

AMALGAMATED HOUSING CORPORATION

BY-LAWS

ARTICLE I

Declaration of Purposes

Section 1. Amalgamated Housing Corporation (the "Corporation") is organized and operates under and pursuant to the Private Housing Finance Law of the State of New York (the "PHFL"), as successor to the New York State Public Housing Law, and with the approval of the New York State Commissioner of Housing and Community Renewal (the "Commissioner", which term includes the New York State Division of Housing and Community Renewal and its successors). The Corporation subscribes to the legislative findings of the PHFL, that there exists a seriously inadequate supply of safe and sanitary dwelling accommodations for persons of low and moderate income, and that these conditions may be overcome by public assistance to provide such housing in the State of New York. The object of the Corporation is to foster construction of new cooperative housing facilities, under public supervision, and with public aid, in accord with proper standards of safety and at a cost which will permit monthly carrying charges which wage earners can afford to pay and not in excess of the rates prescribed by the PHFL, and to operate such cooperative housing facilities in a responsible manner for the benefit and welfare of its stockholders and residents.

Section 2. Operation of the Project as a Cooperative. The Corporation will operate the cooperative housing development known as Amalgamated Houses (the "development") as a cooperative, and in accordance therewith, shall pay, or allow, as and when determined by the Corporation's Board of Directors, after the payment of obligations, expenses, taxes and assessments, or after making suitable provision therefor, a rebate or rebates of carrying charges (rent) to each stockholder in proportion to the carrying charges payments made by the stockholder during the period in respect of which such rebate or rebates are allowed or paid. The monthly carrying charges paid by the stockholders shall be deemed to be payment on account of their annual carrying charges obligation, which shall be finally determined by the Board of Directors in the light of each year's operating experience. The payment of said rebates and carrying charges shall be subject to the applicable provisions of the Occupancy Agreement between the Corporation and its stockholders and the PHFL.

ARTICLE II

Meetings of Stockholders

Section 1. Annual Meetings. The annual meeting of the stockholders of the Corporation for the election of directors for the ensuing year and for the transaction of other business of the Corporation, shall be held on a date which is not less than one hundred twenty (120) days and not more than on hundred sixty (160) days after the close of the fiscal year of the Corporation and at a location in the vicinity of the office of the Corporation, which date and location shall be determined from time to time by the Board of Directors. Written notice of the annual meeting, stating the time, place and objects thereof, shall be mailed or delivered to each stockholder entitled to vote, at such address as appears on the stock book of the Corporation, at least ten (10) days and not more than fifty (50) days prior to the meeting.

Section 2. Special Meetings. Special meetings of the stockholders for any purpose or purposes may be called at any time by the President, and shall be called by the President or Secretary at the request, in writing, of a majority of the Board of Directors, or at the request, in writing, of 25% of the total number of stockholders of the Corporation who are entitled to vote at the special meeting of stockholders requested, or at the request, in writing, of the Commissioner. Such requests shall state the purpose or purposes of the proposed meeting. The business transacted at all special meetings shall be confined to the objects stated in the written notice of such meeting. Written notice of a special meeting of the stockholders, stating the time, place and objects thereof, shall be mailed or delivered to each stockholder entitled to vote at such meeting at least ten (10) days and not more than fifty (50) days prior to such meeting; but at any meeting at which all stockholders shall be present, or at which stockholders not present have waived notice in writing, the giving of notice as above described may be dispensed with.

Section 3. Quorum. The presence, in person (or by proxy in the cases where proxies be permitted by these By-Laws), of one-third of the stockholders entitled to vote, shall be necessary to constitute a quorum, but a lesser number may adjourn from time to time without notice other than an announcement at the meeting until the requisite amount of stockholders shall be present. The first adjourned meeting shall be held within six (6) weeks. At any such adjourned meeting, the presence in person (or by proxy in the cases where proxies be permitted by these By-Laws) of one-third of the stockholders entitled to vote shall be necessary to constitute a quorum.

Section 4. Voting. The holders of shares of stock of the Corporation allocated to an apartment at the Corporation's cooperative housing development shall be entitled to only one vote at all meetings of stockholders for any and all purposes and shall be counted only once in determining a quorum of stockholders at any such meeting, regardless of the number of shares of stock held by such holders and regardless of the number of such holders.

Section 5. Conduct of Meetings; Proxies. All matters, except the election of directors and such matters for which other provision is expressly made by statute, the Corporation's Certificate of Incorporation or these By-Laws, which shall properly come before any meeting of stockholders, shall be decided by a majority vote of the stockholders present in person or by proxy, as hereinafter set forth, and entitled to vote at such meeting, a quorum being present. All matters except the election of directors and voting on amendments to these By-Laws or to the Certificate of Incorporation, which shall be by written vote, and except as otherwise regulated or prescribed by statute, the Certificate of Incorporation, or these By-Laws, shall be determined by a viva voce vote.

As used herein, an instructed proxy is an authority to act upon the matters listed in the Notice of Meeting in the manner instructed in such proxy by the stockholder giving the proxy. Such proxy for election of directors shall list the candidates for office in random order selected in such method as is determined by the election committee described in Section 6 of Article III below, without in any way designating a prejudice of one candidate over the other on the form of the proxy as distributed, and shall list each question to be acted upon at the meeting for which the proxy is to be used. The Board of Directors may, by vote of a majority of the directors present at any duly held meeting, designate any question to be acted upon at the meeting, and/or any amendment to the By-Laws or to the Certificate of Incorporation, to be included in the form of the instructed proxy and on the ballot to be used at such meeting. A petition signed by no less than fifty (50) stockholders of record of the Corporation and received by the Secretary of the Corporation no less than forty (40) days prior to the date of any stockholders' meeting, may also designate any question or any amendment to the By-Laws or to the Certificate of Incorporation and the same shall be included in the form of instructed proxy and ballot to be used at such meeting. The foregoing provisions of this Section are subject to and limited by the following: Any question proposed by petition of stockholders shall be advisory only as to the Board of Directors. If any such petition of stockholders proposes a change to these By-Laws or a change in the Certificate of Incorporation of the Corporation to be acted upon at the meeting, such petition shall be signed by no less than twenty (20%) percent of the stockholders of record of the Corporation and must be received by the Secretary of the Corporation no less than seventy-five (75) days prior to the date of any stockholders' meeting which is to act upon any such proposal. All such questions and amendments must comply with

the PHFL and with other statutes, laws and regulations applicable to the Corporation, including the New York State Business Corporation Law (“BCL”) and the regulations of the Commissioner, are subject to review by the Corporation’s legal counsel and are subject to approval by the Commissioner.

The instructed proxies referred to in this Section shall be valid to establish a quorum for the meeting and for such matters as are presented by the Notice of Meeting, but not others.

A form of instructed proxy, as defined herein, shall be mailed to each stockholder to such address at the development, as appears in the Corporation’s records.

Section 6. Order of Business. At the annual meeting of stockholders, the following shall be the order of business,

1. Calling the Roll
2. Proof of proper notice of meeting
3. Report of President
4. Report of Treasurer
5. Report of Secretary
6. Report of Committee
7. Election of Directors
8. Miscellaneous Business

or such order as may be substituted as on occasion a majority of the directors may deem expedient or best.

Section 7. Nominating Procedure. (a) Nominations for directors shall be made by written petition, signed by at least 25 stockholders entitled to vote at the annual meeting of stockholders, and may be accompanied by a written statement of such length as is prescribed by the Election Committee, which petition and statement shall be filed with the Secretary of the Corporation by 5:00 p.m. of the business day immediately prior to the day on which candidates' night is held. Candidates' night shall be held on a date which is not less than twenty-five (25) and not more than forty (40) days prior to the date of the annual meeting of stockholders, as determined by the Board of Directors. The names of the nominees and the accompanying statements shall be distributed no later than eighteen (18) days prior to the date of such stockholders' meeting, to each stockholder entitled to vote, at such address at the development as appears in the Corporation’s records.

(b) No person shall be eligible for election as director unless nominated in accordance with the provisions of these By-Laws.

(c) No person shall be eligible for nomination or election as a director at the annual meeting of stockholders unless the person is a stockholder in good standing, as such term is defined herein, on the date on which the aforementioned petition of nomination is filed with the Secretary of the Corporation and on the date of such annual meeting.

(d) As used in these By-Laws, the term "stockholder in good standing" shall mean a stockholder of the Corporation who is in compliance with all of the following requirements:

(i) The stockholder is not habitually indebted to the Corporation, which is defined herein as the failure to pay carrying charges by the last day of the month in which they are due for two consecutive months or for any three months in any twelve month period, or the failure to pay carrying charges by the tenth day of the month for any six months in any twelve month period.

(ii) The stockholder is not in violation of a substantial obligation of the stockholder's occupancy agreement or of the Corporation's By-Laws, rules and regulations or policies, including but not limited to: The unauthorized or illegal subletting or occupancy of apartments; structural alterations made to apartments without permission of the corporation; failure to provide timely and accurate income affidavits; failure to timely grant access for annual inspections; failure to submit proof of required homeowners insurance; and/or failure to timely submit all mandated forms such as for window guards and lead-paint.

(e) If a person is elected as a director of the Corporation but is not eligible to qualify and take office as a director under any of the provisions of this Section, then the position shall be deemed vacant as of the date of such election and shall be subject to the provisions of Section 4 of Article III of these By-Laws.

ARTICLE III

Directors

Section 1. Effective as of the annual meeting of stockholders of the Corporation to be held, under Section 1 of Article II of these By-Laws in November of 1984, the number of directors shall be eleven (11), and effective as of the annual meeting of stockholders to be held, under Section 1 of these By-Laws in November of 1985, the number of directors shall be twelve (12), and one additional director may be designated at any time by the Commissioner. No person shall be eligible for election as a director by the stockholders or, in case of a vacancy by the directors, unless at the time of such election he or she shall have been a stockholder of the

Corporation who has resided in the development for at least three years prior to his or her election as a director. Each director shall be elected for a term of three (3) years and each director, except the appointee of the Commissioner, shall serve as such director until his or her successor has been elected and has qualified. The director who is appointed by the Commissioner shall serve as such director until his or her successor shall have been appointed by said Commissioner. The provisions of this paragraph shall not be effective until Article Seventh of the Restated Certificate of Incorporation is amended to provide for twelve (12) directors and an additional director to be appointed by the Commissioner.

The management of the business of the Corporation shall be lodged in the Board of Directors. In addition to the powers by these By-Laws especially conferred upon them, the Board of Directors may exercise such powers and do such lawful acts and things as are by statute, by Certificate of Incorporation, or by these By-Laws not required to be exercised by the stockholders.

Section 2. Directors' Meetings. Regular meetings of the Board of Directors may be held without notice at such times and places as from time to time may be determined by resolution of the Board.

Special meetings of the Board may be called by the President and shall be called by the President or Secretary upon the oral or written request of three directors or upon the written request of the Commissioner. Two days' notice, either personally or by mail or by electronic transmission, of the time, place and purpose of such meeting shall be given to each director. No business shall be considered at such meeting except such as shall have been specified in the call.

At all meetings of the Board of Directors, the presence of a majority shall be necessary to constitute the quorum necessary for the transaction of business and any act of a majority present at a meeting at which there is a quorum shall be the act of the Board of Directors, except as may be otherwise specifically provided by statute or by the Certificate of Incorporation, or by these By-Laws.

Section 3. Rules of Conduct. The Board of Directors may adopt such rules and regulations for the conduct of their meetings and the management of the affairs of the Corporation as they may deem proper and not inconsistent with law.

Section 4. Vacancies. Vacancies in the Board of Directors may be filled until the next Annual Meeting by a majority vote of the remaining directors, at any special meeting called for that purpose, or at any regular meeting of the Board. Vacancies in the Board of

Directors, in the discretion of the Board, may also be filled by the stockholders at any meeting called for that purpose, providing due notice of the proposed election has been given. If the vacancy shall occur as a result of the death, resignation, withdrawal or removal of the designee of the Commissioner, then, and in that event, such vacancy shall be filled only by the designation of the Commissioner.

Section 4A. Absent Directors. Any director who has been absent from five (5) regular monthly meetings of the Board of Directors in the period between two consecutive annual meetings of the Corporation or who at any time ceases to be a stockholder in good standing (as that term is defined in Section 7 of Article II hereof) shall be subject to removal by a vote of two-thirds of the directors present at a meeting of the Board called for that purpose, provided that prior to the removal of any such director: (a) he or she shall have received a copy of the proposal to remove such director, delivered to him or her personally or by mail or by electronic transmission at his or her address appearing on the records of the Corporation, at least ten (10) days prior to the adoption of such resolution, and (b) such director shall be given the opportunity to be heard on his or her proposed removal as a director at the meeting of the Board of Directors called for that purpose.

Section 5. Executive Committee. An executive committee, consisting of no less than three (3) directors and no more than five (5) directors, may be appointed by the Board of Directors. The executive committee shall have and exercise the full powers of the Board of Directors in the intervals between meetings of the Board except that the executive committee shall not have the power to adopt amendments to these By-Laws or to elect officers of the Corporation or to take any other action prohibited by the BCL or the PHFL or the regulations of the Commissioner. The committee shall also advise and aid the officers of the Corporation in the management of the Corporation. Vacancies in the executive committee may be filled by the Board of Directors at any regular meeting. The committee shall keep regular minutes of its proceedings and report the same to the Board of Directors at the first regular meeting of the Board of Directors subsequent to any meeting of the executive committee.

Section 6. Election Committee. The President shall, within sixty (60) days after the date of adjournment of each annual meeting, appoint an election committee consisting of no less than three (3) directors and no more than five (5) directors from among those directors whose terms do not expire at the next following annual meeting. The election committee shall establish rules and procedures for the next following annual meeting, subject to the provisions of these By-Laws, the Certificate of Incorporation the PHFL, the BCL and the regulations of the Commissioner, and subject to the approval of the Board of Directors. After adoption of the initial rules and procedures by the election committee, any change in such rules and procedures

adopted by the election committee within seventy-five (75) days in advance of an annual meeting shall become effective only on the first day following the date of adjournment of that annual meeting, and shall be effective thereafter.

Section 7. Other Committees. The President may from time to time appoint, from among the members of the Board, such other committees with such powers and duties as the Board shall determine.

Section 8. Representation of the Corporation. Only duly designated Board members or others so authorized by the Board may represent the Corporation before individuals, public bodies, community groups or any other entity of any kind whatsoever. The President may designate a person to serve in such capacity but the designee of the President may continue to represent the Corporation subsequent to the first regular meeting of the Board immediately following his or her appointment and thereafter only if such appointment is ratified by the Board of Directors at such meeting.

ARTICLE IV

Officers

Section 1. The directors shall, as soon as reasonably may be after their election, elect from their number a President, Vice Presidents, a Secretary and Treasurer, who shall, respectively, hold office during the ensuing year and until their successors are elected. The person elected President of the Corporation shall also act as Chairperson of the Board of Directors. The Directors may also elect an Assistant Secretary, and an Assistant Treasurer and such other officers and agents as may be deemed necessary, all of whom shall hold office at the pleasure of the Board. These officers and agents need not be members of the Board of Directors. Any two of the aforesaid offices, except those of President and Vice President, and of President and Secretary may be filled by the same person. The members of the Board of Directors and all officers shall serve without compensation. All officers and agents of the Corporation receiving or disbursing money shall give such bonds with such sureties as may be required by the Board of Directors. Vacancies in any office may be filled by the Board of Directors at any meeting hereof.

ARTICLE V

Duties of the President

Section 1. The President shall preside at all meetings of the Board of Directors, and shall act as chairperson at, and call to order, all meetings of the stockholders. Subject to the

supervision and direction of the Board of Directors and the executive committee, the President shall have the general management of the affairs of the Corporation and perform all the duties incidental to his or her office.

Section 2. The President is authorized, jointly with the Treasurer, to sign drafts, checks, notes, certificates of deposit and receipts for money delivered, and to endorse notes, bills, drafts and acceptances.

Section 3. The President shall, from time to time, report at meetings of the Board of Directors such matters as in his or her judgment should be laid before the Board of Directors for consideration, and annually and before the annual meeting of the stockholders report to the Board the condition of the affairs of the Corporation as of the last day of the month immediately preceding such meeting.

ARTICLE VI

Duties of the Vice President

Section 1. The Vice President, in the absence or disability of the President, or in the case of a vacancy in the office of the president, shall assume the duties and exercise the powers of the President. The Vice President shall further perform such other duties as may be imposed upon him or her by the Board of Directors.

ARTICLE VII

Duties of the Secretary

Section 1. The Secretary shall keep the minutes of the Board of Directors, and also the minutes of the meetings of stockholders. He or she shall attend to the giving and serving of all notices of the Corporation, and shall affix the seal of the Corporation to all certificates of stock, when signed by the President and Treasurer. He or she shall have charge of the certificate books and such other books and papers as the Board may direct. He or she shall attend to such correspondence as may be assigned to him or her, and perform all the duties incidental to the office. He or she shall also keep a stock book containing the names alphabetically arranged of all persons who are stockholders of the Corporation, showing their places of residence and number of shares held by them respectively, the time when they respectively become the owners thereof, and such book shall be open for inspection as prescribed by law; and he or she shall perform all such other duties as may from time to time be imposed upon him or her by the Board of Directors.

The Assistant Secretary shall assist the Secretary in the performance of his or her duties, and perform such other duties as may be imposed upon him or her by the Board of Directors.

ARTICLE VIII

Duties of the Treasurer

Section 1. The Treasurer shall have custody of all the corporate funds and securities and shall keep full and accurate accounts of receipts and disbursements in books belonging to the Corporation. He or she shall deposit all moneys and other valuable effects in the name and to the credit of the Corporation in such depositories as may be directed by the Board of Directors. Jointly with the President, he or the Assistant Treasurer shall sign, make and endorse in the name of the Corporation all checks, drafts, warrants and orders for the payment of money and pay out and dispose of same and receipt therefor. He or she shall render to the President and the Board of Directors at the regular meetings of the Board, or whenever they may require, an account of all his transactions as treasurer and of the financial standing of the Corporation.

The Assistant Treasurer shall assist the Treasurer in the performance of his or her duties, and shall perform such other duties as may be imposed on him or her by the Board of Directors.

ARTICLE IX

Checks, Drafts and Notes

Section 1. All checks, drafts for money or notes of the Corporation shall be signed by the President, or by the Vice President when authorized by the Board of Directors and countersigned by the Treasurer, or Assistant Treasurer or by such other officers or agents of the Corporation as the Board of Directors may from time to time designate. No notes or other monetary obligations of the Corporation shall be made or incurred except by authority of the Board of Directors, subject to the approval when required by law of the Commissioner.

ARTICLE X

Certificates and Transfer of Stock

Section 1. Certificates of Stock. The certificates of stock of the Corporation shall be numbered and registered as they are issued. They shall exhibit the holder's name or names and number of shares, and shall be signed by the President or Vice President and countersigned by the Treasurer, Assistant Treasurer, Secretary or Assistant Secretary, and shall bear the corporate seal.

Section 2. Transfer of Stock. (a) No shares of stock of this Corporation shall at any time be sold, assigned, hypothecated, alienated or transferred in any respect whatsoever by any shareholder (the "Shareholder") to any person or corporation so long as this Corporation or such person or corporation as may be designated by this Corporation (the "Corporation's designee") is willing to purchase such shares of stock (the "Shares") and to pay to the Shareholder an amount (the "Resale Price") equal to the aggregate of: (i) the consideration (the "Consideration") paid by the Shareholder for the purchase of such Shares, (ii) any capital assessments paid, or voluntary capital contributions made, to the Corporation by the Shareholder, with the approval of the Commissioner of Housing and Community Renewal of the State of New York (the "Supervising Agency") to the extent not already included in the Consideration for such Shares, and (iii) that amount to the extent not already included in the Consideration for such Shares, equal to the proportionate share, as defined in Subparagraph 2(g) of this Article X, of the actual aggregate amount of amortization paid by the Corporation with respect to such Shares (A) for all periods prior to and including December 31, 2018, and (B) for all even-numbered calendar years after December 31, 2018, beginning with the calendar year 2020, thus excluding any amortization paid by the Corporation for any odd-numbered years, beginning with calendar year 2019, but (C) in all events not beyond the date of the sale of such Shares by the Shareholder pursuant to these By-Laws, on all then existing and prior mortgages on the project of the Corporation in reduction of the total outstanding principal indebtedness of such mortgages during such periods less the proportionate share of such amortization paid, if any, by the Corporation for all such periods (excluding any such amortization paid by the Corporation for odd-numbered years beginning after December 31, 2018), prior to the date on which the first payment by the Shareholder of carrying charges for the apartment in the development to which such Shares are allocated was due (to the extent not already included in the Consideration for such Shares), unless this Corporation or this Corporation's designee consents in writing in each case to said sale, hypothecation, alienation or transfer.

(b) In order to ascertain whether this Corporation or this Corporation's designee is willing to purchase any Shares, the person proposing to transfer such Shares shall give notice in writing to this Corporation that he or she desires to transfer such Shares. Such notice shall constitute this Corporation an agent and attorney in fact of the retiring Shareholder for the sale of such Shares to this Corporation or to the Corporation's designee.

(c) If this Corporation, within a period of ninety (90) days after the receipt of the notice referred to in Section 2(b) above, indicates its willingness or the willingness of the Corporation's designee to purchase said Shares and shall give notice thereof in writing to the retiring Shareholder, the latter shall be bound, within thirty (30) days thereafter to transfer such Shares to this Corporation or this Corporation's designee upon receipt by the retiring Shareholder of an amount equal to the Resale Price computed as set forth in Section 2(a) of this Article X. If the purchaser of such shares is a designee of this Corporation, the Corporation shall not transfer such Shares on its books to such designee unless such designee shall first pay to the Corporation such administrative charge (the "Administrative Charge") as may be approved by the Supervising Agency with respect to the resale of its shares pursuant to this Section 2 and an amount (the "Differential Amortization") equal to the proportionate share of the actual aggregate amortization paid by the Corporation with respect to such Shares on all existing and prior mortgages on the project of the Corporation in reduction of the total principal indebtedness of such mortgages for all periods prior to the date on which the first payment by the retiring Shareholder of carrying charges for the apartment in the development to which such Shares are allocated was due, to the extent not already included in the Consideration for such Shares.

(d) Upon expiration of the said ninety (90) days, if the retiring Shareholder be not notified of the willingness of this Corporation or this Corporation's designee to purchase his or her Shares, such retiring Shareholder shall have the right to sell or to offer for sale his or her said shares to any person or persons willing to buy the same for a price not exceeding the Resale Price for such Shares, computed as set forth in Section 2(a) of this Article X, but such Shares shall not be transferred on the books of the Corporation to such person or persons unless such person or persons shall first pay to the Corporation the Administrative Charge and an amount equal to the Differential Amortization referred to in the last sentence of Section 2(c) of this Article X; provided however, that if the said Shareholder does not exercise the right granted herein to sell his or her said Shares to any person willing to purchase the same within a period of six months after his right to do so has accrued, then and in that event said retiring Shareholder must again notify the Corporation or the Corporation's designee of said retiring shareholder's intent to transfer his or her Shares, and his or her transferee shall again be bound by the provisions of paragraphs (a), (b), (c) and (d) of Section 2 of this Article X.

(e) If in any case the retiring Shareholder, after becoming bound to sell, convey or transfer his Shares of stock to this Corporation or this Corporation's designee defaults in transferring said Shares, this Corporation or such other person or Corporation as may be designated by this corporation shall, after notice and approval by the Supervising Agency, hold the purchase money to which the retiring Shareholder is entitled under subparagraph 2(c) of this Article X in trust for the retiring Shareholder, or his or her executors, administrators or assigns and shall substitute the name of the purchaser upon the books of the Corporation in place of the name of the retiring Shareholder. After the name of the purchaser has been entered on the books of the Corporation in the exercise of the aforementioned powers, the validity of the proceedings shall not be questioned by any person, and such purchaser shall be deemed and taken to be the owner of such Shares.

(f) Anything herein contained to the contrary notwithstanding, no shares of stock in this Corporation shall at any time be sold, assigned, hypothecated, alienated or transferred in any respect whatsoever by any shareholder of the Corporation unless such shareholder at the same time transfers as a unit all shares of stock owned or held by him or her at that time.

(g) As used in this Article X, the words "shares of stock" and "Shares" shall include any interest in the corporation, and the words "shareholders" and "Shareholder" shall include the owner or holder of any such interest. As used in paragraphs (a) through (d) of Section 2 of this Article X, the proportionate share of actual total amortization paid with respect to any Shares on all existing and prior mortgages of the development shall be in the same ratio to such actual aggregate total amortization paid on such mortgages as the number of such Shares which the Shareholder wishes to transfer within the meaning of Section 2(a) of this Article X bears to the total number of shares of issued and outstanding capital stock of the corporation at the time such Shareholder transfers such Shares pursuant to the provisions of paragraphs (a) through (d) of Section 2 of this Article X.

(h) In the event any Shareholder shall sell his or her Shares pursuant to the provisions of paragraphs (a) through (g) of Section 2 of this Article X, the Corporation shall, upon the transfer of such Shares, pay to such Shareholder from the funds of the Corporation an amount (to the extent not included in the Consideration paid by such Shareholder for the purchase of his Shares) equal to such Shareholders' proportionate Share, as defined below in this paragraph (h), of the actual aggregate amortization paid (the "Paid Amortization") by the Corporation on all existing and prior mortgages on the development with respect to those Shares allocable to all apartments which have been occupied by such Shareholder other than the apartment to which the Shares being sold by such Shareholder are

allocable (the "Shareholder's Prior Apartments"). As used in this paragraph (h), the "proportionate share" of the Paid Amortization with respect to those Shares allocable to each of the Shareholder's Prior Apartments shall be in the same ratio as the number of shares allocable to each Prior Apartment bore to the total number of Shares issued and outstanding at the time the Shareholder transferred his Shares allocable to such Prior Apartments to a bona fide purchaser thereof.

Section 3. The provisions of Section 2 of this Article X shall be inscribed either literally or in substance, upon the face of the certificates of the common stock of the Corporation, and such inscription shall constitute notice that the said certificates are not transferable except pursuant to the provisions of these By-Laws. Such provisions shall apply to and be binding upon any holder of the shares of the common stock of the Corporation whether or not an original holder and whether such holder acquired his shares from the Corporation directly or from a retiring shareholder. A transfer in violation of the rules prescribed herein shall be void and of no effect.

ARTICLE XI

No dividends in any amount whatsoever shall be declared or paid upon the stock of the Corporation unless and until the Corporation sets aside and maintains reserves for depreciation, amortization or mortgage indebtedness and for any other lawful purposes, amounts satisfactory to the Commissioner; and in the interests of conservative management of the property, the Board of Directors may set aside and maintain reserves in addition to the foregoing so far as may be permitted by law.

ARTICLE XII

Amendments

Section 1. These By-Laws may be amended or altered by the vote of a majority of the stockholders voting at any meeting of the stockholders, if notice of the proposed amendment be contained in the Notice of Meeting; or by the vote of a majority of the Board of Directors at any meeting of the Board, if notice of the proposed amendment be contained in the Notice of Meeting.

Any amendment to these By-Laws adopted by the Board of Directors or the stockholders within seventy-five (75) days in advance of an annual meeting which affects the annual meeting procedures shall become effective only on the first day following the date of the adjournment of that annual meeting, and shall be effective thereafter.