



Pasadena Gardens, Inc.  
c/o Premier Association Management,  
4502 Inverrary Blvd Lauderhill, FL 33319

July 18<sup>th</sup>, 2025

TO ALL UNITOWNERS: **Second Notice of Annual Members Meeting/Date of Election**

NOTICE is hereby given that a general election to fill vacancies on the board of directors caused by expiration of the terms of office will occur at the time and place at which the meeting is scheduled to occur; that being:

DATE: Wednesday, Aug 6<sup>th</sup>, 2025

HOUR: 6:00 pm

PLACE: Social Room – 600 Layne Blvd, Hallandale, FL 33009

**2025 ANNUAL MEETING & ELECTION AGENDA:**

1. Collection of ballots not yet cast
2. Call to Order
3. Roll Call/Certification of Proxies
4. Proof of notice of the meeting or waiver of notice
5. Reading/waiving and disposal of any unapproved minutes
6. Officers' Reports (if any)
7. Committee Reports (if any)
8. Discussion and membership vote to change the size of the Board from five to seven directors
9. Election of Directors
10. New business
  - a. Announcement of 2025-26 Board of Directors
  - b. Discussion and membership vote on proposed amendment to Bylaws and proposed amendment to the Lease (See proxy for copy of proposed amendment to Bylaws and proposed amendment to Lease)
  - c. Tally votes and announce results
11. Adjournment

**BOARD ORGANIZATIONAL MEETING AGENDA**

Date: (Immediately Following Annual Membership Meeting)

1. Call to meeting
2. Establishment of Quorum;
3. Election of Officers;
4. Adjournment

*\*Such order may be waived in whole or in part by direction of the chairman excepting those parts required by statute or applicable administrative rule.*

Enclosed with this Notice is a ballot for the election of directors. The Association is transmitting this information in accordance with the requirements of Florida Law; however, the Association is not in a position to verify the accuracy of the information or statements contained therein and disclaims any responsibility for the information contained within the Information Statements. Please read the attached instructions for completing your ballot carefully.

In order to hold an official Membership Meeting, a quorum of 51% is required. A proxy is enclosed for the purpose of establishing a quorum for the Meeting and voting on the proposed amendment of the Bylaws and proposed amendment of the Lease. **THE PROXY CANNOT BE USED FOR VOTING IN THE ELECTION.** Please read the instructions on the proxy for marking and returning your proxy. Please make plans to attend the membership meeting or fill out the proxy if you will not be able to attend and return to us.

*\*Such order may be waived in whole or in part by direction of the chairman excepting those parts required by statute or applicable administrative rule.*

*Please contact management should you have any questions.*

**Ray B., LCAM**

For the Board of Directors

Tel: (954)420-1030 | Fax: (954)-667-3935 | Email: [admin4@pam-fl.com](mailto:admin4@pam-fl.com)

**PASADENA GARDENS, INC.**

PROXY

The undersigned, stockholder(s), or designated voter of unit # \_\_\_\_\_ hereby appoints:

(Check one)

\_\_\_\_\_ a) Limor Eliyahu, President of the Association, on behalf of the Board of Directors

\_\_\_\_\_ b) \_\_\_\_\_ (if you check "b", write in the name of your proxy) as my proxy holder\* to attend the meeting of the members to be held on **Wednesday, Aug 6<sup>th</sup>, 2025, at 6:00 PM at the Social Room.**

GENERAL POWERS. (You may choose to grant general powers, limited powers or both. Check "General Powers" if you want your proxyholder to vote on other issues which might come up at the meeting and for which a limited proxy is not required).

\_\_\_\_\_ I authorize and instruct my proxy to use his or her best judgment on all matters which properly come before the meeting and for which a general power may be used.

LIMITED POWERS. (FOR YOUR VOTE TO BE COUNTED ON THE FOLLOWING ISSUE, YOU MUST INDICATE YOUR PREFERENCE IN THE BLANK(S) PROVIDED BELOW)

I SPECIFICALLY AUTHORIZE AND INSTRUCT MY PROXY HOLDER TO CAST MY VOTE IN REFERENCE TO THE FOLLOWING MATTER AS INDICATED BELOW:

**1. Should the number of directors on the Board be changed from five to seven directors?**

YES, I APPROVE       NO, I DISAPPROVE

**2. Should the Bylaws of Pasadena Gardens, Inc. ("Bylaws") be amended as set forth in the proposed amendments to the Bylaws which is attached to this Limited Proxy as Exhibit A?**

YES, I APPROVE       NO, I DISAPPROVE

**3. Should the form of the Lease of Pasadena Gardens, Inc. be amended as set forth in the proposed amendments to the Lease which is attached to this Limited Proxy as Exhibit B?**

YES, I APPROVE       NO, I DISAPPROVE

The undersigned does ratify and confirm any and all acts and things that the proxy may do or cause to be done, whether at the meeting referred to above or at any change, adjournment, or continuation of it, and does hereby revoke all proxies previously executed.

Dated: \_\_\_\_\_, 2025

\_\_\_\_\_  
Signature(s) of Stockholder(s)

\_\_\_\_\_  
Printed Name of Stockholder

\_\_\_\_\_  
Signature(s) of Stockholder(s)

\_\_\_\_\_  
Printed Name of Stockholder

\_\_\_\_\_  
Signature(s) of Stockholder(s)

\_\_\_\_\_  
Printed Name of Stockholder

\*Failure to check either (a) or (b), or, if (b) is checked, failure to write in the name of the proxy, shall be deemed an appointment of the President of the Association as your proxy holder.

**THIS PROXY IS REVOCABLE BY THE UNIT OWNER AND IS VALID ONLY FOR THE MEETING FOR WHICH IT IS GIVEN AND ANY LAWFUL ADJOURNMENT. IN NO EVENT IS THE PROXY VALID FOR MORE THAN 90 DAYS FROM THE DATE OF THE ORIGINAL MEETING FOR WHICH IT WAS GIVEN.**

(Do not write in the space below unless the named Proxy above is substituting this proxy to a third party)

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**SUBSTITUTION OF PROXY**

The undersigned, appointed as proxy above, does hereby designate to substitute for me in the proxy set forth above.

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DATE

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PROXY HOLDER SIGNATURE

PLEASE MAIL PROXY TO:

***Pasadena Gardens, Inc.  
c/o Premier Association Management  
4502 Inverrary Boulevard,  
Lauderhill, Florida 33319***

**Pasadena Gardens, Inc.**  
**Ballot for Election of Directors for Annual Meeting on August 6<sup>th</sup>, 2025**

**Instructions- Please read carefully as your vote may be invalid if not followed:**

1. There will be five (5) Directors elected. You may vote for less than five (5) candidates, but no more than five (5) candidates. Please mark the ballot with an "X" on the space next to the candidate's name.
2. Place this Ballot **ALONE** inside the smaller envelope marked **BALLOT ONLY**.
3. Seal the **BALLOT** envelope and place it inside the larger **OUTER BALLOT RETURN ENVELOPE**.
4. Fill in the information on the front of the **OUTER BALLOT RETURN ENVELOPE** and sign where indicated. (Only one (1) owner need sign) **Your ballot will not be counted if this is not completely filled out and signed.**
5. Seal the **OUTER BALLOT** envelope and mail it to Pasadena Gardens, Inc. c/o Premier Association Management 4502 Inverrary Boulevard Lauderhill Florida 33319.
6. **The BALLOT must be mailed or delivered separately from the PROXY envelope. Please do not put them both in the same envelope as this will invalidate your vote.**
7. **BALLOT** must be received no later than the date and time of the meeting.
8. Proxy should be filled out and mailed in the **PROXY AND/OR VOTING CERTIFICATE REPLY ENVELOPE** if you will not be able to attend. **This is needed for establishing a quorum.**

**CANDIDATES**

Limor Eliyahu \_\_\_\_\_

Charles Gangarossa \_\_\_\_\_

Alice Hui \_\_\_\_\_

Homayoon Karimi \_\_\_\_\_

Joseph Laskar \_\_\_\_\_

Richard Petgrave \_\_\_\_\_

Daniel Roy \_\_\_\_\_

## **AMENDMENT TO BYLAWS OF PASADENA GARDENS, INC.**

As used herein the following shall apply:

- a. Words in the text that are lined through (~~stricken out~~) indicate deletions from the present text.
- b. Words in the text which are underlined shall indicate additions to the present text.

### **ARTICLE III of the Bylaws is amended to add ARTICLE III SECTION 6**

Only stockholders of record may serve on the Board of Directors. If a stockholder of record is a corporation, partnership, limited liability company or trust, the person eligible to serve on the Board of Directors shall be the president of the corporation, partner of the partnership, managing member of the limited liability company or trustee, respectively. To be eligible to serve on the Board of Directors, the candidate must meet all eligibility requirements as set forth in the Cooperative Act as amended from time to time. This includes all requirements for directors to maintain eligibility as set forth in the Cooperative Act as amended from time to time.

### **ARTICLE XIII Section 7 of the Bylaws is amended and restated as follows:**

Subleasing. Any stockholder who is current on all monetary obligations and has no delinquency with the Association may sublease their unit under a short term sublease or long term sublease as set forth below.

A. Short Term Subleasing of Units. Any stockholder may sublease their entire unit under a short term sublease. A short term sublease is any sublease for a term not to exceed sixty (60) days. A stockholder seeking to do a short term sublease must provide the name of the guest, a copy of the booking reservation showing the length of stay, a copy of the guest's driver's license and license plate number if a car will be parked in the stockholder's space within 24 hours of booking or on the same date the reservation is made if the reservation is made the same date.

B. Long Term Subleasing of Units - Any Stockholder intending to sublease their unit under a long term sublease or to renew a long term sublease, shall furnish the Association with a copy of the proposed long term sublease, the name of the proposed Lessee, the names of all proposed Residents, an application, and such other requested information as the Association may reasonably require, at least thirty (30) days in advance of the commencement of the long term sublease or renewal or extension term. All long term subleases must be in writing. All Stockholders and prospective tenants will be required to execute *an Association prepared long term sublease addendum* to be submitted with the long term sublease application submittal. Any long term sublease application submittal that does not include the Association prepared long term sublease addendum executed by the Stockholder and the prospective tenant shall be considered an incomplete application

Upon receipt of all information and fees required by Association and an interview (if requested by the Board), the Association shall have the duty to approve or disapprove all proposed long term subleases within thirty (30) days of receipt of such information for approval and the completion of the Tenant/Resident interview (if required), by sending written notification to the Stockholder within such time frame. All requests for approval not acted upon within thirty (30) days shall be deemed approved. If the Association disapproves a proposed long term sublease or renewal or extension, the Stockholder shall receive a short statement indicating the reason for the disapproval, and the long term sublease shall not be made, renewed, or extended. The Association shall neither have a duty to provide an alternate Lessee nor shall it assume any responsibility for the denial of a long term sublease application if any denial is based upon any of the factors set forth in the good cause for approval section listed below, nor shall incur any liability for loss of rental income due to such denial.

C. Association Remedies. If a Tenant, Resident, other Unit Occupant, Guest or Invitee fails to abide by the Coop Documents, the Stockholder(s) shall be responsible for the conduct of the Tenants, Residents, Occupants, Guests or Invitees and shall be subject to all remedies set forth in the Coop Documents and Florida law as amended from time to time, without waiver of any remedy available to the Association as to the Tenant. The Stockholder shall have the duty to bring his Tenant's conduct (and that of the other Unit Residents, Occupants, Guests or Invitees) into compliance with the Coop Documents by whatever action is necessary, including without limitation the institution of eviction proceedings without notice to cure, where legally permissible. If the Stockholder fails to bring the conduct of the Tenant into compliance with the Coop Documents in a manner deemed acceptable by the Association, or in other circumstances as may be determined by the Board, the Association shall have the authority to act as agent of the Stockholder to undertake whatever action is necessary to abate the Tenants' noncompliance with the Coop Documents (or the noncompliance of other Residents, Occupants, Guests or Invitees), including without limitation the right to institute an action for eviction against the Tenant in the name of the Association in its own right, or as agent of the Stockholder. The Association shall have the right to recover any costs or fees, including attorneys' fees, incurred in connection with such actions, from the Stockholder which shall be secured by a continuing lien in the same manner as assessments for Common Expenses, to wit, secured by a Lien for Charges. Any uniform Sublease or Sublease addendum will provide, and all Subleases will be deemed to provide, that the Association shall have the authority to direct that all rental income related to the Unit be paid to the Association until all past due and current obligations of the Association have been paid in full, including but not limited to all past due Assessments, Charges, other monetary obligations, late fees, interest, attorneys' fees and cost and expenses of collection. Except as hereinbefore set forth, the form of such Sublease shall contain such other modifications as shall be approved in writing by the Board of Directors.

D. Compliance with Coop Act and Governing Documents. Each tenant and other invitee shall be governed by, and shall comply with the provision of the Cooperative Act, as same may be amended or renumbered from time to time, The ByLaws, Articles, Sublease and Rules and Regulations of the Association, and the provisions thereof shall be deemed expressly incorporated into the Sublease of a unit. Actions for damages, injunctive relief, eviction or removal of the tenant

or other invitee or occupant of a unit, for failure to comply with said provisions, may be brought by the Association against any tenant Subleasing a unit and any other invitee occupying a unit, and the provisions hereof shall deemed expressly incorporated into any Sublease of a unit

E. Sublease Termination for Non Compliance Any Sublease executed shall be consistent herewith, and with the By-Laws and rules and regulations, and shall provide specifically that: (i) the Board of Directors shall have the power, but not be obligated, to terminate such Sublease and/or to bring summary proceedings to evict the tenant in the name of the landlord thereunder, in the event of. (a) a default of the tenant in the performance of its obligations under such, or (b) foreclosure of the lien granted under the Act Such Sublease shall also comply with any and all provisions of this ByLaws and all appurtenant documents.

F. Additional Occupants. Any person occupying the Unit under a Long Term Sublease as a Resident after initial approval shall be subject to a separate application and approval process.

G. Rent Sharing and Subletting. No individual rooms may be rented and no transient tenants may be accommodated "Rent-sharing" and sub Subleasing are prohibited

H. Term of Sublease. All long term subleases shall be for a term more than sixty (60) days but not to exceed 12 months in any 12 months rolling period. All short terms Subleases shall be for a term of sixty (60) days or less. Long term subleases may be extended or renewed, subject to Board approval.

I. Board Right of Approval of Long Term Subleases The Board of Directors shall have the authority to approve or disapprove all long term subleases and renewals or extensions thereof: which authority may be delegated to a committee or agent No person may occupy a Unit as a Tenant, Family member of a Tenant, Resident, or otherwise without prior approval of the Board of Directors. All Subleases shall be approved in advance of occupancy. The Board shall have the authority to promulgate or use a uniform Long Term Sublease application and require such other information from the proposed Tenant and all proposed Residents as the Board deems appropriate under the circumstances. The Board may require an interview of any proposed Tenant and all proposed Residents of a Unit as a condition for approval If the application is approved, Association shall have thirty (30) days from the receipt of notice and all required information within which notify the proposed Lessees or Resident The Association shall give the Stockholder written notice of its decision within said period.

J. Good Cause for Disapproval – Long Term Sublease Application. If the proposed applicant seeking approval (which shall hereinafter include all proposed Occupants or Residents) has met one or more criteria to disapprove for cause as provided below, then Association shall have thirty (30) days from the receipt of notice and all required information within which to disapprove of the proposed Sublease or proposed Lessees or Resident The Association shall give the Stockholder written notice of its decision within said period. Disapproval of Long Term Subleasing, shall be made by the Board of Directors if it is determined that the applicant does not facially qualify for long term subleasing at the Association, or if the proposed transaction will result in a violation of the Coop Documents. Only the following may be deemed to constitute good cause for disapproval on the grounds that the proposed purchaser does not facially qualify for long term subleasing in the Association or the proposed transaction will result in a violation of the Coop Documents:

Good Cause for Disapproval of applicant shall be warranted if

The application for approval on its face, or subsequent investigation thereof; indicates that the person seeking approval (which shall hereinafter include all proposed Occupants or Residents) intends to conduct himself in a manner inconsistent with the Coop Documents;

- (i) The applicant seeking approval (which shall hereinafter include all proposed Occupants) has been convicted of a felony or has pleaded no contest to a felony involving violence to persons, theft, arson or destruction of property within the past five (5) years; or felony demonstrating dishonesty or moral turpitude within the past five (5) years; or felony involving illegal drugs within the past five (5) years; or any other felony in the past five (5) years; or felony involving sexual battery, sexual abuse, or lewd and lascivious behavior regardless of when that conviction occurred;
- (ii) The person seeking approval has been labeled a sexual offender or a sexual predator by any governmental or quasi-governmental agency regardless of when that conviction occurred or when that label occurred;
- (iii) The person seeking approval has a record of financial irresponsibility, including without limitation prior bankruptcies, foreclosures, or bad debts;
- (iv) The person seeking approval has a history of disruptive behavior or disregard for the rights and property of others as evidenced by his conduct in other social organizations or associations, or by his conduct in this Condominium or other residences as a Tenant, Occupant, Guest or Stockholder;
- (v) The person seeking approval failed to provide complete information, fees or appearance required to process the application in a timely manner, or has made material misstatements, falsified facts, or withheld material or information during the application process;
- (vi) Background check reveals a prior history of complaints or evictions, bankruptcy, such that the application at prima facie, or the conduct of the applicant, indicates an intent to continue to act in a manner, or manifest behavior, or perpetuate conduct which is inconsistent with the Association's governing documents;
- (vii) The stockholder requesting the transfer has had fines assessed against him or her which have not been paid or a history of subleasing violations;
- (viii) All Assessments and other Charges against the Unit have not been paid in full to either the Association or First Institutional Mortgagee;

- (ix) The applicant seeking approval does not have a minimum "good" credit score. The minimum score shall be the average "good" credit score for the top three credit agencies, TransUnion, Experian, and Equifax (typically 650 or higher, and may change from time to time); or
- (x) For additional criteria, the Board may adopt through rules and regulations or through its application for approval as amended from time to time.
- (xi) All reviews shall be conducted in accordance with law;
- (xii) The Board of Directors may adopt additional causes for disapproval by adopting them through their rules and regulations.

K. Certificate of Denial of Long Terms Sublease. If the Association shall disapprove/deny a long term sublease of a unit for good cause, then within thirty (30) days from receipt of such application and all required information, the Association shall deliver by certified mail, return receipt requested, a Denial Letter, executed by the proper officers of the Association. If the Association shall fail to tender said document within said time period, the action shall be deemed to have been approved and the Association shall furnish a Certificate of Approval as herein provided. If the Board *disapproves for good cause*, the Association shall have no duty to purchase the Unit or furnish an alternate purchaser, and the transaction shall not be made, or if made, shall be rescinded in the manner determined by the Board

L. Security Deposit. The Board of Directors shall have the authority, as a condition of granting approval to any Sublease or renewal or extension thereof; to require that a prospective Lessee or Stockholder place a security deposit in an amount as may be determined by the Board of Directors, into an escrow account maintained by the Association to protect against damage to the Common Elements or Association Property. Payment of interest, claims against the deposit, refunds, and disputes under this paragraph shall be handled in the same fashion as provided in Part II of Chapter 83 of the Florida Statutes (2025) as amended from time to time. The initial security deposit shall be \$600. The Board may change the security deposit. To the extent the Board changes the security deposit amount, the amended security deposit amount shall be adopted in its rules and regulations.

M. Violations of Sublease. Any unauthorized short term or long term Sublease or possession not authorized pursuant to the terms of this ByLaws shall be void unless subsequently approved by the Association. The Stockholder shall be deemed to have authorized and empowered the Board to institute legal proceedings to evict the purported tenant (in case of an unauthorized Subleasing) in the name of said Stockholder as the purported landlord. Said Stockholder shall reimburse the Association for all expenses (including attorneys' fees and disbursements) incurred in connection with such proceedings.

N. Certificate of Approval of Long Term Sublease. Upon receipt of application, and within thirty (30) days from receipt of such application and information, if approved, a

certificate executed and acknowledged by an officer of the Association stating that the provisions of this section have been satisfied by the applicant shall be conclusive with respect to all persons who rely on such certificate in good faith. The Board of Directors shall furnish such certificate upon request and upon such satisfaction. No fee shall be charged by the Association in connection with the furnishing of such certificate in excess of the charges reasonably required for same.

O. Liability. The liability of the Stockholder under the Coop Documents shall continue notwithstanding the fact that he may have Subleased or rented his interest in the Unit as provided herein

P. Long Term Sublease Transfer Fee. The Stockholder or Lessee seeking approval of a long term sublease of a Unit shall pay a transfer fee for each long term sublease applicant in an amount determined by the Board, which unless otherwise specified, shall be the maximum amount permitted by law. If the application shall be disapproved, the Association shall have no obligation to refund such fee.

**The Bylaws shall be amended to add ARTICLE XVI**

Article XVI

Insurance

Each stockholder shall obtain and maintain their own HO-3 co-op insurance policy to cover the dwelling, personal property, loss of use, personal liability and medical payments. The co-op insurance policy shall include a term waiving subrogation against the Association. In the event the stockholder fails to include a term waiving subrogation against the Association, such term is hereby deemed to be included. The Board shall adopt the amount of the policy requirements and may add additional coverage requirements in its rules and regulations.

**The Bylaws shall be amended to add ARTICLE XVII**

Article XVII

Indemnification

A. Indemnitees. The Association shall indemnify any person who was or is a party to any proceeding (other than an action by, or in the right of, the Association) by reason of the fact that he or she is or was a director, officer, employee or agent (each, an "Indemnitee") of the Association, against liability incurred in connection with such proceeding, including any appeal thereof, if he or she acted in good faith and in a manner he or she reasonably believed to be in, or not opposed to, the best interests of the Association and, with respect to any criminal action or proceeding, had no reasonable cause to believe his or her conduct was unlawful. The termination of any proceeding by judgment, order, settlement, or conviction or upon a plea of nolo contendere or its equivalent shall not, of itself, create a presumption that the person did not act in good faith and in a manner which he reasonably believed to be in, or not opposed to, the best interests

of the Association or, with respect to any criminal action or proceeding, had reasonable cause to believe that his or her conduct was unlawful.

B. Indemnification. The Association shall indemnify any person, who was or is a party to any proceeding, or any threat of same, by or in the right of the Association to procure a judgment in its favor by reason of the fact that he or she is or was a director, officer, employee, or agent of the Association against expenses and amounts paid in settlement not exceeding, in the judgment of the board of directors, the estimated expense of litigating the proceeding to conclusion, actually and reasonably incurred in connection with the defense or settlement of such proceeding, including any appeal thereof. Such indemnification shall be authorized if such person acted in good faith and in a manner he reasonably believed to be in, or not opposed to, the best interests of the Association, except that no indemnification shall be made under this Article XVII in respect of any claim, issue, or matter as to which such person shall have been adjudged to be liable unless, and only to the extent that, the court in which such proceeding was brought, or any other court of competent jurisdiction, shall determine upon application that, despite the adjudication of liability but in view of all circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses which such court shall deem proper.

C. Indemnification for Expenses. To the extent that a director, officer, employee, or agent of the Association has been successful on the merits or otherwise in defense of any proceeding referred to in subsection A or subsection B, or in defense of any claim, issue, or matter therein, he or she shall be indemnified against expenses actually and reasonably incurred by him or her in connection therewith.

D. Determination of Applicability. Any indemnification under subsection A or subsection B, unless pursuant to a determination by a court, shall be made by the Association only as authorized in the specific case upon a determination that indemnification of the director, officer, employee, or agent is proper under the circumstances because he or she has met the applicable standard of conduct set forth in subsection A or subsection B. Such determination shall be made:

(a) By the Board of Directors by a majority vote of a quorum consisting of directors who were not parties to such proceeding;

(b) If such a quorum is not obtainable or, even if obtainable, by majority vote of a Committee duly designated by the Board of Directors (in which directors who are parties may participate) consisting solely of two or more Directors not at the time parties to the proceeding;

(c) By independent legal counsel:

(i) selected by the Board of Directors prescribed in paragraph D(a) or the committee prescribed in paragraph D(b); or

(ii) if a quorum of the Directors cannot be obtained for paragraph D(a) and the Committee cannot be designated under paragraph D(b), selected by majority vote of the full Board of Directors (in which Directors who are

parties may participate); or

(d) By a majority of the voting interests of the members of the Association who were not parties to such proceeding.

E. Determination Regarding Expenses. Evaluation of the reasonableness of expenses and authorization of indemnification shall be made in the same manner as the determination that Indemnification is permissible. However, if the determination of permissibility is made by independent legal counsel, persons specified by paragraph D(c) shall evaluate the reasonableness of expenses and may authorize indemnification.

F. Advancing Expenses. Expenses incurred by an officer or director in defending a civil or criminal proceeding, or any threat of same, may be paid by the Association in advance of the final disposition of such proceeding upon receipt of an undertaking by or on behalf of such director or officer to repay such amount if he is ultimately found not to be entitled to indemnification by the Association pursuant to this section. Expenses incurred by other employees and agents may be paid in advance upon such terms or conditions that the Board of Directors deems appropriate.

G. Exclusivity; Exclusions. The indemnification and advancement of expenses provided pursuant to this section are not exclusive, and the Association may make any other or further indemnification or advancement of expenses of any of its directors, officers, employees, or agents, under any bylaw, agreement, vote of shareholders or disinterested directors, or otherwise, both as to action in his or her official capacity and as to action in another capacity while holding such office. However, Indemnification or advancement of expenses shall not be made to or on behalf of any director, officer, employee, or agent if a judgment or other final adjudication establishes that his or her actions, or omissions to act, were material to the cause of action so adjudicated and constitute:

(a) A violation of the criminal law, unless the director, officer, employee, or agent had reasonable cause to believe his or her conduct was lawful or had no reasonable cause to believe his or her conduct was unlawful;

(b) A transaction from which the director, officer, employee, or agent derived an improper personal benefit; or

(c) Willful misconduct or a conscious disregard for the best interests of the Association in a proceeding by or in the right of the Association to procure a judgment in its favor or in a proceeding by or in the right of the members of the Association.

H. Continuing Effect. Indemnification and advancement of expenses as provided in this Article XVII shall, unless otherwise provided when authorized or ratified, continue as to a person who has ceased to be a director, officer, employee, or agent and shall inure to the benefit of the heirs, executors, and administrators of such a person, unless otherwise provided when authorized or ratified.

I. Application to Court. Notwithstanding the failure of the Association to provide indemnification, and despite any contrary determination of the Board or of the members in

the specific case, a director, officer, employee, or agent of the Association who is or was a party to a proceeding may apply for indemnification or advancement of expenses, or both, to the court conducting the proceeding, to the circuit court, or to another court of competent jurisdiction. On receipt of an application, the court, after giving any notice that it considers necessary, may order indemnification and advancement of expenses, including expenses incurred in seeking court-ordered indemnification or advancement of expenses, if it determines that:

(a) The director, officer, employee, or agent is entitled to mandatory indemnification under subsection C, in which case the court shall also order the Association to pay such individual's reasonable expenses incurred in obtaining court-ordered indemnification or advancement of expenses;

(b) The director, officer, employee, or agent is entitled to indemnification or advancement of expenses, or both, by virtue of the exercise by the Association of its power pursuant to subsection G; or

(c) The director, officer, employee, or agent is fairly and reasonably entitled to indemnification or advancement of expenses, or both, in view of all the relevant circumstances, regardless of whether such person met the standard of conduct set forth in subsection A, subsection B, or subsection C, unless (a) a court of competent jurisdiction determines, after all available appeals have been exhausted or not pursued by the proposed indemnitee, that he or she did not act in good faith or acted in a manner he or she reasonably believed to be not in, or opposed to, the best interest of the Association, and, with respect to any criminal action or proceeding, that he or she had reasonable cause to believe his or her conduct was unlawful, and (b) such court further specifically determines that indemnification should be denied. The termination of any proceeding by judgment, order, settlement, conviction or upon a plea of nolo contendere or its equivalent shall not, of itself, create a presumption that the person did not act in good faith or did act in a manner which he or she reasonably believed to be not in, or opposed to, the best interest of the Association, and, with respect to any criminal action or proceeding, that he or she had reasonable cause to believe that his or her conduct was unlawful.

J. Definitions. For purposes of this Article XVII, the term "expenses" shall be deemed to include attorneys' fees and related "out-of-pocket" expenses, including those for any appeals; the term "liability" shall be deemed to include obligations to pay a judgment, settlement, penalty, fine, and expenses actually and reasonably incurred with respect to a proceeding; the term "proceeding" shall be deemed to include any threatened, pending, or completed action, suit, or other type of proceeding, whether civil, criminal, administrative or investigative, and whether formal or informal; and the term "agent" shall be deemed to include a volunteer; the term "serving at the request of the Association" shall be deemed to include any service as a director, officer, employee or agent of the Association that imposes duties on, and which are accepted by, such persons.

K. Effect. The indemnification provided by this Article XVII shall not be deemed exclusive of any other rights to which those seeking indemnification may be entitled under any applicable law, agreement, vote of members or otherwise.

L. Amendment. Anything to the contrary herein notwithstanding, no amendment to the provisions of this Article XVII shall be applicable as to any party eligible for indemnification hereunder who has not given his or her prior written consent to such amendment.

**The Bylaws shall be amended to add ARTICLE XVIII**

The Association shall have the authority to fine or suspend as set forth in the Cooperative Act as amended from time to time.

**AMENDMENT TO FORM LEASE OF PASADENA GARDENS, INC.**

As used herein the following shall apply:

- a. Words in the text that are lined through (~~stricken-out~~) indicate deletions from the present text.
- b. Words in the text which are underlined shall indicate additions to the present text.

**SECTION 6 of the form lease shall be amended as follows:**

(6) IN CONSIDERATION OF THE PREMISES, the lessor, subject to the limitations of liability hereinafter stated, hereby covenants, and agrees to and with the lessee as follows

(a). That the lessee, upon paying the assessments hereinafter provided to be paid and performing the agreements and covenants on lessee's part to be performed, shall at all times during the term, hereby created, quietly hold and enjoy the premises hereby demised.

(b) That the lessor will maintain and manage said building as a first-class apartment building, keeping the halls, yards, courts, stairs, incinerator, if any, roof and public portions of the grounds and buildings in good condition and repair and free from obstruction, and will keep said halls and stairs properly lighted.

(c) That in case any repairs shall become necessary to the plumbing apparatus or other parts or appliances intended for the general service of said building, the lessor, except as hereinafter provided, will execute such repairs with due diligence, not being liable for interruptions not reasonably avoidable in the supply of services or for other temporary Interruptions in the proper operation of said building.

(d) That the lessor shall keep in good repair the foundations, walls, supports, exterior of all porches, basements, roofs, gutters, beams, cellars, entrances, main halls, and stairways, and all main or principal pipes for carrying water through the building together with the main drain pipes and electric conducts, and all existing plumbing, and other apparatus, Intended for the general service of the building; and lessee shall at all reasonable times allow the representatives of the lessor to enter and inspect said premises hereby demised for the purpose of determining the necessity and character of any such repairs and of making the same, and upon reasonable notice to remove such portions of the walls; floors, and ceiling of said premises hereby demised as may be required for the purpose of making such repairs, all portions so removed to be replaced as soon as possible in as good condition as before. All such repairs shall be at the expense of the lessor, except as herein otherwise provided.

(e) In case said building shall be partially damaged by fire, it shall be

repaired as speedily as possible at the expense of the lessor comfortably with the plans and specifications on which the building was erected. In case of the total destruction of said building by fire or otherwise, this lease shall thereupon terminate, unless the insurers, if any, shall elect to rebuild the building pursuant to the provisions of the policies of insurance, if any, in which event this lease shall continue in force with respect to the corresponding premises in the building so rebuilt. In case of complete destruction and the Insurers, if any, do not rebuild, the owners of 80% of the stock of the lessor may decide whether the lessor shall rebuild or liquidate.

(f) That the lessor will not sell its interest in the said building or the land occupied thereby, or any part thereof, without the content in writing of the owners, at the time of such sale, of not less than 80% of the stock of the lessor.

(g) That lessor will not mortgage or encumber said building of the land herein described, or any part thereof, without the content in writing of the owners, at the time of such mortgage or encumbrance, of not less than 80% of the outstanding stock of the lessor.

(h) That all leases of other apartments in said building entered into between the lessor and other stock-holders shall contain substantially the same covenants and agreements as herein set forth.

(7) THE LESSEE, In consideration of the premises and subject to other conditions and limitations here-inafter stated hereby covenants and agrees to and with the lessor, as follows:

(a) That the lessee will promptly pay as rental to the lessor of the Treasurer of lessor, at such place as the Treasurer may in writing appoint), the assessments made by the Treasurer of the lessor in the manner prescribed by the by-laws of the lessor, and to pay the same when said assessments are due and payable, and in accordance with the provisions concerning assessments as set forth In the said by-laws.

(b) That the lessor may at any time, by resolution of the, Board of Directors, establish House Rules for the management and control of said building and change the same from time to time, and that this lease shall be in all respects and at all times subject to said Rules, now or hereafter established, and to the by-laws of the lessor, to the same extent as if they were written herein; and the lessee covenants to obey all such rules and to require them to be obeyed by the members of lessee's family, and lessee's servants, agents, and employees and by all occupants of lessee's apartment: provided, however, that all such by-laws, rules, and regulations, shall affect all lessees uniformly , all sublessees uniformly, and all occupants uniformly.

(c) That the lessee shall not, at any time during the term of this lease, use or permit the use of any part of the demised premises for any purpose other than as a private residence for lessee and family or (when a sublease is validly executed) by the

sublessee and his family, nor shall the lessee use or permit the use of any part of the demised premises for any purpose that will injure the reputation of said building or disturb the tenants thereof.

(d) That the lessee shall not suffer anything to be done or kept in or on the premises which will increase the rate of fire or other insurance upon said building or the contents thereof, or which will interfere with the rights of other tenants or obstruct the public halls, entry balconies, or stairways of said building, or annoy other tenants by unreasonable sounds or otherwise; and that the lessee will comply with all regulations and requirements of the Health Department and of any other lawful authority. If, by reason of any use of said premises by the lessee, the rate of fire or other insurance on the building shall be increased, the lessee shall be personally liable to the lessor for the increased cost of insurance, which shall be added to his assessment and shall become due and payable with the next installment thereof.

e) That the lessee will not make any structural alterations in, or additions to, said demised premises, nor any changes, alterations, or additions in, or to, the exterior of said building (including the obligation not to affix anything to the outside walls or to the roof of the premises and not to permit or cause anything to protrude from the demised premises beyond the plane of the exterior wall or roof of the building) or any structural change in any part of the interior thereof, except with the previous written consent in each case of the Board of Directors of the lessor, which permission shall only be given if the stockholders shall have given authority to the Board of Directors to approve a specific type of extension and shall then only be given if, in the opinion of the Board of Directors, the general welfare of other lessees shall not be detrimentally affected; that the lessee will, at lessee's own expense, keep the interior of said demised premises in good condition and repair and in keeping with the character of the rest of the building, and will maintain and keep in repair all plumbing, electrical, and gas fixtures, stoves, refrigerators, and garbage pails within, or appertaining to, said demised premises. Lessor shall not be answerable or chargeable for any decorations or repairs therein or thereto except as herein specifically provided, nor for any lost, use, lost rents or damage caused to said demised premises or its contents by leakage or overflow of water, gas, steam, or vapor from any water, steam, drain, or gas pipes or electric conduits or from any other source belonging or appertaining to any other part of said building which is under lease, unless the repairs were necessitated or the damage caused by the neglect or fault of the lessor, its agents, or its employees. Further the lessor shall not be responsible for any lost use, lost rents, or damage caused to said demised premises caused by leakage, mold, vapor from any source or other damage to the subfloor. The lessee shall notify the lessor within ten days from the date it discovers damage to the subfloor. The lessor shall have 180 days after the date of permit approval to complete the subfloor repair or replacement and shall be given additional reasonable extensions of time if good cause is shown. For subfloor repair or replacement, the lessee shall, at their own cost, remove all flooring, kitchens, bathrooms, furniture, fixtures, improvements and all other tangible property in the demised premises to allow the lessor to replace the subfloors at the lessor's costs. All replacement of all flooring, kitchens, bathrooms, furniture, fixtures, improvements and

all other tangible property in the demised premises shall be at the lessee's cost. The lessee shall be liable for any willful damage done to, or committed upon, any other part of the property owned by the lessor, whether done by lessee or by any occupant of the herein demised apartment. Should the lessee at any time refuse or neglect for ten days after written notice to make the repairs which lessee is required to make, or to maintain said demised premises in good condition and repair, the lessor may make such repairs or place said demised premises in proper condition, and may enter or cause its agents or servants to enter upon the demised premises for that purpose and all expenses incurred by the lessor in that behalf shall be added to the assessment on said premises and paid by lessee as a part of the next due installment thereof. Any damage caused to the furnishings or decorations in any apartment because of leaks in the roof of the building shall be borne by the lessor, and any such damage caused by leaking from within another apartment, except from concealed pipes or plumbing not susceptible of inspection by the lessor thereof, shall be borne by the lessee from whose apartment said damage originated.

(f) That the lessee shall not assign this lease or sublet the demised premises, or any part thereof, except in accordance with the provisions set forth in the by-laws of the lessor corporation.

(g) That the lessee shall not do, nor permit to be done, in or about the premises demised to the lessee, or in or about any part of the premises owned by the lessor, anything that will disturb the reasonable enjoyment by other lessees of the lessor in the use and occupancy of their apartments.

(h) That the lessee shall not use his apartment, or permit it to be used by others, for any kind of business, professional, or commercial activity, nor shall he use, or permit it to be used by others, for any illegal purpose or unlawful activity.

(i) That the lessee shall not use his apartment for a boarding, rooming, or lodging house, nor shall he rent it or any part thereof except pursuant to the provisions for subletting as contained in lessor's by-laws.

(j) That the lessee shall not use his apartment as a school or as a place for the giving of instruction, except for the benefit of members of the lessee's own household, who may receive instructions in any subject, including music and the playing of musical instruments, only between the hours of 9 A.M. and 5 P.M. on each and any day.

(k) That the lessee shall not offer his apartment or any part thereof for sale or for sublease by placing or displaying a notice on any door, window, or wall of the building or upon any part of the premises of the lessor or upon any adjoining premises.

(l) That upon the termination of this lease, by lapse of time or otherwise, the lessee will surrender and deliver up possession of said demised premises in good condition and repair to the lessor, ordinary wear and tear excepted, including all

additions, alterations and improvements which cannot be removed without damage to the demised premises.

(m) That in case of default of the lessee in the payment of any assessment herein provided, for a period of sixty (60) days after notice in writing of such default, or in case of default in the performance of any other of the covenants, or observances of any other of the conditions or provisions of this lease on the lessee's part to be performed and the continuance of said default for sixty (60) days after written notice of said default from lessor, this lease and the estate or interest hereby created shall, at the option of the lessor, cease and determine, and it shall thereupon be lawful for the lessor, immediately, or at any time thereafter, to re-enter said premises and repossess the same as if this lease had never been made, and remove all persons and property therefrom either by unlawful detainer proceedings, or by any suitable action or proceeding at law or in equity.

(n) That lessee covenants and agrees that, for the purposes aforesaid and as security for the faithful performance of all the undertakings of said lessee, all of the shares of stock of the said stockholder and lessee hereunder shall be considered, and are hereby declared to be, continuously pledged to the lessor for the payment of any obligation to the lessor on the part of the lessee, either as the holder of said shares of stock or as tenant hereunder.

(o) That the lessee shall pay and discharge all reasonable costs, expenses, and attorney's fees which shall be incurred and expended by the lessor in collecting any delinquent rents or assessments, or in enforcing any of lessee covenants under this lease, whether by the institution of litigation, or in the taking advice of counsel or otherwise.

(p) That the lessee will not permit the apartment to be occupied by any minor under the age of 12 years; provided, however, that occasional visiting by children (not more frequently than for two weeks out of any period of three months) shall not constitute a violation of this requirement.

(q) That the lessee will keep no animals or pets, nor permit any animal or pets to be kept, in his apartment or upon the premises of the corporation; provided, however, that pet birds shall not constitute a violation of this requirement.