

BY-LAWS

OF

GRACIE MANSION CONSERVANCY

(A Type B New York Not-For-Profit Corporation)

ARTICLE 1

ORGANIZATION

1.1. Name. The Corporation shall be known as the Gracie Mansion Conservancy.

1.2. Purpose. The Corporation is organized under the New York Not-for-Profit Corporation Law and shall be operated exclusively for the charitable purposes of benefiting the City of New York with respect to the restoration, design, and furnishing of Gracie Mansion, as is more fully set forth in the Corporation's Certificate of Incorporation.

1.3. Members. The Corporation shall have no members.

ARTICLE 2

DIRECTORS

2.1. Powers. The Board of Directors shall direct the management of the operations, property, affairs, and concerns of the Corporation consistent with the provisions of these By-laws and the Certificate of Incorporation.

2.2. Number and Qualifications. The Board of Directors of the Corporation shall consist of the Mayor of The City of New

York or such person as may be designated by the Mayor in writing from time to time, the Commissioner of the New York City Department of Parks and Recreation, the Chairperson of the New York City Landmarks Preservation Commission, and the Commissioner of the New York City Department of Cultural Affairs, all of whom shall serve *ex officio*.

2.3. Alternate Directors. Each Director may appoint an officeholder or employee of the City to serve as an alternate to himself or herself. Such Director shall file a written designation of his or her alternate with the records of the Corporation. The officeholder or employee so designated to serve as an alternate director shall serve as an alternate only so long as the Director who appointed him or her continues to hold such office. In the absence of a Director from a meeting, his or her alternate may, upon written notice to the Secretary, attend such meeting and exercise therein the rights, powers, and privileges and be subject to the duties, obligations, and limitations of the absent Director.

2.4. Term. The term of a Director who serves on the Board by virtue of the City office or employment held by him or her shall terminate upon such person's ceasing to hold such office or employment, and such Director's successor as a holder of such City office or employment shall become a Director upon taking such office or employment.

2.5. Annual Meeting. The Board of Directors shall hold

its annual meeting for the purpose of organization, election of directors and officers, and the transaction of other business, on a date in the spring of each year and at a place, within or without the State of New York, fixed by the Board of Directors or, if no place has been fixed, at the office of the Corporation in the State of New York. At the annual meeting, the Board of Directors shall present a report, as required by Section 519 of the Not-for-Profit Corporation Law, verified by the Executive Director and the Treasurer or by a majority of the Directors or certified by independent public or certified public accountant or a firm of such accountants selected by the Board.

2.6. Regular and Special Meetings. Regular or any special meetings of the Board of Directors may be held at any place within or without the State of New York. Regular meetings of the Board of Directors may be held at such times as may be fixed from time to time by resolution of the Board of Directors. Special meetings of the Board of Directors may be called at any time by the Chairperson or the Secretary or by a majority of the entire Board of Directors. As used in these By-laws, "entire Board of Directors" means the total number of Directors entitled to vote which the Corporation would have if there were no vacancies on the Board of Directors.

2.7. Notice. Regular meetings of the Board of Directors may be held without notice of the time and place if such meetings are fixed by the Board. Notice of the time and

place of the Annual Meeting, each regular meeting not fixed by the Board, and each special meeting of the Board, shall be given personally, by email, by facsimile transmission, or by U.S. mail to each Director. Such notice shall be given at least three (3) days before the day on which the meeting is to be held if notice is given personally, by email, or by facsimile transmission, and at least ten (10) days before the day on which the meeting is to be held if the notice is given by U.S. mail. In addition to stating the time and place of the meeting, each notice for an annual or special meeting shall state the purpose or purposes for which the meeting is called. Notices given by email, by facsimile transmission, or by U.S. mail shall be deemed to be given when dispatched or mailed, as the case may be, and shall be sent to each Director at his or her address as it appears on the books or records of the Corporation. Notice of any meeting of the Board of Directors need not be given to any Director who submits a signed waiver of notice, whether before or after the meeting, or who attends the meeting without protesting, prior thereto or at the commencement thereof, the lack of notice to him or to her.

2.8. Quorum. A majority of the entire Board of Directors shall constitute a quorum for the transaction of business or of any specified item of business. A majority of the Directors present, whether or not a quorum is present, may adjourn any meeting to another time and place. Notice of any

adjournment of a meeting of the Board to another time or place shall be given to the Directors who were not present at the time of the adjournment and, unless such time and place are announced at the adjourned meeting, to each of the other Directors.

2.9. Action by the Board. Any reference in these By-laws to action to be taken by the Board of Directors shall mean such action at a meeting of the Board. Except as otherwise expressly required by law or by these By-laws, the vote of a majority of the Directors present at the time of the vote, if a quorum is present at such time, shall be the act of the Board.

2.10. Newly Created Directorships and Vacancies. A Director appointed to fill ~~such~~ a vacancy shall hold office until the next annual meeting of the Board of Directors and until his or her successor qualifies.

2.11. Removal of Directors. Except as otherwise provided by law, any Director may be removed, with or without cause, by the Mayor.

2.12. Telephonic Meetings. Any one or more Directors of the Board of Directors or any committee thereof may participate in a meeting of the Board of Directors or such committee by means of a video conference or similar communication equipment allowing all persons participating in the meeting to see and hear each other at the same time. Participation by such means shall constitute presence in person at a meeting.

## ARTICLE 3

### COMMITTEES OF THE BOARD OF DIRECTORS

3.1. Audit Committee. The Board of Directors shall have an Audit Committee consisting of at least three Directors elected by the Board, all of whom shall be "independent" within the meaning of the Public Authorities Accountability Act of 2005. The duties of the Audit Committee shall be to (i) oversee the conduct and integrity of the Corporation's financial reporting, including its accounting and financial procedures and internal controls; (ii) recommend to the Board the hiring of a certified independent accounting firm and the compensation to be paid to the accounting firm; (iii) provide direct oversight of the performance of the independent audit by the accounting firm hired for such purpose by meeting with the accounting firm and reviewing the year-end statement and management letter; and (iv) report to the Board at least annually.

3.2. Governance Committee. The Board of Directors shall have a Governance Committee consisting of at least three Directors elected by the Board, all of whom shall be "independent" within the meaning of the Public Authorities Accountability Act of 2005. The duties of the Governance Committee shall be to: (i) keep the Board informed of current best governance practices; (ii) review corporate governance trends and update the Corporation's governance principles; and

(iii) advise the Board on the skills and experiences required of Directors.

3.3. Other Committees. The Board of Directors may create such other standing committees as it deems advisable, each consisting of at least three Directors elected by the Board.

3.4 Manner of Acting. Each committee shall meet upon call of its chairperson or of the Chairperson of the Board of Directors and upon such notice given to its members as is provided in these By-laws for the giving of notice to Directors for special meetings of the Board of Directors or upon such other notice, if any, as the committee may determine. All committees shall keep a record of their acts and proceedings and shall report thereon to the Board of Directors.

## ARTICLE 4

### OFFICERS

4.1. Officers. The Chairperson of the Board shall be appointed by the Mayor. The Board of Directors shall elect a Vice Chairperson, an Executive Director, a Secretary, a Treasurer, and such other officers or assistant officers as it may determine. Any two or more offices may be held by the same person, except the office of Chairperson and Secretary or the offices corresponding thereto. If there is more than one of any particular officer, then the powers of that office shall be

exercised by the most senior in service or by the officer designated by the Board of Directors. The offices of Executive Director and Treasurer shall not be held by a Director of the Corporation.

4.2. Chairperson of the Board. The Chairperson of the Board shall have general supervision over the affairs of the Corporation, subject, however, to the control of the Board of Directors. The Chairperson shall supervise the work of the Executive Director and Treasurer. The Chairperson shall, if present, preside at all meetings of the Board of Directors, and shall be *ex-officio* a member of all committees of the Board. In addition, the Chairperson shall perform such other duties as are provided in these By-laws and as from time to time may be assigned to the Chairperson by the Board of Directors.

4.3. Vice Chairperson. If the Chairperson is absent or if there is a vacancy in the office of Chairperson, then the Vice Chairperson shall perform all the duties of the Chairperson and in so acting shall have all the powers of and be subject to all the restrictions upon the Chairperson. The Vice Chairperson shall also perform such other duties as may from time to time be assigned to her or him by the Board of Directors or by the Chairperson.

4.4. Executive Director. The Executive Director shall be the chief executive officer of the Corporation and shall manage its operations.

4.5. Treasurer. The Treasurer shall be the chief financial officer of the Corporation and shall collect and keep an account of all moneys expended for the use of the Corporation; shall deposit or cause to be deposited sums received by the Corporation in the name of the Corporation in such depositories as shall be approved by the Board of Directors; shall make reports of the finances of the Corporation when called upon by the Chairperson; and shall perform such other duties as shall be directed by the Board of Directors or by the Chairperson. The funds, books, and vouchers in the hands of the Treasurer shall at all times be subject to the inspection, supervision, and control of the Board of Directors and the Chairperson, and, at the expiration of his or her term of office, the Treasurer shall turn over to her or his successor in office all books, moneys, and other properties in his or her possession.

4.6. Secretary. The Secretary shall act as secretary at all meetings of the Board of Directors and shall keep the minutes thereof in the proper book or books to be provided for that purpose. The Secretary shall see that all notices required to be given by the Corporation are duly given. The Secretary shall have charge of the books, records, and papers of the Corporation except as otherwise provided in Section 4.5 of these By-laws and shall see that the reports, statements, and other documents required by law are properly kept and filed. The

Secretary shall also perform such other duties as may from time to time be assigned to him or her by the Board of Directors or by the Chairperson.

4.7. Term. The term of office of each officer of the Corporation (including any officer who may occupy an additional office created by the Board of Directors) shall be until the next annual meeting of the Board of Directors and until his or her successor has been elected and qualifies.

4.8. Removal. Any officer may be removed by the Board, either with or without cause, at any time. Removal of an officer without cause shall be without prejudice to her or his contract rights, if any. The election of an officer shall not of itself create contract rights.

4.9. Resignations. Any officer may resign at any time, orally or in writing, by notifying the Board of Directors or the Chairperson or the Secretary of the Corporation. Such resignation shall take effect at the time therein specified, and unless otherwise specified, the acceptance of such resignation shall not be necessary to make it effective.

## ARTICLE 5

### COMPENSATION AND INDEMNIFICATION

5.1. Compensation of Officers and Directors. The Corporation shall not pay compensation to directors and officers, other than the Executive Director and the Treasurer,

for services rendered. The Board of Directors, by the affirmative vote of a majority of the entire Board pursuant to section 2.9 of these By-laws, shall fix the salaries of employees of the Corporation.

5.2. Indemnification of Directors and Officers. The Corporation may indemnify, in the manner set forth in Section 724 of the Not-for-Profit Corporation Law, any person made a party to an action by or in the right of the Corporation to procure a judgment in its favor by reason of the fact that he or she, her or his testator, or intestate, is or was a director or officer of the Corporation, against the reasonable expenses, including attorneys' fees, actually and necessarily incurred by him or her in connection with the defense of such action, or in connection with an appeal therein, except in relation to matters as to which such director or officer is adjudged to have breached her or his duty to the Corporation. Indemnification shall in no case include (a) amounts paid in settling or otherwise disposing of a threatened action, or a pending action with or without court approval or (b) expenses incurred in defending a threatened action, or a pending action which is settled or otherwise disposed of without court approval. The Corporation may also indemnify, in the manner set forth in the Not-for-Profit Corporation Law, any person, made, or threatened to be made, a party to an action or proceeding other than one by or in the right of the corporation to procure a judgment in its

favor, whether civil or criminal, including an action by or in the right of any other corporation of any type or kind, domestic or foreign, or any partnership, joint venture, trust, or other enterprise, which any director or officer of the Corporation served in any capacity at the request of the Corporation, by reason of the fact that he or she, her or his testator or intestate, was a director or officer of the Corporation, or served such other corporation, partnership, joint venture, trust or other enterprise in any capacity, against judgments, fines, amounts paid in settlement and reasonable expenses, including attorneys' fees actually and necessarily incurred as a result of such action or proceeding, or any appeal therein, if such director or officer acted in good faith for a purpose which he or she reasonably believed to be in the best interests of the Corporation and, in criminal actions or proceedings, in addition, had no reasonable cause to believe that her or his conduct was unlawful.

## ARTICLE 6

### BOOKS, LIST AND RECORDS

6.1. Books to Be Kept. The Corporation shall keep, at its office in written form, correct and complete books and records of account and minutes of the proceedings of the Board of Directors.

ARTICLE 7

FISCAL YEAR

7.1. Fiscal Year. The fiscal year of the Corporation shall be determined by resolution of the Board of Directors. In the absence of such a determination a year ending June 30 shall be the fiscal year of the Corporation.

ARTICLE 8

CORPORATE SEAL

8.1. Corporate Seal. The Board of Directors may adopt a Corporate Seal, alter such seal at its pleasure and authorize it to be used by causing a facsimile to be affixed or impressed or reproduced in any other manner.

ARTICLE 9

OFFICE

9.1. Office. The office of the Corporation shall be located in the City and County of New York at such address as may from time to time be fixed by the Board of Directors.

## ARTICLE 10

### AMENDMENTS OF BY-LAWS

10.1. Amendments by Board of Directors. These By-laws or any one or more of the provisions thereof may be amended or repealed or new By-laws adopted by a vote of a majority of the entire Board of Directors pursuant to Section 2.9 of these By-laws, at any annual, regular, or special meeting of the Board of Directors. Notice of any amendment by the Board of Directors shall, within two business days after adoption, be served personally upon each member or sent by email, facsimile transmission, or first-class mail to the Director's address appearing on the records of the Corporation.

10.2. Notice. The text of any proposed By-law amendment shall be included in or attached to the notice of any meeting at which such amendment is to be considered.

## ARTICLE 11

### ALTERATIONS OF GRACIE MANSION

11.1. The plans, designs, and specifications of all alterations to Gracie Mansion or its site undertaken by the Corporation, its agents, employees, or contractors shall be subject to the advance review and approval of the Construction Division of the New York City Department of Parks and Recreation, and no work on any such alterations shall commence prior to the Corporation's having obtained such approval in

writing from the Department, nor prior to the receipt of all reviews and approvals required by any agency or entity of government with pertinent jurisdiction.

11.2. All alterations shall be undertaken and completed in a good and workmanlike manner, in compliance with all applicable laws, rules and regulations, and in full accordance with the plans, designs, and specifications approved by the Department.

11.3. As used in this Article, "alterations" shall have the following meaning: (a) any restoration, rehabilitation, modification, renovation, or improvement to Gracie Mansion (excepting ordinary maintenance and repair) which would or might affect in any significant manner, or have any material impact whatsoever upon, the structure, appearance, or design of any portion of Gracie Mansion; (b) any work (excluding ordinary maintenance and repair) affecting Gracie Mansion's plumbing, heating, electrical, mechanical, ventilating, or other systems; (c) any major landscaping or planting and any removal of trees, flowers, or shrubbery, on the site of Gracie Mansion.

## ARTICLE 12

### ADVISORY BOARD OF DIRECTORS

12.1. Members of the Advisory Board of Directors, Appointment and Qualifications. Members of the Advisory Board of Directors (the "Advisory Board") shall include such former Directors of the Corporation as the Board of Directors may

appoint and such other individuals as the Board of Directors may appoint.

12.2. Resignation and Removal. A member of the Advisory Board may resign at any time by notifying the Board of Directors or the Secretary of the Corporation. Any member of the Advisory Board may be removed without cause by the Board of Directors at any time.

12.3. Functions of Advisory Board. The Advisory Board shall advise and assist the Board of Directors by identifying projects and programs that the Corporation may undertake in the exercise of its powers and in accordance with its purposes, including the purposes of the restoration, design, and furnishing of Gracie Mansion as more fully set forth in the Certificate of Incorporation of the Corporation. Further, members of the Advisory Board shall endeavor to raise funds for the charitable and public purposes of the Corporation and shall provide expertise and guidance to the Board for the purpose of overseeing projects and investing, reinvesting, and otherwise managing the assets of the Corporation. Recommendations by the Advisory Board shall be made to the Board of Directors of the Corporation and shall not limit or bind the Board, who shall have sole responsibility for the management of the affairs and property of the Corporation.

12.4. Number and Terms. The number of members of the Advisory Board shall be not less than three and not greater than

twenty-five, as determined by the Board of Directors. Members of the Advisory Board, other than former Directors, shall hold such position until the annual meeting of the Board of Directors next following the annual meeting of the Board of Directors at which he or she shall have been elected. The terms of former members of the Board of Directors shall not be limited.

12.5. The Chair. The Chair of the Advisory Board shall be appointed by the Board of Directors.

12.6. Meetings of Advisory Board, Records. The Advisory Board shall hold an annual meeting for the purpose of discussing and presenting reports and/or recommendations prepared for the Board of Directors. Such meeting shall be held in conjunction with the Annual Meeting of the Board of Directors at such time and place as the Chair of the Advisory Board shall determine. Additional meetings shall be held at such time, at such place, and upon such notice as the Chair of the Advisory Board shall determine. The Advisory Board shall keep regular minutes of all its meetings. The said minutes shall be open to the inspection of any Director at any time.

12.7. Compensation. Members of the Advisory Board, as such, shall receive no compensation for services actually rendered in effecting one or more of its corporate purposes.

## ARTICLE 13

### Conflicts of Interests

13.1 Private Gain. No Director or Officer will use his or her relationship with the Corporation for private gain.

13.2. Conflicts of Interest. No Director or Officer may take any action in respect of any contract or other transaction relating to the operations conducted by the Corporation or with respect to any contract for furnishing supplies thereto, in each case pursuant to which such Director or Officer shall have a Conflict of Interest (as defined in Section 13.3 hereof), unless authorized by the concurring vote of at least two-thirds of the entire Board of Directors, not counting the vote of any interested individual, or, where applicable, by such larger vote as is required by law, the Certificate of Incorporation, or these By-Laws. In the event of such a Conflict of Interest, the Director or Officer concerned will forthwith make disclosure to the Corporation of the nature and extent of his or her interest and such disclosure will be entered in writing upon the minutes of the meeting of the Board of Directors called to authorize such contract. Any Director who has such a Conflict of Interest will retire from the room in which the Board of Directors or committee is meeting. No Director who has such a Conflict of Interest may vote on any matter relating to such interest.

All questions as to whether a Conflict of Interest exists will be resolved by a vote of the Board of Directors in which the interested individual may not vote.

A Conflict of Interest disclosure statement will be furnished annually to the Board by each Director and Officer. The disclosure statements will be reviewed annually by the Board of Directors or by a committee thereof. In addition, each Director and Officer must report promptly to the Corporation any potential Conflict of Interest as and when it arises. This Conflict of Interest policy will apply to other employees and agents of the Corporation, as determined by resolution of the Board.

In determining whether to approve a contract or transaction in which a Director or Officer may have a Conflict of Interest, disinterested Directors shall take into account the restrictions regarding excess benefit transactions under Section 4958 of the Internal Revenue Code of 1986, as amended.

Subject to the exceptions outlined in Section 716 of the Not-For-Profit Corporation Law, no loans shall be made by the Corporation to any Director or Officer or to any other entity in which one or more Directors or Officers is a director or officer or holds a substantial financial interest.

13.3 Definition. For purposes of this Article, "Conflict of Interest" means any instance in which a Director or Officer has, directly or indirectly, through business,

investment, or a family relationship, a financial or fiduciary interest (which will include, without limitation, any employment, contractual, creditor, or consultative relationship), or a Board or staff membership, in an entity or individual or a substantial affiliate of an entity or individual with respect to which a vote is taken (including any such interest that existed at any time during the twelve (12) months preceding the time that the matter is voted upon).

A person has a "financial interest" if the person has (i) an ownership or investment interest in any entity with which the Corporation has a transaction or arrangement, (ii) a compensation arrangement with the Corporation or with any entity or individual with which the Corporation has a transaction or arrangement or (iii) a potential ownership or investment interest in, or compensation arrangement with, any entity or individual with which the Corporation is negotiating a transaction or arrangement. Compensation includes direct and indirect remuneration as well as gifts or favors that are not insubstantial. Unless otherwise determined by the Board of Directors pursuant to the third paragraph of Section 13.2 hereof, employment or service with the City or a related entity will not constitute a Conflict of Interest within the meaning of this Section 13.3.