President to assume the responsibilities of the President, these responsibilities shall be assumed first by the First Vice President to the exclusion of all other Vice Presidents and, in his absence or inability, by the Second Vice

President to the exclusion of all other Vice Presidents, and so on, until one of the Vice Presidents is able to assume the President's responsibilities.

Except as stipulated above, all Vice Presidents shall have all other authorities granted by law and the bylaws. Wherever 'Vice President' is used in the law or the bylaws, the term shall be understood within the context of this amendment.

Article III Section 1 and Section 3 of the bylaws specifically, and the bylaws in general, are amended to the extent they contradict this amendment.

SECRETARY OF THE CORPORATION

The President of the Corporation may not simultaneously serve as the Secretary of the Corporation, except in the limited capacity as recording secretary of the minutes of meetings of the Board of Directors, and the committees thereof.

Article III Section I of the bylaws specifically, and the bylaws in general, are amended to the extent they contradict this amendment.

MINUTES OF PROCEEDINGS

The minutes of Meetings of Shareholders, the Board of Directors and the committees of the Board of Directors shall be kept in written form at 350 Bleecker Street. A photocopy of the minutes will be kept by the Secretary of the Corporation.

If there is no written objection to the minutes of a meeting by any director by the end of the next scheduled Board meeting, approval of the minutes will be assumed.

Any person who shall have been a shareholder of record of the corporation, or prospective shareholders, upon at least five days' written demand, shall have the right to examine in person or by agent or attorney, during usual business hours, its minutes of the proceedings of its shareholders and record of shareholders and to make extracts therefrom for any purpose reasonably related to such person's interest as a shareholder.

Any shareholder or prospective shareholder may on request to the Corporate Secretary receive a photocopy or digital transcription of the minutes of said minutes for his records. Reasonable costs associated with said request will be borne by the person making the request.

ELECTRONIC APPROVAL OF DOCUMENTS

If any document would otherwise require a signed, original signature, the co-op will accept an e-mail equivalent as well as a faxed equivalent, unless otherwise restricted by law.

VOTING PROCEDURES

Directed proxies may be used when voting in the Corporation's elections or when voting on the termination of the garage lease pursuant to the Condominium and Cooperative Abuse Relief Act.

Article I Section 5 of the bylaws specifically, and the bylaws in general, are amended to the extent they contradict this amendment.