

THE LINCOLN SQUARE DISTRICT MANAGEMENT ASSOCIATION, INC.

BYLAWS

Effective May 12, 2021

Article VI, Section 6.2 adopted by the BID Membership on May 12, 2021
Updated and Amended Bylaws adopted by the Board of Directors on April 14, 2015
Article IV, Section 4.12 adopted by the BID membership on May 18, 2012
Article VI, Sections 6.1, 6.2, 6.3 and 6.4 revised and adopted by the Board of Directors on March 17, 2005

Article I - Offices

Section 1.1 Principal Office. The principal office of the Corporation shall be located at 1881 Broadway, Suite 2R, New York, New York 10023, or at such other location within the District, as defined in the Certificate of Incorporation and the District Plan (the "District"), as the Board of Directors of the Corporation (the "Board") may determine.

Article II - Members

Section 2.1 Categories of Members. The Corporation shall have six (6) categories of members.

Category A. Owners of record of 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 property located in the District, which owners or other persons have applied for membership by filling out an address card and mailing or delivering said card to the principal office of the Corporation (or through any other manner designated by the Board), shall be Category A, voting members of the Corporation. Category A members shall be divided into two (2) subcategories. Subcategory A-1 shall consist of those members of Category A who are Owners of record of non-residential or mixed use 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 non-residential or mixed use property located in the District. Subcategory A-2 shall consist of those members of Category 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.

Category B. Tenants who are occupants pursuant to a lease of commercial space within the District who are not eligible for Category A membership, which tenants have applied for membership by filling out an address card and mailing or delivering said card to the principal office of the Corporation (or through any other manner designated by the Board), shall be Category B, voting members of the Corporation.

Category C. Tenants who are occupants pursuant to a lease of a dwelling unit and proprietary lessees who are occupants pursuant to a proprietary lease of residential cooperative units within the District who are not eligible for Category A or Category B membership, which tenants and proprietary lessees have applied for membership by filling out an address card and mailing or delivering said card to the principal office of the Corporation (or through any other manner designated by the Board), shall be Category C, voting members of the Corporation.

Category D. One member appointed by each of the following: the Mayor of the City of New York, the Comptroller of the City of New York, the Borough President of Manhattan, and the Member of the New York City Council representing the District or, if there is more than one Council Member representing the District, then by the Speaker of the New York City Council, shall be Category D, voting members of the Corporation.

Category E. One member appointed by each of the following: the Chairpersons of Manhattan Community Boards 4 and 7 (respectively "CB4" and "CB7").

Category F. Owners of record of real property in the District which is exempt by law from real property taxation, which owners have applied for membership by filling out an address card and mailing or delivering said card to the principal office of the Corporation (or through any other manner designated by the Board), shall be Category F, voting members of the Corporation.

Section 2.2 Term of Membership. Except as otherwise provided by law, the certificate of incorporation, or these bylaws, membership in the Corporation shall continue until terminated by resignation, withdrawal, or lawful 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 or partnership. Additionally, Category A membership shall terminate when the Category A member is no longer the owner of record or the person registered with the City of New York to receive real property tax bills for property located in the District. Category B membership shall terminate when the Category B member is no longer a tenant who is an occupant, pursuant to a lease, of commercial space in the District. Category C membership shall terminate when the Category C member is no longer a tenant who is an occupant, pursuant to a lease, of a dwelling unit within the District. Category D membership shall terminate either when the appointing officer is no longer in office or when the appointing officer designates another to replace the previous appointee. Category E membership shall terminate when the particular member is no longer a member of CB4 or CB7, respectively, or when the CB4 or CB 7 Chairperson designates another to replace the previous appointee respectively. Category F membership shall terminate when the Category F member is no longer the owner of record of real property in the District which is exempt by law from real property taxation. 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 written or electronic notice to the Corporation's secretary. Such resignation or withdrawal shall be effective from the date of said notice.

Article III - Meetings of the Membership

Section 3.1 Annual Meeting. An annual meeting of the membership for the purpose of electing Directors and transacting such other business as may come before it shall be held each year on such date, time and place within the District as may be specified by the Board.

Section 3.2 Special Meetings. Special meetings of the membership for any lawful purpose or purposes shall be held at such times and places within the District as may be designated in notices of meeting, whenever called by a majority of the Board or by the Chairperson of the Board (the "Chairperson"). Such meetings may also be convened upon written demand (written or electronic) by members entitled to cast ten percent (10%) of the total number of votes entitled to be cast at such meeting, who may demand the call of a special meeting specifying the lawful purpose or purposes for which such meeting is called and the date and month thereof, which shall not be less than two months nor more than three months from the date of such written demand.

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, stating that it is being 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, by facsimile, by electronic mail, or by mail, to each member entitled to vote at such meeting. If the notice is given personally or by first class mail, by facsimile or by electronic mail, it shall be given not less than ten nor more than fifty days before the date of the meeting. If notice is given by any other class of mail, notice shall be given not less than thirty nor more than sixty days before the date of the meeting. Notice shall be provided by first class mail to any member upon written request. If, at any time, the membership of the Corporation shall exceed five hundred (500) members then notice may be served by publication in lieu of mailing in a newspaper published in New York County, once a week for three successive weeks next preceding the date of the meeting, provided that such notice must also be prominently posted on the homepage of the Corporation's website continuously from the date of publication of the notice through the date of the meeting.

Section 3.4 Waiver of Notice. Notice of any meeting of the membership need not be given to any member who, in person or by proxy, submits a waiver of notice whether before or after the meeting, or attends the meeting without protesting lack of notice. Waiver of notice may be written or electronic. If written, the waiver must be signed by the member, or such signature must be affixed to the waiver by any reasonable means, including facsimile signature. If electronic, the transmission must be sent by electronic mail and set forth, or be submitted with, information from which it can be reasonably determined that the member authorized the transmission.

Section 3.5 Quorum. Except as otherwise provided by law or in the certificate of incorporation or in the bylaws, the number of members entitled to cast one hundred (100) votes or ten percent (10%) of the total number of votes entitled to be cast, present in person or by valid proxy, whichever is lesser, shall be necessary to constitute a quorum for the transaction of business at any meeting of the members.

Section 3.6 Voting. The total amount of votes that may be cast by all Category A members of the Corporation shall be equal to the total dollar amount of the assessment to be levied against all properties within the District. Each member shall have that number of votes equal to the dollar amount of assessment to be levied against such member, provided, however, that no single member or group of members under common ownership or control shall have in excess of twenty percent (20%) of the total votes which may be cast. The members of all other categories of the Corporation shall each have one vote.

Except as otherwise provided by law or in the certificate of incorporation or in the bylaws, and except for the election of Directors to the Board, at any meeting duly called and held and at which a quorum, as defined in Section 3.5, is present, the vote of a majority of the votes of the members of the categories entitled to vote thereon who are present in person or by proxy at such a meeting shall constitute the act of the members.

Section 3.7 Election of Directors. At the annual meeting or any other meeting duly called and held for the election of Directors to the Board at which a quorum, as defined in Section 3.5, is

present, the presence in person or by proxy of members entitled to cast one tenth (10%) of the total number of votes within each membership category shall be necessary to constitute a quorum for the purposes of election of Directors within such membership category. Any membership category entitled to elect Directors which achieves such a quorum may elect new Directors from a list submitted by the Nominations Committee. Those Directors receiving a plurality of the votes cast by the members of any category present in person or by proxy, provided that there is a quorum, shall be elected. Categories without such quorum will be unable to elect Directors until such time as such quorum may be achieved for that category at a subsequent meeting of members.

Section 3.8 Annual Report of Directors. At each annual meeting of the members, the Directors shall present a report verified by the President and Treasurer or by a majority of Directors, containing the information required under Section 519 of the New York Not-For Profit Corporation Law (“NPCL”). The foregoing 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. The report shall be presented to the membership at the annual membership meeting. Every member shall be notified at least thirty (30) days prior to the membership meeting that a copy of the report is available for their inspection or copying at the headquarters of the Corporation.

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. In the event an announcement is not made at any such meeting, notice of the date, time and place of the adjourned meeting shall be required. 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 Action Without a Meeting. Any action required by the laws of the State of New York to be taken at a meeting of the membership, or any action which may be taken at any meeting of the membership, may be taken without a meeting, without prior notice and without a vote, if a written consent, setting forth the action so taken, is provided by all of the members entitled to vote thereon. Such consent may be written or electronic. If written, the consent must be executed by the member or the member’s authorized officer, Director, employee or agent by signing such consent or causing his or her signature to be affixed to such a waiver by any reasonable means including facsimile signature. If electronic, the transmission of the consent must be sent by electronic mail and set forth, or be submitted with, information from which it can reasonably be determined that the transmission was authorized by the member.

Section 3.11 Proxy. A member may execute a writing authorizing another person to act for such member as proxy. Execution may be accomplished by the member or the member’s authorized officer, Director, employee or agent signing such writing or causing his or her signature to be affixed to such writing by any reasonable means, including facsimile signature. Alternatively a member may authorize another person to act for the member as proxy by providing such authorization by electronic mail to the proxy holder or to a proxy solicitation firm or like agent, provided that such authorization by electronic mail shall set forth information from which it can

be reasonably determined the authorization by electronic mail was authorized by the member. Any copy, facsimile telecommunication or other reliable reproduction of the signed writing or electronic mail may be submitted in lieu of the original writing or transmission provided it is a complete reproduction of the entire original writing or transmission.

Article IV - Board of Directors

Section 4.1 Number, Election and Term of Office. Directors shall be elected in accordance with the provisions of Section 3.7 of the bylaws. The number of Directors which shall constitute the whole Board shall be no less than nineteen (19) Directors nor more than forty (40), provided however, that the Board, by resolution adopted by vote of a two-thirds (2/3) of the then authorized number of Directors entitled to vote, may increase or decrease the number of Directors, but in no event shall the number of Directors be less than nineteen (19). For purposes of these by-laws, the "entire Board" shall mean the number of voting Directors elected as of the most recently held election of Directors, including Directors holding-over. The members of Category A-1 shall elect from among their number or, if any member is a corporation or partnership, from among persons duly designated by such member, no less than six (6) Directors. The members of Category A-2 shall elect from among their number or, if any member is a corporation, from among persons duly designated by such member, no less than one (1) Director. The members of Category B shall elect from among their number or, if any member is a corporation, from among persons duly designated by such member, no less than two (2) Directors. The members of Category C shall elect from among their number no less than one (1) Director. The members of Category D shall each appoint a Director. The members of Category E shall elect one (1) representative each from CB4 and CB7 to serve on the Board as non-voting Directors, but with all the other rights and privileges of other Directors. The members of Category F shall elect from among their number no less than three (3) Directors. In no event, shall the number of Directors elected from Categories A-1, A-2 and F constitute less than a majority of the entire Board. The Board may, at its discretion, appoint additional non-voting Directors to attend Board meetings.

The following paragraph shall apply only to Categories A, B, C and F. One third of the Directors elected from each category shall hold office for an initial period of three (3) years, one third of the Directors elected from each category shall hold office for an initial period of two (2) years, and one third of the Directors elected from each category shall hold office for an initial period of one (1) year. At the conclusion of the initial period or subsequent term, a successor Director will be elected (and qualified) for a period of three (3) years.

Any Director duly elected by either Category A, B, C or F members who misses three (3) consecutive meetings of the Board and was not excused from such meetings, shall be terminated from the Board. Any Director duly elected by either Category A, B, C or F members who misses five (5) meetings of the Board within a given fiscal year and was not excused from such meetings, shall be terminated from the Board.

Section 4.2 Board of Directors. There shall be a Board of Directors, which shall exercise all the powers of the Corporation as specified in Section 4.5 below.

Section 4.3 Chairperson of the Board. The Chairperson of the Board (the "Chairperson") shall preside at all Board meetings and membership meetings and shall have such other powers or perform such other duties as the Board may from time to time prescribe or as set forth in these bylaws.

Section 4.4 Vacancies, Resignation and Removals. Any vacancy created by the death, resignation, removal or incapacity to act of a Director (other than a Category D) shall be filled by a plurality of the votes cast at a meeting of the class of members entitled to vote for such Director. If a vacancy remains unfilled for six months after it occurs, and by reason of the absence, illness or other inability of one or more of the remaining Directors a quorum of the Board cannot be obtained, the remaining Directors, or a majority of them, may appoint a Director to fill such vacancy. In the event of a vacancy created by the death, resignation or incapacity to act of a Category D Director, the official empowered to appoint such Director may appoint a new Category D Director. 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 Director may resign by written notice (written or electronic) to the Chairperson or the Secretary. The acceptance of any such resignation, unless required by the terms thereof, shall not be necessary to make the same effective. In the event that a resignation from any class would leave the class with fewer than the minimum number of Directors mandated for that class above, then such Director's resignation will not be effective until a successor has been appointed by the Board per this Section 4.4.

Any Category A, Category B, Category C or Category F Director may be removed at any time with or without cause by a majority vote of the class which elected such Director. A Category D Director may be removed with or without cause by the public official who appointed such Director, or, if said public official is no longer in office, such public official's successor. A Category E Director may be removed with or without cause by the Chairperson of the Community Board represented by such Director, or, if said Chairperson is no longer in office, such Chairperson's successor.

Section 4.5 General Powers. The business of the Corporation shall be managed by its Board, which shall establish policies and procedures for the Corporation and shall have general supervision of the Corporation, including all powers not expressly reserved to the membership or expressly granted to others by the certificate of incorporation or the bylaws.

Section 4.6 Regular Meetings. The Board shall meet at such times and such places as may be determined by action of the Board with five days notice by mail, telephone, facsimile or electronic mail. There shall be no less than one (1) regular meeting, including any annual meeting, of the Board in each calendar year. Officer elections shall take place at the annual Board meeting.

Section 4.7 Special Meetings. Special meetings of the Board may be called at any time by the Chairperson or a majority of the Directors on three days' notice by mail, telephone, facsimile or electronic mail

Section 4.8. Waiver of Notice. Notice of any meeting of the Board need not be given to any Director who submits a waiver of notice whether before or after the meeting, or attends the meeting without protesting lack of notice. Waiver of notice may be written or electronic. If written, the waiver must be signed by the Director, or such signature must be affixed to the waiver by any reasonable means, including facsimile signature. If electronic, the transmission must be sent by electronic mail and set forth, or be submitted with, information from which it can be reasonably determined that the Director authorized the transmission.

Section 4.9 Quorum and Voting. At every meeting of the Board a quorum must be present for the transaction of business. A quorum shall consist of one-third of the voting Directors of the Board in the case of a Board of fifteen (15) voting Directors or less. In the case of a Board of more than fifteen (15) voting Directors, quorum shall be at least five voting Directors plus one additional voting Director for every ten voting Directors or fraction thereof, in excess of fifteen (15). Except as otherwise provided by law or in the certificate of incorporation or the bylaws, action at a Board meeting may be taken upon an affirmative vote by a majority of Directors present and entitled to vote. Each Director shall have one (1) vote. Notwithstanding the foregoing, any increase in the annual budget of the Corporation to be funded through the Assessments (as defined in the District Plan) in excess of five percent (5%) of the previous year's annual budget funded through the Assessment shall require the affirmative vote of two thirds (2/3) of Directors present and entitled to vote.

Section 4.10 Presumption of Assent A Director of the Corporation who is present at a meeting of the Board at which action on a corporate matter is taken shall be presumed to have assented to the action taken unless his or her dissent shall be entered into the minutes of the meeting, or unless he or she shall file his or her written dissent to such action with the person acting as the Secretary of the meeting before the adjournment of the meeting or shall forward such dissent by registered mail to the Secretary of the Corporation immediately after adjournment of the meeting, or if dissent is not noted when the minutes are circulated or approved, the dissenting Director may direct its inclusion. Such right to dissent shall not apply to a Director who voted in favor of such action.

Section 4.11 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 4.12 Action Without a Meeting. Any action required or permitted to be taken at any meeting by the Board or any committee thereof may be taken without a meeting if all of the voting members of the Board or the committee consent in writing to the adoption of a resolution authorizing the action and the resolution and the written consents thereto are filed with the minutes of proceedings of the Board or the committee. Such consent may be written or electronic. If written, the consent must be executed by the Director signing such consent or causing his signature to be affixed to such consent by any reasonable means including facsimile signature. If electronic, the transmission of such consent must be sent by electronic mail and set forth, or be submitted with, information from which it can be reasonably determined that the transmission was

authorized by the Director.

Section 4.13 Conference Telephone. Any one or more members of the Board or any committee thereof may participate in a meeting of such Board or committee by means of a conference telephone, videoconference or similar communications equipment so long as all persons participating in the meeting can hear each other at the same time and each Director can participate in all matters before the Board or the Committee. Participation by such means shall constitute presence in person at a meeting.

Section 4.14 Alternates. Each class of members entitled to elect one or more Director may elect an alternate for each such Director. In the absence of a Director from a meeting of the Board, his or her alternate may, upon written notice (written or electronic) to the Secretary of the Corporation, 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 by-laws and the applicable law governing Directors. If written, the notice must be executed by the Director signing such notice or causing his signature to be affixed to such notice by any reasonable means including facsimile signature. If electronic, the transmission of such notice must be sent by electronic mail and set forth, or be submitted with, information from which it can be reasonably determined that the transmission was authorized by the Director.

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

Article V - Officers

Section 5.1 Election and Appointment of Officers. The Board shall elect the officers of the Corporation, from among the Directors, including a Chairperson, a First Vice Chairperson, a Vice Chairperson for Finance, a Vice Chairperson for Audit, a Treasurer, a Corporate Secretary and an Assistant Corporate Secretary and may include an Assistant Treasurer, who shall exercise the powers and perform the duties designated in the 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 the Chairperson. Such officers may also include one or more additional Vice Chairpersons, elected from among the Directors, who shall exercise the powers and perform such duties as are delegated or assigned to them by the Board or the Chairperson. Each officer shall hold office for such term as shall be prescribed by the Board and until his or her successor has been appointed and qualified. The Board may appoint a President of the Corporation, who may be an employee of the Corporation. The President shall serve with such compensation as initially determined by the Chairperson and confirmed with the adoption of the annual budget (subject to Section 8.3 of these by-laws). One person may hold more than one office at a time, except that no person may simultaneously hold the offices of Chairperson or President and Secretary.

Section 5.2 Powers and Duties of the Chairperson. In addition to the other powers and functions of the Chairperson outlined in these by-laws, the Chairperson shall have the authority to

preside at all meetings of the Board and/or members and to perform such acts as usually pertain to the office of Chairperson. No employee of the Corporation may serve as Chairperson of the Board of Directors or hold any other title with similar responsibilities.

Section 5.3 Powers and Duties of the President. Except as otherwise hereinafter provided by these bylaws, or by resolution duly adopted at any meeting of the Board, the President shall be the chief executive officer of the Corporation, with authority to direct and supervise the activities of all other employees, and to perform such acts as usually pertain to the office of President. The President shall serve at the pleasure of the Board.

Section 5.4 Powers and Duties of the First Vice Chairperson. In the absence or disability of the Chairperson, the First Vice Chairperson shall preside at all Board meetings and membership meetings and shall perform such other duties and exercise such other powers as the Board may have prescribed for the Chairperson. In addition, the Vice Chairperson shall have such other powers or perform such other duties as the Board may from time to time prescribe.

Section 5.5 Powers and Duties of the Vice Chairperson for Finance. The Vice Chairperson for Finance shall serve as the Chairperson of the Finance Committee and shall have such other powers or perform such other duties as the Board may from time to time prescribe.

Section 5.6 Powers and Duties of the Vice Chairperson for Audit. The Vice Chairperson for Audit shall serve as the Chairperson of the Audit Committee and shall have such other powers or perform such other duties as the Board may from time to time prescribe (subject to Section 6.4.1 of these by-laws).

Section 5.7 Powers and Duties of the Treasurer. The Treasurer shall have custody of the Corporation's funds, and shall keep a true recording of all financial matters of the Corporation. 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 the Treasurer and shall have such other powers or perform such other duties as the Board may from time to time prescribe.

Section 5.8 Powers and Duties of the Corporate Secretary. The Corporate Secretary shall keep the minutes of all meetings of the Board and all meetings of the members of the Corporation; shall give, or cause to be given, notice of all meetings to members and Directors and all other notices required by law or by these bylaws; shall be custodian of the corporate records, maintain membership rolls and shall have such other powers or perform such other duties as the Board may from time to time prescribe.

Section 5.9 Powers and Duties of the Assistant Treasurer. The Assistant Treasurer shall assist the Treasurer in the exercise of his or her duties and, in the absence or disability of the Treasurer, the Assistant Treasurer shall perform such other duties and exercise such other powers as the Board may have prescribed for the Treasurer.

Section 5.10 Powers and Duties of the Assistant Corporate Secretary. The Assistant

Corporate Secretary shall assist the Corporate Secretary in the exercise of his or her duties and, in the absence or disability of the Corporate Secretary, the Assistant Corporate Secretary shall perform such other duties and exercise such other powers as the Board may have prescribed for the Corporate Secretary.

Section 5.11 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. The newly appointed officer may be allowed to serve as the new officer for such term as is determined by the Board and until the election or appointment and qualification of a successor.

Section 5.12 Vacancies. Any Officer may resign at any time, subject to any rights of obligations under any existing contracts between the Officer and the Corporation, by giving written notice (written or electronic) to the Chairperson or the Secretary. An Officer's resignation shall take effect at the time specified in such notice, and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Article VI - Committees

Section 6.1 Designation of Committees of the Board. The Board, by resolution adopted by a majority of the entire Board, may designate from among its members, an Executive Committee, a Finance Committee, an Audit Committee, a Nominations Committee and may designate other committees of the Board as the Board may find appropriate and shall establish by resolution. Each Committee of the Board shall consist of at least three (3) Directors. The Chairperson shall be ex-officio member of each committee.

Section 6.2 The Executive Committee. There shall be an Executive Committee, which shall be a Committee of the Board. The Executive Committee shall be composed of all the officers of the Corporation (except the President) and at the discretion of the Chairperson, a minimum of three (3) Directors (who are not officers) appointed by the Chairperson, subject to the approval of the Board. In addition, the Director appointed by the Mayor may be a member of the Executive Committee. The Chairperson 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, and at all times, be accountable to and subject to the control of the Board, and provided further that the Executive Committee shall have no authority as to the following matters: (i) the submission 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 amendment or repeal of the bylaws or the adoption of new bylaws; (iv) the amendment or repeal of any resolution of the Board which by its terms shall not be so amendable or repealable.

Section 6.3 The Nominations Committee. There shall be a Nominations Committee, which shall be a Committee of the Board. The Nominations Committee shall be composed of all the officers of the Corporation (except the President) and at the discretion of the Chairperson of the Nominations Committee, up to three (3) Directors (who are not officers) appointed by the Chairperson of Nominations Committee, subject to the approval of the Board. In addition, the

Director appointed by the Mayor may be a member of the Nominations Committee. The Chairperson of the Nominations Committee shall be selected by the members of the Nominations Committee. The Nominations Committee shall nominate at least one (1) candidate for each office of the Corporation to be elected in accordance with the Section 5.1 of the bylaws. The Nominations Committee shall also nominate candidates for election to the Board in accordance with Sections 3.7 and 4.1 of the bylaws.

Section 6.4 The Finance Committee. There shall be a Finance Committee, which shall be a Committee of the Board. The Finance Committee shall be composed of all the officers of the Corporation (except the President) who by written notice to the Chairperson elect to be members and at the discretion of the Chairperson, up to three (3) Directors (who are not officers) appointed by the Chairperson, subject to the approval of the Board. In addition, the Directors appointed by the Mayor and the Comptroller may be members of the Finance Committee. The Finance Committee shall formulate financial policies for review and approval by the Board, shall review the Corporation's monthly, quarterly, semi-annual and annual financial statements and the financial portions of the Corporation's annual report and report to the Board with respect thereto, 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.

Section 6.5 The Audit Committee. There shall be an Audit Committee, which shall be a Committee of the Board. Subject to the requirements set forth below, the Audit Committee shall be composed of all the officers of the Corporation (except the President) who by written notice to the Chairperson elect to be members and at the discretion of the Chairperson, up to three (3) Directors (who are not officers) appointed by the Chairperson, subject to the approval of the Board. In addition, the Director appointed by the Mayor may be a member of the Audit Committee, subject to the requirements set forth below.

Section 6.5.1 Independent Directors. Notwithstanding the foregoing, only members of the Board of Directors who are "independent Directors" within the meaning of Section 102(a)(21) of the NPCL are eligible to serve on the Audit Committee. A Director is an "independent Director" if he or she:

- (i) Is not and has not been within the last three years an employee of the Corporation, or an affiliate of the Corporation, and does not have a relative who is, or has been within the last three years, a key employee of the Corporation or an affiliate of the Corporation.
- (ii) has not received, and does not have a relative who has received, in any of the last three fiscal years, more than ten thousand dollars in direct compensation from the Corporation or an affiliate of the Corporation (other than expenses reasonably incurred as a Director); and
- (iii) is not a current employee of, or does not have a substantial financial interest in, and does not have relative who is a current officer of, or have a substantial financial interest in, any entity that has made payments to, or received payments from, the Corporation

or an affiliate of the Corporation for property or services in an amount which, in any of the last three fiscal years, exceeds the lesser of twenty-five thousand dollars or two percent of such entity's consolidated gross revenues.

For these purposes, (a) a "relative" of an individual means his or her spouse, domestic partner (as defined in Section 2994-a of the New York Public Health Law), ancestors, brothers and sisters (whether whole or half blood), children (whether natural or adopted), grandchildren, great-grandchildren, and spouses of brothers, sisters, children, grandchildren, and great-grandchildren; and (b) a "key employee" is any person who is in a position to exercise substantial influence over the affairs of the Corporation, as described in 26 USC 4958(f)(1)(A) and the regulations promulgated thereunder.

Section 6.5.2 Responsibilities. The Audit Committee will oversee the accounting and financial reporting processes and the audit of the Corporation's financial statements, and undertake any other matter the Board of Directors deems appropriate. The Audit Committee shall report on its activities to the Board of Directors.

Section 6.5.3 Audit. Among other matters assigned to it by the Board of Directors, the Audit Committee shall perform all of the responsibilities set forth in NPCL Section 712-a, including:

- (i) Annually retain or renew the retention of an independent auditor to conduct the audit of the Corporation;
- (ii) Review with the independent auditor the scope and planning of the audit prior to the audit's commencement;
- (iii) Review the results of the audit and any related management letter with the independent auditor;
- (iv) Upon completion of the audit, review and discuss with the independent auditor (a) any identified material risks and weaknesses in internal controls identified by the auditor, (b) any restrictions on the scope of the auditor's activities or access to requested information, (c) any significant disagreements between the auditor and management; and (d) the adequacy of the Corporation's accounting and financial reporting processes; and
- (v) Annually consider the performance and independence of the independent auditor.

Section 6.5.4. The Audit Committee shall perform any other functions as may be assigned to it by law or the Board, including administration of the Corporation's Conflict of Interest Policy.

Section 6.6 Other Committees of the Board. The Chairperson shall recommend, subject to the approval of the Board, from among the Directors, other committees of the Board, each consisting of three (3) or more Directors, as the Chairperson may deem appropriate provided that any officer of the Corporation (except the President) may elect by written notice to the Chairperson to become a member of any committee.

Subject to the requirements set forth herein and applicable law, (i) the Chairperson shall be an ex-officio member of each Committee of the Board, (ii) the Director appointed by the Mayor shall be

a member of each committee, and (iii) the President shall be a non-voting ex-officio advisor to each Committee of the Board. Each Committee of the Board shall serve at the pleasure of and be responsible to the Board of Directors.

Section 6.7 Committees of the Corporation. The Chairperson may designate, subject to the approval of the Board, such other committees of the Corporation and task forces, including both Board and non-Board members, as are deemed necessary to assist the Corporation in fulfilling its mission (such as a Services and Marketing Committee). Such committees of the Corporation and task forces may not bind the Board.

Section 6.8 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 for the transaction of business. A quorum shall consist of the greater of three (3) or one half (½) of the members of the committee entitled to vote. Action by a 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 the Board.

Article VII - Amendments

Section 7.1 Amendments. Except as otherwise stated herein, the bylaws may be adopted, amended or repealed, and new by-laws adopted, at any meeting duly called and held and at which a quorum, as defined in Section 3.4, is present, by the affirmative vote of a majority the members entitled to vote who are present in person or by proxy at such a meeting or, unless otherwise provided in the certificate of incorporation or the bylaws, at any meeting duly called and held and at which a quorum, as defined in Section 4.9, is present, by the affirmative vote of a majority of the Directors entitled to vote who are present at such meeting.

If any by-law regulating an impending election of Directors is adopted, amended, repealed or modified by the Board there shall be set forth in the notice of the next meeting of the members for the election of Directors, the by-laws so adopted, amended, modified or repealed, together with a concise statement of the changes made.

Article VIII - Miscellaneous

Section 8.1 Fiscal Year. The fiscal year of the Corporation shall be from July 1 to June 30 of the following year.

Section 8.2 Checks, Contracts and Other Instruments. All checks, contracts, demands for money and notes of the Corporation shall be signed by the President or the Chairperson or such other person as the Board may from time to time designate. Notwithstanding the foregoing, the Board may establish fiscal policies for the Corporation that require checks, contracts, demands for money and notes over a designated value to be signed by the President or the Chairperson and co-executed by another officer of Corporation, or as

otherwise determined by the Board.

Section 8.3 Compensation Matters. No person who may benefit from compensation paid by the Corporation may be present at or otherwise participate in any Board or committee deliberation or vote concerning such person's compensation.

Section 8.4 Notices, Consents and Waivers. Any reference to "notice in writing", "written notice", "written consent", "consent in writing", "written waiver" or "waiver in writing" in these by-laws shall include electronic communication, such as facsimile or email.

Section 8.5 Budget Presentation. The Corporation may present its proposed final budget to the membership for the next succeeding year prior to final approval by the Board of Directors. Such presentation may be made on the same day as the annual meeting of the membership or such other date as the Board may designate. Such presentation may include information on all planning, capital and service programs proposed and allow reasonable time for discussion of all issues. An accurate and complete record of any such presentations shall be maintained and an accurate and fair summary thereof shall be available at the BID offices for inspection and copying. Copies of this summary may be mailed to all registered members prior to the annual meeting of the following year.

Section 8.6. 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. Investments will be limited to the following: FDIC-insured accounts or securities backed by the full faith and credit of the United States government or the governments of New York State or New York City.

Section 8.7. Transfer and Assignment. The Board may authorize any 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.

Article IX - Indemnification

(a) Except as provided by law and in paragraph (b), the Corporation shall indemnify any person who was or is made, or threatened to be made, a party to any threatened, pending or completed action, suit or proceeding, whether criminal, civil, administrative or investigative, including an action by or in the right of the Corporation to procure a judgment in its favor, by reason of the fact that such person, or such person's testator or intestate, is or was a Director, officer, a committee member who is not a Director or officer of the Corporation, or an employee or agent of the Corporation designated for indemnification by the Board, or is or was serving at

the request of the Corporation as a director, trustee, officer, employee or agent of another corporation, partnership, joint venture, trust, employee benefit plan or other enterprise (hereinafter all referred to more generally as “indemnified parties”), against judgments, fines, amounts paid in settlement and expenses, including attorneys' fees actually and reasonably incurred as a result of such action, suit or proceeding, or any appeal thereon, to the fullest extent permitted by applicable law, upon a determination having been made as to such person’s good faith and conduct as is required by applicable law..

(b) No indemnification shall be made to or on behalf of an indemnified person if (1) his or her acts were committed in bad faith or were the result of active and deliberate dishonesty and were material to the cause of action so adjudicated, or (2) 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.

(c) The Corporation shall have the power, to the full extent permitted by law, to purchase and maintain insurance to indemnify the Corporation and the indemnified parties in a manner and to the fullest extent now or hereafter permitted by law.

(d) The Corporation shall be deemed to have requested a person to serve an employee benefit plan where the performance by such person of his or her duties to the Corporation also imposes duties on, or otherwise involves services by, such person to the plan or participants or beneficiaries of the plan. Excise taxes assessed against a person with respect to any employee benefit plan pursuant to applicable law shall be considered fines.

CERTIFICATION

The undersigned does hereby certify that there is attached hereto a complete and accurate copy of the Bylaws of The Lincoln Square District Management Association, Inc. adopted by the Board of Directors and it has been compared with and is identical to the original.

IN WITNESS WHEREOF, the undersigned has set his/her hand this 12th day of May, 2021.

DocuSigned by:
GREGG CARLOVICH
2718A022EBD7499

Gregg Carlovich, Secretary