

**BYLAWS  
OF THE  
GREATER JFK  
DISTRICT MANAGEMENT ASSOCIATION, INC.**

**Approved by the Board of Directors**

**June 12, 2018**

## ARTICLE I

### MISSION STATEMENT

- To foster a unique, vibrant, “off-airport” community with enhanced maintenance and public safety, effective advocacy and administration, technical and professional services for its members, and strategic capital improvements.
- To recognize, educate and promote the economic significance represented by this distinct “off-airport” cargo community.
- To advocate for and improve the quality of life for all who live, work or visit the District;
- To encourage members of the District to be “good neighbors”, benefit from the inclusive representation inherent in the organization as neighborhood type issues require striking a reasonable balance between residential and commercial interests.

### OFFICES

The principal office of the NYC District Management Association (the “Corporation”) shall be located at 157-11 Rockaway Boulevard, Queens New York 11434, or at such other location as the Board of Directors (collectively, the “Board” or the “Directors” and individually, each a “Director”) from time to time may determine.

## ARTICLE II

### MEMBERS

Section 2.1. Classes of Members. The Corporation shall have four (4) classes of voting members, and one (1) class of non-voting members and individuals may only be a member of one (1) class.

- (a) Class A: Owners of record of real property within the geographical boundaries of the Greater JFK Business Improvement District (the “District”), which owners have applied for membership by submitting the necessary information at the principal office of the Corporation (or such other place as the Officers of the Corporation shall designate), or have registered their membership through any other manner designated by the Board, including but not limited to delivering by first class mail a completed registration card, shall be Class A members of the Corporation.

Class A.1 shall consist of those members of Class A who are owners of record of commercial, mixed use or vacant commercial/mixed use real property within the geographical boundaries of the District or such other persons as are registered with the City of New York to receive real property tax bills for non-residential or mixed use property located in the District.

Class A.2 shall consist of those members of Class A who are owners of record of residential real property in the District or such other persons as are registered with the City of New York to receive real property tax bills for residential property located in the District.

- (b) Class B: Tenants who are occupants pursuant to a lease of commercial space within the District who are not eligible for Class A membership, which tenants have applied for membership by submitting the necessary information at the principal office of the Corporation (or such other place as the Officers of the Corporation shall designate), or have registered their membership through any other manner designated by the Board, including but not limited to delivering by first class mail a completed registration card, shall be Class B members of the Corporation.
- (c) Class C: Tenants who are occupants pursuant to a lease of a dwelling unit, proprietary lessees who are occupants pursuant to a proprietary lease of residential cooperative units, and cooperative owners of residential property, all being within the District, who are not eligible for Class A or Class B membership, which tenants and proprietary lessees have applied for membership by submitting the necessary information at the principal office of the Corporation (or such other place as the Officers of the Corporation shall designate), or have registered their membership through any other manner designated by the Board, including but not limited to delivering by first class mail a completed registration card, shall be Class C members of the Corporation.
- (d) While not members of the Corporation, Class D Directors as defined in Section 4.3 of these Bylaws shall be entitled to receive all notices sent to members, generally, and may attend and participate at all membership meetings in a non-voting capacity.
- (e) Class E: Persons or entities with significant interests within the District, such as, but not limited to, a representative appointed from each Community Board having jurisdiction over any part of the District, a representative from the Port Authority of NY/NJ, a representative from United Neighborhood Civic Association, and any other interested parties which person or party has applied for membership by submitting the necessary information at the principal office of the Corporation (or such other place as the Officers of the Corporation shall designate), or have registered their membership through any other manner designated by the Board, including but not limited to delivering by first class mail a completed registration card, shall be a Class E non-voting member of the Corporation.

Section 2.2. Termination of Membership. Membership in the Corporation shall continue until terminated by the resignation, withdrawal or expulsion of a member or upon dissolution and liquidation of the Corporation, or upon the death of any member if such member is an individual, and upon dissolution and liquidation if such member is a corporation.

Additionally, (1) each Class A membership shall terminate when the Class A member is no longer an owner of record of real property in the District; (2) each Class B membership shall terminate when the Class B member is no longer a tenant who is an occupant pursuant to a lease of commercial space in the District; (3) each Class C membership shall terminate when the Class C member is no longer (i) a tenant who is an occupant pursuant to a lease of a dwelling unit or (ii) a proprietary lessee pursuant to a proprietary lease of a residential cooperative unit, in the District, and (4) each Class E membership shall terminate (i) after two years at which time the Board shall review the status of the Class E Directors on the Board, or (ii) at such time as the Class E member's appointment by the Community Board or non-profit association or organization shall end, whichever event shall first occur.

Any right or interest of a member in the Corporation shall terminate upon the termination of its membership for any reason. Any member may resign or withdraw from the Corporation upon thirty (30) days prior notice in writing to the Corporation's Secretary. Such resignation or withdrawal shall be effective thirty (30) days from the date of said notice.

### **ARTICLE III**

#### **MEETINGS OF THE MEMBERSHIP**

Section 3.1 Annual Meeting of Members. An annual meeting of members (the "Annual Meeting of Members"), for the purpose of electing Directors and transacting such other business as may come before it, shall be held annually at such date, time and place fixed by Board of Directors of the Corporation. The annual meeting shall be in accordance with the requirements set forth by the NYC Department of Small Business Services.

Property and Tenant Profile Census. A yearly census of all property shall be conducted prior to March 1<sup>st</sup> each year in anticipation of the annual billing associated with BID assessments for the District. Similarly, a census of tenants shall be conducted. This database will be used as a basis from which voting registration can be noted. Newcomers after the March 1<sup>st</sup> census deadline may register with the Corporation within five (5) days prior to annual elections, subject to verification by the Corporation. On a quarterly basis, outreach efforts shall be made to encourage District-wide member participation and voter registration.

Section 3.2. Special Meetings. Special meetings of the membership shall be held at such time and place as may be designated in the notice of meeting, whenever called by a majority of the Board or the Chairperson of the Board. Such meetings may also be convened upon written demand by members entitled to cast ten percent (10%) of the total number of votes entitled to be cast at such meeting, who may, in writing, demand the call of a special meeting specifying the date and month thereof, which shall not be less than two (2) nor more than three (3) months from

the date of such written demand. The Secretary of the Corporation, upon receiving such written demand, shall promptly give notice of the special meeting as specified below, or, if the Secretary fails to do so within five (5) business days thereafter, any member signing such demand may give notice of the special meeting.

Section 3.3. Notice of Meetings. Written notice of membership meetings, stating the place, date, and hour thereof and, unless it is the Annual Meeting of Members, stating that it is issued by or at the direction of the person or persons calling the meeting and indicating the purpose or purposes for which the meeting is called, shall be given personally or by mail or by facsimile telecommunications or by electronic mail, to each member entitled to vote at such meeting. If the notice is given personally or by first class mail or by facsimile telecommunications or by electronic mail it shall be given not less than ten (10) nor more than fifty (50) days before the date of the meeting; if mailed by any other class of mail, it shall be given not less than thirty (30) nor more than sixty (60) days before such date. If notice by fax or email: "such notice is given when directed to the member's fax number or electronic mail address as it appears on the record of members, or, to such fax number or other electronic mail address as filed with the corporation's leadership."

Notice shall not be deemed to have been given electronically if the Corporation is unable to deliver two consecutive notices to the member by facsimile telecommunication or electronic mail; or the Corporation otherwise becomes aware that notice cannot be delivered to the member by facsimile telecommunications or electronic mail. The corporation shall also prominently post notice of such meeting on the homepage of any website maintained by the corporation continuously from the date of publication through the date of the meeting.

The Corporation shall send notice of meetings by first class mail to any member who requests in writing that such notices be sent by such method.

Notice of a meeting need not be given to any member who submits a signed waiver of notice, whether before or after the meeting, or who attends the meeting without protesting prior to its conclusion the lack of notice of such meeting. Waiver of notice may be written or electronic. If the waiver is written, it must be signed by the member. If the waiver is electronic, it must be able to be reasonably determined to have been sent by the member, and printed for the Corporation files.

Section 3.4. Record Date. The Board may fix a date as the record date for determining the members entitled to receive notice of, and vote at, any meeting of members; such date shall be not less than ten (10) nor more than fifty (50) days before the meeting. In the event no record date is fixed, the record date for the determination of the members entitled to vote at a meeting of members shall be the close of business on the day before the day on which notice is given. Membership as of the record date will be used to determine quorum and eligibility to vote. If any eligible person is not registered as a member in accordance with these Bylaws or in any other manner proscribed by the Board as of any record date for any particular meeting, then they will not be eligible to vote at such meeting.

Section 3.5. Quorum. Except as otherwise provided by law or in the Certificate of Incorporation of the Corporation (the “Certificate of Incorporation”) or in these Bylaws, the presence, in person or by proxy, of members entitled to cast ten percent (10%) of the total number of votes entitled to be cast or one hundred votes, whichever is lesser, shall constitute a quorum at meetings of members, and the act of a majority of the voting members present at any meeting shall be the act of the members. A member which is a firm or corporation will be deemed to be present if it is represented by a partner or Officer or other proxy. The presence of Class E non-voting members shall be disregarded for quorum purposes.

Eligibility: All classes of members, except Class E, of the District are eligible to vote provided that they have registered with the Corporation.

Section 3.6. Voting by Membership. At any meeting of the members, each member present, in person or proxy, and entitled to vote, shall be entitled to one (1) vote.

Section 3.7. Vote of Members. Except as otherwise provided by law or in the Certificate of Incorporation or in these Bylaws, and except for the election of Directors, at any meeting of members duly called and held and at which a quorum is present, any corporate action authorized by a majority of the votes cast by members entitled to vote thereon, shall constitute an act of the members.

Section 3.8. Special Actions Requiring Vote of Members. The following corporate actions may not be taken without the specified approval of the members:

(a) a plurality of the votes cast at a duly constituted meeting of members by the members of the class entitled to vote is required for the election of the Directors of the Corporation representing that class; Class A1 and Class A2 shall be considered distinct for all purposes including for the purpose of electing Directors of the Corporation;

(b) a majority of the votes cast at a meeting of the members is required for (i) a petition for judicial dissolution, or (ii) any amendment of or change to the Corporation’s Certificate of Incorporation; provided, however, that the Board may amend or change the Certification without the necessity of a membership vote if:

- (1) there are no members entitled to vote thereon;
- (2) the purpose of the amendment is to specify or change the location of the Corporation’s office or the post office address to which the secretary of state shall mail a copy of any process against the Corporation served upon him or her; or
- (3) the purpose of the amendment is to make, revoke or change the designation of a registered agent, or to specify or change the address of its registered agent.

(c) two-thirds of the votes cast at a meeting of the members is required for (i) disposing of all, or substantially all, of the assets of the Corporation, (ii) approval of a plan of merger, (iii) authorization of a plan of non-judicial dissolution, or (iv) revocation of a voluntary dissolution proceeding, provided, however, that the affirmative votes cast in favor of any action described in this subsection (c) shall be at least equal to the minimum number of

votes necessary to constitute a quorum. Blank votes or abstentions shall not be counted in the number of votes cast.

Section 3.9. Adjournment. If a quorum shall not be present or represented at any meeting of the members, the members entitled to vote thereat, present in person or represented by proxy, shall have the power by a majority of the votes so represented to adjourn the meeting from time to time, with notice at the meeting, of the date, time and place of the adjourned meeting and notification shall be given to any voting member not present at the meeting being adjourned.

Subject to any further notice being required by law, at any adjourned meeting at which a quorum is present, any business may be transacted that might have been transacted on the original date of the meeting.

Section 3.10. Proxies. Every member entitled to vote at a meeting of members or to express consent or dissent without a meeting may authorize any person to act for such member by proxy. Every proxy must be in writing and signed by the member or member's duly authorized officer, director, employee or agent, or by email and set forth information from which it can reasonably be determined that the proxy was authorized by that member. No proxy shall be valid after the expiration of eleven months from the date thereof unless otherwise provided in the proxy. Every proxy shall be revocable at the pleasure of the member executing it, except as otherwise provided by law. For the purposes of conducting meetings, all proxies shall be delivered to the Secretary of the Corporation or, upon the absence of the Secretary, the presiding member appointed to act as secretary of the meeting.

Section 3.11. Action without a Meeting. Any action required or permitted to be taken by members at a meeting of the membership, may be taken without a meeting, without prior notice and without a vote, upon the consent of all of the members entitled to vote thereon, which consent shall set forth the action so taken. Such consent may be written or electronic. If the consent is written, it must be signed by the member. If the consent is electronic, it must be able to be reasonably determined to have been sent by the member.

## ARTICLE IV

### BOARD OF DIRECTORS

Section 4.1. General Powers. The business of the Corporation shall be managed by its Board, which shall have general supervision of the Corporation, including all powers not expressly reserved to the membership or expressly granted to others by its Certificate of Incorporation or these Bylaws.

Section 4.2. Size of the Board. The number of voting Directors which shall constitute the Board shall be not less than thirteen (13); of which no fewer than seven (7) Directors must be Class A1 and A2 members. The Board, by resolution adopted by vote of a *two-thirds* (2/3) of the entire Board, may increase or decrease the number of Directors, but in no event shall the number

of Directors be less than thirteen (13) nor shall the Directors elected by the Class A members constitute less than a majority of Directors. As used in these Bylaws, the phrase “entire Board” shall mean all of the voting members that would be on the Board assuming no vacancies.

Section 4.3. Election/Appointment of Voting Directors. Directors shall be elected in accordance with the provisions of Section 3.8 of these Bylaws. The members of Class A shall elect not less than a majority of voting Directors to represent them on the Board from among their number or, if any member be a corporation, partnership, limited liability company or other entity, from among the representatives of such member. Of the Directors elected by the Class A1 and A2 members, not less than eight (8) shall be from Class A1, with every effort to include at least one hotel property owner, and not less than five (5) shall be from Class A2.

The members of Class B shall elect not less than five (5) voting Directors to represent them on the Board from among their number or, if any member be a corporation, partnership, limited liability company or other entity, from among the representatives of such member. Every effort shall be made to provide Class B with a diversity of commercial tenant types.

The members of Class C shall elect not less than one (1) voting Director to represent them on the Board from among their number or, if any member be a corporation, partnership, limited liability company or other entity, from among the representatives of such member.

In addition, One voting Director shall be appointed, *ex officio*, by each of the following: the Mayor of the City of New York, the Comptroller of the City of New York, the Queens Borough President and the New York City Council member representing the District or, if there is more than one (1) Council Member representing the District, then, as determined by the Speaker of the New York City Council (each such appointee a “Class D Director” and, collectively, the “Class D Directors”).

Section 4.4. Non-Voting Directors. The number of Class E Directors to be elected to the Board shall be set by resolution adopted by a majority of the entire Board. Class E Director-nominees shall be selected by the Class E members from among their number in such a manner as shall be determined by the Class E members. Class E Directors shall have no voting rights and their presence at Board meetings shall be disregarded for quorum purposes.

Section 4.5. Alternates. Each Class A, Class B and Class C Director, as well as each public official entitled to elect or appoint one (1) or more Directors as set forth in Section 4.3 of these Bylaws, may elect or appoint an alternate for each such Director. Written or email notification by each Director entitled to vote identifying their respective alternate shall be submitted and filed in the Corporation records. In the absence of such a Director from a meeting of the Board, his or her alternate may, upon written notice, attend such meeting and exercise therein the rights, powers and privileges of the absent Director. When so exercising the rights, powers, and privileges of the absent Director, such alternate shall be subject in all respects to these Bylaws and the applicable law governing Directors.

The Board may designate one or more Directors as alternate members of any Committee of the Board, who may replace any absent member or members at any meeting of such committee.

Section 4.6: Classification of Directors; Terms of Office. The Directors shall be classified, with respect to the terms for which they severally hold office, into two classes, as follows: Class I to hold office initially for a term expiring at the second succeeding annual meeting of the membership, and Class II to hold office initially for a term expiring at the third succeeding annual meeting of the membership, with the Directors of each class to hold office until their successors are duly elected and qualify. At each annual meeting of the membership, the successors to the class of Directors whose term expires at such meeting shall be elected to hold office for a term expiring at the annual meeting of the membership held in the second year following the year of their election. The Directors in each class shall be as follows:

Class I (Two-Year Term):

- One half of all Class A-1 Directors and One half of all A-2 Directors (or, if not evenly divisible, the majority of Class A-1 & A-2 Directors)
- One half of Class B Directors (1) (or, if not evenly divisible, the majority of Class B Directors)

Class II (Three Year Term):

- One half of Class A-1 Directors and A-2 Directors (or, if not evenly divisible, the minority of Class A-1 and A-2 Directors)
- One half of Class B Directors (1) (or, if not evenly divisible, the majority of Class B Directors)
- All Class C Directors
- All Class E Directors

Section 4.7. Vacancies, Resignations and Removals. Any vacancy created by the death, resignation or incapacity to act of a Director elected by the Class A, B, or C members shall be filled by a plurality of the votes cast at a duly constituted meeting of members, by the class of members entitled to vote. In the event of a vacancy created by the death, resignation or incapacity to act of a Class D Director, the official empowered to appoint such Director shall appoint a new Class D Director. In each of the foregoing circumstances, if a vacancy remains unfilled for six (6) months after it occurs, or by reason of the absence, illness or other inability of one or more of the remaining Director, a quorum of the Board cannot be obtained, the remaining Directors, or a majority of them, may appoint a Director to fill such vacancy. A Director elected or appointed to fill a vacancy shall hold office until the next annual meeting at which the election of Directors is in the regular order of business, and until the election (or appointment) and qualification of a successor. Any vacancy created by the death, resignation or incapacity to act of

a Director elected by the Class E members shall be filled in such in a manner as shall be determined by the Class E members with approval of the Board.

Any Director may resign by a notice in writing to the Chairperson or Secretary. The acceptance of any such resignation, unless required by the terms thereof, shall not be necessary to make the same effective.

Any Class A, B, C or E Director may be removed at any time with or without cause by the vote of the class of members which elected such Director. For the avoidance of doubt, where a Director fails to attend three (3) consecutive meetings of the Board, and was not excused from such meetings and failed to have a duly elected alternative pursuant to Section 4.5 attend in his or her stead, such failure to attend shall constitute cause for the purposes of this Section 4.7. A warning notification (written or email with confirmation of receipt) shall be issued by the Chairperson immediately after the second consecutive meeting absence. With the third consecutive meeting absence, the Chairperson shall provide written or email with confirmation notice to that Director that the Board will review the action and vote to determine if that Director shall be removed. At that same meeting, the Director subject to review will have opportunity to address the Board.

A Class D Director may be removed with or without cause by the public official who appointed such Director. Additionally, the fact that a public official who first appointed a Class D Director to the Board no longer holds an office which entitles him or her to appoint a member to the Board shall not terminate the Class D Director's service as a member of the Board unless and until the succeeding public official empowered to make an appointment to the Board shall appoint his or her successor, whereupon such Class D Director shall be deemed to have been removed from the Board. .

Section 4.8. Committees. The Board, by a resolution adopted by a majority of the entire Board, may designate from among its members an Executive Committee, a Governance Committee, a Finance Committee, an Audit Committee, and such other committees of the Board as the Board from time to time may find appropriate (collectively, "Committees of the Board" and individually, each a "Committee of the Board"). Each Committee of the Board shall (a) consist of at least three (3) Directors and (b) to the extent provided in the resolution establishing such committee, have the authority of the Board, except that no such committee shall have authority as to the following matters:

- (i) The submission to members of any action requiring members' approval under the laws of the State of New York;
- (ii) The filling of vacancies in the Board or in any committee;
- (iii) The fixing of compensation of the Directors for serving on the Board or on any Committee of the Board;
- (iv) The amendment or repeal of these Bylaws or the adoption of new Bylaws; and
- (v) The amendment or repeal of any resolution of the Board which by its terms shall not be so amendable or repeatable.

Executive Committee. The Executive Committee shall be composed of all of the Officers (ie. Chairperson, Vice Chairperson, Treasurer, Secretary; and who are also Directors of the Board) of the Corporation, with a minimum of (3) Directors represented by at least one member of the A1, A2 and B classes. The Chairperson of the Board shall serve as the Chairperson of the Executive Committee. The Executive Committee shall have and may exercise all of the powers of the Board when the Board is not in session, provided that the Executive Committee shall be at all times accountable to and subject to the control of the Board by way of ratification of the action at the next Board meeting, and provided further that the Executive Committee shall have no authority as to (1) any of the matters contained in clauses (i) through (v) of subsection (a), above, and (2) the removal of Directors.

Governance Committee. The Governance Committee shall be chaired by any Director other than the Chairperson and composed of those Officers (who are also Directors) of the Corporation who, by written notice to the Chairperson, elect to be members of the Committee and, at the discretion of the Chairperson, no less than two (2) Directors appointed by the Chairperson, subject to the approval of the Board. The Governance Committee shall be responsible for preparing a slate of candidates for the Board from those classes of members which elect Directors; shall develop policy and procedures for the operations of the Corporation; and shall conduct such other activities as are assigned to it from time to time by the Board.

Finance Committee. The Finance Committee shall be chaired by the Treasurer and composed of those Officers (who are also Directors) of the Corporation who, by written notice to the Chairperson, elect to be members of the committee, and at the discretion of the Chairperson, no less than two (2) Directors appointed by the Chairperson, subject to the approval of the Board. In addition, the Directors appointed by the Mayor and the Comptroller shall be members of the Finance Committee. The Finance Committee shall formulate financial policies for review and approval by the Board; shall formulate an annual Budget containing a complete plan of proposed yearly expenditures and estimated revenues for each fiscal year of the Corporation for approval by the Board; and shall conduct such other activities as are assigned to it from time to time by the Board.

Audit Committee. To serve as a member of the Audit Committee, all members including the Chairperson must be qualified as “Independent Directors” as defined in the NY Not-For-Profit Corporation Law. The Audit Committee shall be composed of at least three Independent Directors appointed by the Chairperson. The Audit Committee shall be chaired by a member of the Audit Committee selected by vote of its members. In addition, the Class D Director appointed by the Mayor shall be a member of the Audit Committee. The Audit Committee, among other matters shall:

- (i) Review and select an independent auditor for the Corporation;
- (ii) Review with the independent auditor the scope and planning of the audit prior to its commencement;
- (iii) Upon completion of the audit, review and discuss with the independent auditor:

- Any material risk and weaknesses in internal controls identified by the auditor;
- Any restrictions placed on the auditor’s activities or access to information;
- Any significant disagreements between the auditor and the Corporation’s management;
- The adequacy of the Corporation’s accounting and financial reporting processes;
- Annually consider the performance and independence of the auditor;
- Review the financial controls developed and implemented by the Executive Director and other employees of the Corporation; and
- Receive and make recommendations to the Board regarding (1) conflicts of interest reported pursuant to the Corporation’s conflict of interest policy, and (2) complaints asserted pursuant to the Corporation’s “whistleblower” policy.

Other Committees of the Board. The Chairperson shall designate subject to the approval of the Board, from among the members of the Board, other Committee of the Board, each consisting of three (3) or more Directors, as the Chairperson may deem appropriate. The Chairperson may be a non-voting member, *ex-officio*, of each Committee of the Board. The Chairperson may appoint non-voting members (who are Directors) to any such Committee. Each committee shall serve at the pleasure of and be responsible to the Chairperson and to the Board.

Other Committees of the Board may include, but not be limited to the following:

- Procurement Committee: The Procurement Committee shall work with the Executive Director in developing RFP (request for proposals) for services and improvements within the District.
- Program Services Committee: The Program Services Committee shall work with the Executive Director and the Board to devise and oversee a program of planning for services, public area improvements and amenities, pedestrian and public safety, and enhanced maintenance services within the District. It shall work with the Finance Committee to seek sources for funding, including grants, for the implementation of any of the above-mentioned services and/or improvements.
- Outreach & Communications Committee: The Outreach & Communications Committee shall work with the Executive Director to develop and implement outreach efforts to encourage district-wide participation and to provide regular

communications to district members. An Outreach and Social Media policy document shall be developed to guide the Board.

- Special Committees. The Chairperson may designate, subject to the approval of the Board, any other special committees of the Board (“Special Committees”), each consisting of at least three (3) or more Directors and any other members as the Chairperson may deem appropriate, with such powers and duties as the Board may prescribe. The Chairperson may be a non-voting member, ex-officio, of each Special Committee. A Special Committee is a committee of the Board that is limited in its responsibilities, including by duration or by project. Notwithstanding the foregoing, if any voting members of any Special Committee are not Directors, any and all actions undertaken or approved by such Special Committee must be submitted to the entire Board for its approval.

Committees of the Corporation. The Board may appoint from time to time any number of persons as a committee of the Corporation (collectively, “Committees of the Corporation” or individually, each a “Committee of the Corporation”), each consisting of at least three (3) or more persons appointed by the Board, and may, but are not required to include Directors. No Committee of the Corporation shall have the power to bind the Corporation, and each such committee and its members shall have only such authority or obligations as the Board may from time to time determine. Each member of a Committee of the Corporation shall serve at the pleasure of the Board. Membership on a Committee of the Corporation shall not convey to any member any power, duty or responsibility of a Director nor constitute membership on the Board.

Committee Procedures. Unless otherwise provided by the Board or these Bylaws, each committee shall have the power to determine the times, places and manner of calling their meetings and their rules of procedure. At every meeting of a committee a quorum must be present in person or by proxy for the transaction of business. A quorum shall consist of the lesser of three (3) or one-half of the members of the committee entitled to vote. Action by committee may be taken upon the affirmative vote of a majority of members present and entitled to vote; provided, however, that any committee may establish a greater than majority voting requirement. Each Committee shall keep minutes of its meetings and report the same to Board.

Conference Telephone. Any one or more members of any committee may participate in a meeting of such committee by means of a conference telephone or similar communications equipment allowing all persons participating in the meeting to hear each other at the same time. Participation by such means shall constitute presence in person at a meeting.

Section 4.9. Meetings. Meetings of the Board shall be held at the principal office of the Corporation or at such other place as may be designated by the person or persons calling the meeting. An annual meeting of the Board (the “Annual Board Meeting”) will follow the Annual Meeting of Members. Officer elections shall take place at the Annual Board Meeting. Special

meetings of the Board may be called at any time by the Chairperson or a majority of the Directors. Any one or more Directors, or any Committee of the Board, may participate in a meeting of the Board, or a Committee of the Board, by means of a conference telephone or similar communications equipment, or by electronic video screen communication. Participating by such means shall constitute presence in person at a meeting so long as all persons participating can hear each other at the same time and each Director can participate in all matters before the Board, including, without limitation, the ability to propose, object to, and vote upon a specific action to be taken by the Board or committee.

Section 4.10. Notice of Meetings. Written notice of Board meetings, stating the place, date, and hour thereof and, unless it is the Annual Board Meeting, stating that it is issued by or at the direction of the person or persons calling the meeting and indicating the purpose or purposes for which the meeting is called, shall be provided to each Director then in office at least three (3) calendar days in advance of the day on which the meeting is to be held by (i) electronic mail; (ii) facsimile; or (iii) mail, postage pre-paid, addressed to such Director at his or her residence or usual place of business (or such other address as he or she may have designated in a written request filed with the Secretary at least seven (7) calendar days before the day on which the meeting is to be held). Notice of a meeting need not be given to any Board member who submits a signed waiver of notice, whether before or after the meeting, or who attends the meeting without protesting prior to its conclusion the lack of notice of such meeting. Waiver of notice may be written or electronic. If the waiver is written, it must be signed by the Board member. If the waiver is electronic, it must be able to be reasonably determined to have been sent by the Board member.

Section 4.11. Quorum and Voting. At every meeting of the Board a quorum must be present for the transaction of business. Except as otherwise provided by law or in the Certificate of Incorporation or these Bylaws, if the Board consists of fifteen members or less, the total number for quorum shall be one-third of the voting Directors of the entire Board, and if the Board consists of more than fifteen board Directors, the quorum shall be five Directors plus one (1) additional Director for every ten Directors (or fraction thereof) in excess of fifteen.

The composition of the quorum shall consist of at least 5 Directors, including at least one Director from each of Class A1, Class A2, Class B, and Class C. However, in the event that no Class C Director is present, the composition of the quorum shall consist of at least 5 Directors, including at least one Director from each of Class A1 and Class B, and two Directors from Class A2.

Action at any Board meeting may be taken upon affirmative vote by a majority of Directors present and entitled to vote. Each Director shall have one vote, with the exception of Class E Directors who shall have no voting power. A Director should represent only one (1) class and each Director shall not be entitled to more than one (1) vote.

Any increase to the annual budget from the previous year will require a majority vote in the affirmative of the Class A1 Directors before moving to the entire Board for approval.

Any increase to the annual BID assessment cap from the previous year will require a majority vote in the affirmative of the Class A1 Directors before moving to the entire Board for

approval. An increase in an annual BID assessment cap is subject to the rules and guidelines of the NYC Dept. Small Business Services and requires approval by the NYC City Council.

Section 4.12. Adjournment. If at any meeting of the Board there shall be less than a quorum present, a majority of those present may adjourn the meeting to another time and place, and the meeting may be held without further notice or waiver, except that notification shall be given to any Director not present at the meeting being adjourned.

Section 4.13. Action without a Meeting. Except as otherwise provided in the Certificate of Incorporation or by these Bylaws, any action required or permitted to be taken at any meeting by the Board or any Committee of the Board, may be taken without a meeting, without prior notice and without a vote, upon the consent of all of the members of the Board or Committee of the Board entitled to vote thereon, which consent shall set forth the action so taken. Such consent may be written or electronic. If the consent is written, it must be signed by the Board member. If the consent is electronic, it must be able to be reasonably determined to have been sent by the Board member. The action by the Board or Committee shall be fully described in the Minutes of the next Board meeting and subject to approval.

Section 4.14. Annual Report of Directors. (a) At each Annual Meeting of Members, the Board shall present a report verified by the Chairperson and Treasurer or by a majority of Directors, called the Annual Report. The Annual Report shall comply with all provisions of the NY Not-For-Profit Corporation law and may include, without limitation, the following:

- (i) the assets and liabilities of the Corporation as of the end of a twelve (12) month fiscal period terminating not more than six (6) months prior to the meeting;
- (ii) the principal changes in assets and liabilities during the fiscal period;
- (iii) the revenues or receipts of the Corporation, both unrestricted and restricted to particular purposes for that fiscal period;
- (iv) the expenses or disbursements of the Corporation, for both general and restricted purposes for said fiscal period; and
- (v) the number of members of the Corporation as of the date of the report, together with a statement of any increase or decrease in such number during said fiscal period, and a statement of the place where the names and addresses of the current members may be found.

(b) The Annual Report shall be filed with the records of the Corporation and a copy or an abstract thereof shall be entered in the minutes of the proceedings of the Annual Meeting of Members. The Annual Report shall be put before the membership at the Annual Meeting of Members for their acceptance. Given that a quorum is achieved, a majority of votes cast in favor of accepting the Annual Report shall result in such report being accepted. Every member shall be notified at least thirty (30) days prior to the Public Annual Meeting that a copy of the Annual Report is available for inspection or copying at the offices of the Corporation.

Section 4.15. Compensation. Directors shall not receive any compensation for their services as Directors or committee members. Subject to the Corporation's Conflicts of Interest Policy and provided that there is full disclosure of the terms of such compensation and the arrangement has been approved by the Board, this shall not in any way limit reimbursement of or payment for services provided to the Corporation (i) by the Director in any capacity separate from his or her responsibilities as a Director, or (ii) by any organization with which a Director is affiliated. Directors may be reimbursed for their reasonable expenses of attendance at any meetings or other functions of the Corporation or the Board, or any committee thereof. Any compensation agreement shall be filed in the minutes of the Board and included in the Annual Report.

## ARTICLE V

### OFFICERS

Section 5.1. Appointment of Officers. The Board shall appoint the officers of the Board and of the Corporation (collectively, the "Officers" and individually, each an "Officer"). Such Officers shall include, at a minimum, a Chairperson, a Vice Chairperson, a Treasurer, and a Secretary (all of who shall not be employees of the Corporation), and may include such other officers as the Board from time to time shall find appropriate. The Officers shall exercise the powers and perform the duties designated in these Bylaws and such other duties that usually pertain to their respective offices or as are properly delegated or assigned to them from time to time by the Board or Chairperson. Each Officer shall hold office for one (1) year (or such other term as prescribed by the Board) and until a successor has been appointed and qualified.

#### Section 5.2. Powers and Duties.

- (a) Chairperson: The Chairperson shall preside at all meetings of the Board and/or members, have the power and authority to sign for the Corporation all deeds and other instruments, and to perform such acts as usually pertain to the office of Chairperson. The Chairperson (provided he or she is also a Director) shall be the chair of the Executive Committee pursuant to Section 4.7.
- (b). Vice- Chairperson: The Vice Chairperson (provided he or she is also a Director) shall have such powers and duties as may be assigned to him or her by the Board. In the absence of the Chairperson, the Vice-Chairperson shall perform the duties of the Chairperson until such time as the Chairperson shall return to duty or the Board shall have elected a new Chairperson.
- (c) Secretary: The Secretary shall keep minutes of the proceedings of the Board, and shall give or cause to be given, all notices in accordance with the provisions of these Bylaws or as required by law. The Secretary shall be custodian of the corporate records, custodian of the corporate seal, maintain membership rolls and in general shall perform all the duties incident to the office of Secretary and such other duties as may be assigned by the Board.

- (d) Treasurer: The Treasurer shall have the custody of the Corporation's funds, and shall keep correct and complete books and records of account. The Treasurer will make all books and records available to any Director upon request. The Treasurer shall prepare and certify all financial reports of the Corporation, or cause the same to be prepared and certified by a firm of certified public accountants, and in general shall perform all duties incident to the office of Treasurer and such other duties as may be assigned by the Board. The Treasurer (provided that he or she is also a Director) shall be chair of the Finance Committee pursuant to Section 4.7(d).

Additionally, all of the Officers (provided that they are also Directors) shall be members of the Executive Committee pursuant to Section 4.7(b).

Section 5.3. Removals. Any Officer may be removed with or without cause by a majority vote of the Board. The removed Officer may be replaced by a majority vote of the Board.

Section 5.4. Executive Director: The Executive Director, who shall be the chief member of the Corporation's professional staff, shall manage the affairs of the Corporation on behalf of and at the direction of the Board, and shall serve at the will of the Board, except as provided to the contrary by contract. The Executive Director is authorized to employ and discharge any other employee of the Corporation, and to execute instruments of all kinds on behalf of the Corporation in the ordinary course of business.

#### Role and Responsibilities of an Executive Director.

- The Board of Directors shall employ, by a majority of the Board, a Manager ("Executive Director") for a definite or an indefinite term, and shall fix the compensation annually.
- The Executive Director shall act as the Chief Executive Officer of the Corporation and shall be responsible for the administration of the day-to-day operations, business and affairs of the Corporation.
- The qualifications of the Executive Director shall be determined by the Board.
- The Executive Director shall be evaluated no less frequently than on an annual basis by the Board of Directors, and may be dismissed by a majority plus one (1) vote of the Board.
- In the event that the position of the Executive Director shall be vacant, the administrative and personnel responsibilities of the Chief Executive Officer (as described below) shall be temporarily delegated to the Board Chairperson and all financial responsibilities shall be temporarily delegated to the Board Treasurer. The Chairperson and Treasurer shall serve in these temporary capacities without compensation. Such vacancy in the position of Executive Director shall be promptly filled by the Board.

The Executive Director shall:

- See that all provisions of these Bylaws, acts of the Board of Directors and all State laws subject to enforcement by Corporation action, are faithfully enforced and executed.
- Represent the Corporation and assert its proper interest in relation to the City of New York and other outside agencies, with respect to the negotiation of and execution of contracts and franchises; provided, however that the Executive Director may not enter into any contracts in excess of the Executive Director's check writing limitation of \$500.00, without the approval of the Finance Committee.
- Be authorized to sign checks and vouchers of the Corporation, subject to the limitations of these Bylaws, and shall assist the Treasurer in the preparation and filing of fiscal reports to keep the Board advised of the financial condition of the Corporation.
- Serve in an ex-officio capacity on the Board and all committees of the Board, and may participate in discussions, but may not participate in the vote thereof.
- Undertake regular efforts to notify, update, educate, solicit participation from, the larger public beyond the specific BID district boundaries. The formation of a "Community Advisory Council" and implementation of regular meetings (at least quarterly) can serve as a forum for discussion and interaction with individual and groups beyond the BID borders. Additional regular announcements via e-blast should also be undertaken to maintain critical engagement of District and non-District members.
- Provide for the exercise of budgetary control for revenues and expenditures as approved by the Board of Directors; and develop policies to safeguard the Corporation's financial interest to the fullest extent.
- Prepare the current expense and revenue estimates for the annual budget. Annually prepare a capital improvement plan for submission to the Board of Directors, which shall include compilation of the capital expenditure estimates for the annual budget.
- Make every effort to identify additional funding beyond BID assessment revenues to support Board approved projects, and to craft proposals to seek engagement with prospective funding sources and/or respond to RFP solicitations.
- Make reports to the Board of Directors as requested by it, and at least once a year, make an annual report to the Board of Directors on the administration of the Corporation.
- Hire, supervise and evaluate the work of all other employees, contractors and consultants of the Corporation, and supervise and evaluate the work of all other persons or entities providing services or goods to the Corporation.

## **ARTICLE VI**

### **AMENDMENTS**

These Bylaws may be amended by the Board, provided that written notice of the amendment has been sent to each voting member of the Corporation with conspicuous notification in the notification for the subsequent Annual Meeting of Members. Bylaw amendments may be repealed at the Annual Meeting of Members by those members entitled to vote at the record date.

If any Bylaw regulating an impending election of Directors is adopted, amended, or repealed by the Board, there shall be set forth in the notice of the next Annual Meeting of Members of the members, the Bylaw so adopted, amended, or repealed, together with a concise statement of the changes made.

## **ARTICLE VII**

### **INDEMNIFICATION**

The Corporation shall, to the fullest extent permitted by law, purchase and maintain insurance to indemnify its Directors or Officers and indemnify and advance expenses to each individual made, or threatened to be made, a party to any action by reason of the fact that such individual, or his or her testator, is or was a Director or Officer of the Corporation or served any other corporation or entity at the request of the Corporation. No indemnification may be made to or on behalf of any such person if (a) his or her acts were committed in bad faith or were the result of his or her active and deliberate dishonesty and were material to such action or proceeding or (b) he or she personally gained in fact a financial profit or other advantage to which he or she was not legally entitled in the transaction or matter in which indemnification is sought.

## **ARTICLE VIII**

### **INVESTMENTS**

Section 8.1. Investments and Proxies. The Board shall have the power to make investments of the funds of the Corporation and to change the same and may sell, from time to time, any part of the securities of the Corporation or any rights or privileges that may accrue thereon.

Section 8.2. Transfer and Assignment. The Board may authorize any Officer, Director or other person or persons to execute such form of transfer or assignment as may be customary or necessary to constitute a transfer of bonds or other securities in the name of or belonging to the Corporation. A corporation or person transferring any such bonds or other securities pursuant to a form of transfer or assignment so executed shall be fully protected and shall not have any duty to inquire whether or not the Board has taken action in respect thereof.

Section 8.3. Loans. The Corporation will not enter into any loans without the approval of the Board.

## ARTICLE IX

### MISCELLANEOUS

Section 9.1. Fiscal Year. The fiscal year of the Corporation shall be July 1<sup>st</sup> through June 30<sup>th</sup>.

## ARTICLE X

### DEFINITIONS

Section 10.1 Affiliate. An affiliate of the Corporation is a person or entity that is directly or indirectly through one or more intermediaries, controlled by, in control of, or under common control with the Corporation.

Section 10.2 Financial Interest. A person has a Financial Interest if such person would receive an economic benefit, directly or indirectly, from any transaction, agreement, compensation agreement, including direct or indirect remuneration as well as gifts or favors that are not insubstantial or other arrangement involving the Corporation.

Section 10.3 Independent Director. A member of the Board of Directors (the “Board”) who:

- a) Has not been an employee of the Corporation or an Affiliate of the Corporation within the last three years;
- b) Does not have a Relative who has been a Key Employee of the Corporation or an Affiliate of the Corporation within the last three years;
- c) Has not received and does not have a Relative who has received more than \$10,000 in compensation directly from the Corporation or an Affiliate of the Corporation in any of the last three years (not including reasonable compensation or reimbursement for services as a Director, as set by the Corporation);
- d) Does not have a substantial Financial Interest in and has not been an employee of, and does not have a Relative who has a substantial Financial Interest in or was an Officer of, any entity that has made payments to or received payments from, the Corporation or an Affiliate of the Corporation in excess of the lesser of: (a) \$25,000 or (b) 2% of the Corporation’s consolidated gross revenue over the last three years (payment does not include charitable contribution);
- e) Is not in an employment relationship under control or direction of any Related Party and does not receive payments subject to approval of a Related Party;
- f) Does not approve a transaction providing economic benefits to any Related Party who in turn has approved or will approve a transaction providing economic benefits to the Director.

Section 10.4 Key Employee. A Key Employee is a person who is, or has within the last five years, been in a position to exercise substantial influence over the affairs of the Corporation. This includes, but is not limited to:

- a) Voting members of the Board;
- b) Presidents, chief executive officers, chief operating officers or employee of any other title with similar responsibilities;
- c) Treasurers and chief financial officers or employee of any other title with similar responsibilities; or
- d) A “highly compensated” employee, within the meaning of section 4958 of the Internal Revenue Code and guidance issued by the Internal Revenue Service, who is in a position to exercise substantial influence over the affairs of the Center.

Section 10.5 Related Parties. Persons who may be considered a Related Party of the Corporation or an Affiliate of the Corporation include:

- a) Directors, Officers, or Key Employees of the Corporation or an Affiliate of the Corporation;
- b) Relatives of Directors, Officers, or Key Employees;
- c) any entity in which a person has a 35% or greater ownership or beneficial interest or, in the case of a partnership or professional corporation, a direct or indirect ownership interest in excess of 5%;
- d) Founders of the Corporation;
- e) Substantial contributors to the Corporation (within the current fiscal year or the past five fiscal years);
- f) Persons owning a controlling interest (through votes or value) in the Corporation;
- g) Any non-stock entity controlled by one or more Key Employees.

Section 10.6 Relative. A Relative is a spouse, ancestor, child (whether natural or adopted), grandchild, great grandchild, sibling (whether whole or half-blood), or spouse of a child (whether natural or adopted), grandchild, great grandchild or sibling (whether whole or half-blood), or a domestic partner as defined in section 2994-A of the New York Public Health Law.

## ARTICLE XI

### CONFLICTS OF INTEREST, CONTRACTS AND SERVICES OF OFFICERS AND DIRECTORS

#### Section 11.1. Disclosure.

(a) Prior to election to the Board, and thereafter on an annual basis, all Directors shall disclose in writing, to the best of their knowledge, any Interest (as defined below) that such Director may have in any corporation, organization, partnership or other entity which provides professional or other goods or services to the Corporation for a fee or other compensation, and any position or other material relationship that such Director may have with any other entity with which the Corporation has an attorney-client or other business relationship (collectively, a "Conflict of Interest"). A copy of each disclosure statement shall be available to any Director of the Corporation upon request.

(b) If at any time during his or her term of service, a Director acquires any Interest or otherwise a circumstance arises, which may pose a Conflict of Interest, that Interest or other conflict, shall be promptly disclosed in writing to the Board by the person concerned.

(c) When any matter for decision or approval, in which a Director has an Interest or other Conflict, comes before the Board or any committee, that Interest or other Conflict shall be immediately disclosed to the Board or relevant committee by that Director.

Section 11.2. Definition of "Interest". Whether a Director has an Interest in an entity shall be determined by whether that Director would derive a significant individual economic benefit, either directly or indirectly, from any transaction or relationship involving such entity or any decision on a matter involving such entity by the Board or a committee. The fact that an entity may take positions on legislative matters of general impact shall not constitute a Conflict of Interest.

Section 11.3. Abstinance from Vote. No Director shall vote on any matter in which he or she has a Conflict of Interest; provided however, that any Director disclosing a Conflict of Interest may be counted in determining the presence of a quorum, at a meeting of the Board or a committee thereof.

Section 11.4. Absence from Discussion. Unless requested by the Board or the relevant committee to remain present during the meeting, any Director who has a Conflict of Interest in a matter shall leave the room in which discussion regarding that matter is carried on and shall not participate in the final deliberation or decision regarding the matter, provided however, that the interested Director may participate in any discussion regarding his or her absence and the interested Director shall be given an opportunity to

disclose and explain the interested transaction to the Board prior to the Board discussion and vote on the transaction without the presence of the interested Director.

Section 11.5. Minutes. The minutes of the meetings of the Board or Committee shall reflect that the Conflict of Interest was disclosed and that the interested person was not present during the final discussion or vote and did not vote. When there is doubt as to whether a Conflict of Interest exists, the matter shall be resolved by a vote of the Board or its committee, excluding the person concerning whose situation the doubt has arisen.

Section 11.6. Attempts to Influence. Directors shall not attempt to influence other Directors regarding matters in which they have a Conflict of Interest, without first disclosing that Conflict of Interest.

Section 11.7. Contract Review Committee. The Board may, in its discretion establish a Contract Review Committee consisting of at least three (3) Directors to review any contract that is proposed for approval by the Board respecting which a Director may have a Conflict of Interest (an "Interested Party Contract)". If no Contract Review Committee has been duly appointed, at any time, the Board or another committee so authorized by the Board (not including the Directors having an interest in the applicable contract) shall serve such role. The Contract Review Committee or Board shall review the Interested Party Contract and determine whether to authorize the contract; provided that if the contract is of a magnitude that it would otherwise require Board approval, the Contract Review Committee shall submit the contract to the Board with its recommendation whether or not to approve it. The Contract Review Committee or the Board must approve an Interested Party Contract by a majority vote of the disinterested Directors entitled to vote on the matter.