

3090

Long Island Savings and Investment Association

Flushing, Queens County, New York.

Incorporated 1892.

ARTICLES OF ASSOCIATION

Officers for 1896-7 :

CHESTER HUNTINGTON,	WILLIAM B. HOWELLS,
President.	Secretary.
WILLIAM K. MURRAY,	WILLIAM T. JAMES,
VICE-PRESIDENT.	Treasurer.

Directors :

DAVID S. WOOD
CHESTER HUNTINGTON
FRANCIS F. KEELER
WILLIAM K. MURRAY
JAMES DEMAREST
WILLIAM T. JAMES

FRANK A. COLLINS
JOHN H. WILSON
MARQUIS D. GOULD
THOMAS LOWDEN
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Long Island

Savings and Investment Association.

ARTICLE I.

Name. The name of this Association shall be the Long Island Savings and Investment Association.

Offices. The principal office of the Company shall be in the Village of Flushing, County of Queens, State of New York. Additional offices may be located at such other places as the Directors may determine.

ARTICLE II.

Purpose. The purposes for which this association is formed are to accumulate a fund for the purchase of real estate, the erection of buildings or the making of other improvements thereon and the sale of the same, and the removals of incumbrances therefrom; to aid its members in acquiring real estate, building houses and making improvements thereon, removing incumbrances therefrom; and securing homes upon the lowest and easiest terms,

so as to save the sum ordinarily devoted to the payment of rent; to accumulate a fund to be returned to the members, who do not obtain advances on their shares, when the funds of the Association, to the credit of each share, shall amount to \$100; to issue certificates of shares of the Association, from time to time, to its members, and to redeem the same; to encourage industry and frugality and promote thrift and economy among its members, by providing a medium through which their savings may be invested so as to yield the largest returns consistent with absolute safety; and, generally, to transact any and all business incidental to the proper working and management of a Building, Mutual Loan and Accumulating Fund Association.

ARTICLE III.

Members. Any person of good character and of full age either for himself or as guardian or trustee, may become a member by subscribing for one or more shares of stock and paying the entrance fee and first installment on the same, and filing his post office address with the Secretary. He is thereupon entitled to all of the privileges of membership and subject to all the obligations imposed by these Articles of Association.

ARTICLE IV.

Capital Stock. The capital stock of this Association shall consist of the contributions of its members together with the profits arising from the investment thereof. Such capital shall be divided into shares of One Hundred Dollars each, to be issued as hereinafter provided.

The shares shall be divided into the following classes:

- A. Fixed Installment Shares,
- B. Optional Installment Shares,
- C. Interest Bearing Shares,
- D. Paid Up Shares,
- E. Special Shares,

and shall be issued in such number and upon

such conditions as the Directors shall from time to time determine, subject to these Articles.

Transfers of Stock. The stock in this Association may be transferred by the owner thereof in person or by attorney, on the books of the Association, on the surrender of the certificate representing the same; but such transfer shall be subject to all the rights of the Association in the stock so transferred. A new certificate shall be issued to the transferee, who by the acceptance of such certificate thereby becomes a member of the Association and assumes all the obligations and privileges of the former owner of the stock.

ARTICLE V.

Directors. The affairs of the Association shall be managed by a Board of fifteen directors, all of whom shall be shareholders.

The first Board of Directors shall be elected by the incorporators from their own number; five to serve until the first annual meeting; five to serve until the second annual meeting, and five to serve until the third annual meeting of the stockholders and until their successors are elected. Thereafter, at each annual meeting, the stockholders shall elect by ballot five directors to serve for three years, and until their successors are chosen.

Number of Directors may be increased. The stockholders may, at their discretion, at any annual meeting or at a special meeting, by a two-third vote, increase the number of Directors, to be annually elected, to not to exceed seven, provided that notice shall be given in the call for such annual or special meeting that such action is proposed.

Officers Elected by Directors. The Board of Directors, at its first meeting, and annually thereafter, shall, from their own number, elect a President and a Vice-President, to serve until their successors are appointed and accept office.

A Secretary, a Treasurer and an Attorney shall be elected by the Board at their first meeting, who shall hold office during the pleasure of the Board.

From time to time the Board may appoint such other officers and employees as in their discretion are necessary for the proper conduct of the business of the Association.

Removal from office. The Directors may remove any officer of the Association, upon conviction of flagrant neglect or willful violation of the duties of his office.

The Directors may remove without notice any officer or Director who shall absent himself from three successive regular meetings of the Directors without excuse acceptable to the Board.

The Directors shall have power to fill any vacancy, however arising, in their own number, or in any office of the Association, for the unexpired term.

Salaries. The salaries and compensation of officers and employees shall be determined by the Board of Directors.

ARTICLE VI.

Duties of Officers. It shall be the duty of the President, and in his absence the Vice-President, to preside at all regular and special meetings of the stockholders and of the Board of directors, to sign all certificates of stock and countersign all orders drawn on the Treasurer, and all obligations of the Association as ordered by the Directors.

He shall call special meetings of the Association and Board of Directors, as hereinafter provided.

He shall have the custody of all the bonds executed by the officers of the Association for the faithful performance of their duties.

He shall appoint, subject to the approval of the Directors, an Executive Committee, Appraisal Committees in such locations as the business of the Association may require, and

such other committees as the Directors may from time to time direct, and he shall be *ex-officio* a member of each committee.

He shall exercise a supervision over the other officers and employees of the Association, and shall report to the Board any neglect or irregularities in the conduct of the business that he may discover.

He shall present a full report at each annual meeting to the stockholders of the business of the year showing the exact financial condition of the Association, and shall cause the same to be printed and sent to each member.

Secretary. The Secretary shall attend all meetings of the Association and of the Board of Directors, both regular and special, and shall keep full and accurate minutes of the proceedings of all such meetings.

He shall receive all moneys paid into the Association and shall receipt therefor, and promptly pay over the same to the Treasurer.

He shall keep full and accurate books of account, which shall at all times show the receipts and disbursements, and the assets and liabilities of the Association; the value, at intervals of six months, of all shares issued, and an individual account with each member. Such books shall be subject at all times to the inspection of the Board of Directors.

He shall be the custodian, subject to the authority of the Board of Directors, of all securities and other papers belonging to the Association.

He shall draw all orders on the Treasurer and sign all certificates of stock.

He shall keep the seal of the Association, but shall use it only as directed by the Board of Directors.

He shall prepare all necessary blanks and printed matter, and issue all cards for meetings and other notices and advertisements as may be required.

He shall protect the interests of the Association in all property owned by or mortgaged to

it, as to insurance, taxes, assessments, and at all tax or foreclosure sales.

He shall conduct the correspondence of the Association and shall keep copies of all letters written.

He shall perform such other duties pertaining to his office as may be required by the Board of Directors.

He shall give a bond, satisfactory to the Directors, for the faithful performance of his duties.

He shall turn over to his successor all papers and property of the Association in his custody or possession within three days after the expiration of his term of office.

Treasurer. The Treasurer shall receive from the Secretary, and receipt therefor, all the moneys paid into the Association, and shall immediately deposit the same as directed by the Board of Directors, and shall pay out the same only on orders signed by the President and Secretary.

He shall keep proper books showing all receipts and disbursements, which shall at all times be subject to the inspection of the Board of Directors.

He shall give a bond for the faithful performance of his duties, to be approved by the board of Directors.

He shall immediately turn over to his successor all books, moneys and other property held by him belonging to the Association.

Attorney. The Attorney shall act as counsel and legal adviser for the Association. He shall examine or cause to be examined all necessary abstracts and records relating to the title of real estate purchased or offered as security for loans, and certify in writing to the Board of Directors all facts that, in case such security is accepted, might affect the interests of the Association.

He shall see to the preparation of all papers incident to making or securing loans or invest-

ments by the Association, cause them to be properly executed, filed in the proper office for record, and, when so recorded, deliver the same to the Secretary.

He shall have access to all abstracts and title papers belonging to the Association, and, in general, he shall do and perform all things incident to his office, or which may properly be required of him by the Board of Directors.

ARTICLE VII.

Standing Committees. An Executive Committee of five shall be appointed as hereinbefore provided and shall have such powers as shall be delegated to it by the Directors, and especially shall have charge of the approval of loans.

Appraisal Committees shall be appointed, as hereinbefore provided, for the examination of all real estate purchased by or offered to the Association as security for loans, and to report the result of their examination, upon proper printed blanks, to the Executive Committee.

ARTICLE VIII.

Meetings. The annual meeting of the stockholders shall be held on the second Tuesday of April of each year.

Notice shall be sent by mail to each stockholder at his last registered address at least ten days prior to such meeting.

Special Special meetings of the stockholders may be called by the President, and shall be called by the President or Secretary on the request, in writing, stating the object of such special meeting, and signed by ten stockholders. Such calls shall state the object of the meeting, and shall be mailed to each stockholder at his last registered address at least ten days prior to the meeting.

No business shall be considered at a special meeting other than that mentioned in the call.

Regular monthly meetings of the Stockholders shall be held at such time and place as the Directors shall appoint.

Meetings of Directors. Regular meetings of the Directors shall be held each month immediately after the Stockholders' meeting. Special meetings may be called by the President and Secretary, and shall be called on the written request of five Directors, on three days' notice, mailed to each member.

Quorum. The members present in person or by proxy shall constitute a quorum at all stockholders' meetings.

Seven shall constitute a quorum at Directors' meetings.

ARTICLE IX.

Payments. There shall be paid to the Association on each share issued an entrance fee, as fixed by the Directors for each class of shares of not less than 25 cents.

Transfer Fee. A transfer fee of twenty-five cents per share shall be collected, but not more than five dollars shall be collected on the transfer of any certificate.

Installment Shares. There shall be paid on Fixed Installment shares, at or before the regular meeting of each month, monthly installments of not less than twenty cents per share.

Interest. Interest on Loans shall be paid monthly, and at the rate of six per cent. per annum, at or before the regular monthly meeting.

Fines. Fines may be charged upon arrearages of members as shown by the books, after each monthly meeting as shall be determined by rules made, from time to time, by the Directors, not exceeding a rate of five per cent. per month on such arrearages.

Advanced Payments. Any members may make his regular payments in advance, and if made for a period of not less than six months he shall be allowed a discount on the same not to exceed a rate of six per cent. per annum for the average time of the pre-payment.

Arrearages. If a member shall be in arrears in the payment of dues on unpledged installment shares for a period of six months, the charging of fines and the crediting of Dividends upon such shares shall cease and upon notice to the said member mailed to the last address registered with the Association, the said shares may be sold, or cancelled at their withdrawal value, for the account of the owner thereof.

Non-Assessable Shares. Optional Installment shares shall be issued upon the payment of such part of their face value, not less than five dollars per share, as the subscriber may elect. Additional payments on such shares may be made at any time.

ARTICLE X.

Investments. The funds of the Association shall be invested in real estate, and improvements thereon, for the benefit of the members, or in the securities of other similar associations, or loaned to members as the Trustees may deem for the best interest of the Association. No real estate shall be purchased in which any Director is directly or indirectly interested.

Loans and Premiums. Whenever the unappropriated funds shall amount to \$500, the same or any part thereof shall, at the next regular monthly meeting, be awarded to the member bidding the highest premium therefor. Further loans shall be made at the same premium to applicants in the order of their applications, so long as there are sufficient funds to satisfy the demand. When there are more applications on hand than can be satisfied, then, at the next regular monthly meeting, the premium rate shall be again established by another auction as at first. The premium so determined shall be considered a bonus paid in one sum for the privilege of precedence in the obtaining of money. The Directors may cause a table of rates to be prepared at which they may in their discretion accept monthly premium install-

ments in lieu of the gross premium above provided for.

Security for Loans. Upon the awarding of money to a borrower, he shall at once present to the Association, upon printed blanks provided by the Association, a description of the property offered as security, together with an assignment to the Association of shares whose matured value shall equal the amount of the desired loan. If such shares so assigned are unassessable there must be paid on such shares at least twenty dollars per share.

The Appraisement Committee to whom the application is referred shall then examine the property and report to the Executive Committee who may approve or reject the security. It shall require an affirmative vote of at least four of the Committee to approve the security offered for a loan. In case one member of the Executive Committee records his vote to reject the application, or but three of the Executive Committee vote to approve the same, the case shall be referred to the full Board of Directors. On such reference, the adverse vote of four directors shall cause the application to be finally rejected and an affirmative vote of seven shall be necessary to approve it.

Upon the acceptance of the security and upon receiving a certificate from the Attorney that a proper bond and mortgage in the form prescribed by Directors, has been executed, that the title of the borrower is perfect, and that an insurance policy for an amount required by the Directors, with lightning and mortgagee clauses, has been assigned to the Association, the Secretary shall draw an order on the Treasurer in favor of the borrower in accordance with the terms of the loan.

Payments on loans shall be made through the hands of the Attorney whenever necessary for the protection of the interest of the Association.

In case of a building loan, the installments shall be paid only on the certificate of the

Appraisement Committee, and at least the final payment shall be made through the Attorney, who shall ascertain before making such payment that there are no mechanics' liens or other incumbrances upon the property.

Change of Security. If for any reason a borrower desires to change the security given for a loan, he shall be permitted to do so, provided the new security is approved in the manner required for making loans.

Sale of Mortgaged Property. Should a borrower wish to transfer to another member property mortgaged to the Association, he may do so by transferring to such member the shares upon which the original loan was made, and on the assumption by such member of all the obligations of the borrower as to such loan.

Loans on Stock. The stock of the Association shall be accepted as security for loans to the extent of the amount paid in on the same.

Expenses of Loans. The borrower shall pay all expenses incident to the loan, whether the security is accepted or not, and shall deposit twenty-five dollars to cover the same, unless the withdrawal value of his shares shall equal that amount.

The interest on a loan shall be calculated from the date of granting the application.

Delinquencies of Borrowers. If a borrower shall fail to pay any of the sums due on account of Interest, Dues, Premium, Insurance, taxes, assessments, or on account of any other charge properly made under these By-Laws, for a period of six months, or should the arrearages due the Association by such borrower, at any time amount to a sum equal to the charges of Dues and Interest for a period of six months, then fines shall no longer be charged on such arrearages, and no dividends shall be credited upon the shares pledged by the said borrower as collateral security, for the period that such arrearage shall continue.

A borrower, whose pledged shares are at least of one year's standing may make application to the Directors to be relieved from the payment of *dues* for a period not exceeding one year. The Directors may thereupon, in their discretion, grant such application, provided that all interest and premium and other charges are regularly paid, and provided that no dividends be credited upon such shares for the period during which dues are not paid.

Payment of Loans. Whenever the shares pledged as security for a loan shall mature or become fully paid, such shares shall be canceled and the mortgage held as security for such loan shall be satisfied and discharged. If the value of the shares canceled is more than the loan thereon the balance shall be credited to the borrower.

Loans may be repaid in full or in part in multiples of \$100, at any time.

Accumulated funds not called for by members, shall be invested by the Directors in accordance with their best judgment.

ARTICLE XI.

Distribution of Land to Members. Land acquired by the Association shall be divided into plots of convenient size, proper maps of which shall be published from time to time as needed for the information of the members.

Whenever any member shall signify in writing his desire to purchase any lot or plot owned by the Association the Directors shall order an auction sale of lots, including the lots desired by said member, to take place at the earliest date practicable permitting the required notice.

The secretary shall thereupon advertise such sale in two newspapers of general circulation in the locality where the land to be sold is situated and notify by mail any member who shall have filed with him a request for such notification.

Such advertisements and notices shall state the date and place of sale, the particular lots

that shall be offered, and shall be published or sent at least three weeks before the date announced for the sale.

Only such lots shall be sold as are included in the advertisements and notices of the sale.

At such sale the lots and plots as laid down upon the maps prepared by the Association shall be put up singly and sold to the members bidding the highest premium above the minimum selling price fixed by the Directors.

A list of such minimum selling prices shall be prepared by the Directors and furnished to members desiring the same.

A member purchasing real estate of the Association shall pay ten per cent. of the purchase price at the time of the sale and shall have the privilege of paying the balance in installments, provided the purchasing member shall secure the payment of said balance by pledging stock of the Association equal in matured value to the said purchase price, and shall pay monthly interest at the rate of 6 per cent. per annum upon said balance and all taxes and assessments upon the property.

When the entire purchase price, together with all amounts due the Association on account of said property are paid, the purchaser shall receive a proper deed, conveying the said property to him free from all encumbrance.

In case of a default in any of the payments due the Association on account of such purchase, the stock pledged to secure such payments, shall (after thirty days' notice mailed to the defaulting member at the last address registered with the Association), be cancelled, and its withdrawal value shall be credited to, and the property shall be resold for, the account of the defaulting member.

A proper contract shall be delivered to the purchaser on the payment of the first ten per cent. of the purchase price, and a proper deed when the full price shall have been paid.

Lots not purchased by members may be sold to outside parties, at the discretion of the Directors.

ARTICLE XII.

Distribution of Profits. At least once in six months the accumulated profits, less such a reserve as the Directors shall deem wise to establish, shall be divided to the various classes of shares as follows:

The percentage of the profits to the capital earning the same shall first be determined. Fixed installment shares shall then be credited with the full percentage thus determined according to the capital value of each share. Optional Installment shares shall be credited in like manner with four-fifths of such percentage. Interest Bearing shares shall be credited with the interest agreed upon and such additional profits as belong to them under the conditions of issue. Paid Up shares shall be credited with dividends as fixed by the Directors not exceeding three-quarters the percentage declared upon the Fixed Installment stock. The resulting undivided profits shall be carried to the general profit account.

Special shares shall be credited with all the net profits earned by them less charges for the general funds of the Association required by the conditions of issue.

ARTICLE XIII.

Paid-Up and Mature Shares. Whenever the payments on any share, together with the profits credited to such share, become equal to the face value thereof, the payments of installments thereon and the crediting of profits to the capital value thereof shall cease. Such shares, shall be known as paid-up shares and shall be entitled to cash dividends, as fixed by the Directors, not exceeding three-quarters the percentage declared upon the installment stock.

ARTICLE XIV.

Withdrawals. Unpledged Shares may be withdrawn on thirty days' notice in writing. Withdrawing members shall receive on each share withdrawn its withdrawal value as last fixed

by the Directors together with installments paid in since the date of said last withdrawal value, less arrearages, fines, interest, and cash dividends charged against the share.

Withdrawal values shall be fixed at least once in six months by the Directors according to the following rules:

The withdrawal value of a share in class A or B shall be, after nine years from date of issue, the installments and all the profits which have been credited to the share on the books of the Association;

After eight years the installments and not exceeding ninety per cent. of such profits;

After seven years the installments and not exceeding eighty per cent. of such profits;

After six years the installment and not exceeding seventy per cent. of such profits;

After five years the installments and not exceeding two-thirds of such profits.

After six months, and less than five years, the installments with interest on the same not exceeding six per cent. per annum.

Withdrawal of Profits. In any one year holders of unpledged shares may withdraw

profits not exceeding 6 per cent. on amounts actually paid in and not exceeding one half the dividend credited to their shares in that year.

The withdrawal value of an Interest Bearing Share shall be the principal sum paid in with interest to last interest date, together with, after five years' from date of issue, a percentage of the additional accumulated profits credited to the share; such percentage to be determined by the age of the share in accordance with the above schedule for shares in classes A and B.

Withdrawal values of paid-up or mature shares of less than nine years' standing, shall be determined by the rules for classes A and B. After nine years such withdrawal value shall be par and accrued dividends to last dividend date.

Withdrawal values of Special Shares shall be determined according to the conditions of issue.

The withdrawal value of a share less than six months old, in any class, shall be the amount paid in on such share without interest.

One-half of the monthly income of the Association, or so much thereof as shall be required, shall be appropriated to withdrawing members. If this amount is not sufficient to satisfy the demand of withdrawing members, then such demands shall be satisfied in the order of the filing of the applications with the Secretary.

ARTICLE XV.

Life Insurance. The Directors shall have power to arrange with any life insurance company doing business under the laws of the State of New York, for the insurance of the lives of stockholders, who shall comply with the conditions of such arrangements for the mutual benefit of the stockholder insuring and the Association. The premiums on such insurance shall be paid by the Association and shall be collected from the insured in monthly installments as are other payments due to the Association. The proceeds of such insurance shall be paid to the Association, and shall be applied first to the payment of any obligation of the insured to the Association; second, to the maturing of any stock in the Association standing in the name of the insured. Any balance not required for those objects shall be divided equally between the Association and the insured, or his legal representatives.

ARTICLE XVI.

Qualification of Voters. Each member not in arrears is entitled to one vote, in person or by proxy, for each share of stock held personally or as trustee, at any meeting of the stockholders.

ARTICLE XVII.

Seal. The seal of the Association shall have the name of the Association in a circle enclosing the date of incorporation.

ARTICLE XVIII.

Amendments. These articles may be amended at any regular or special meeting of the stockholders by a two-third vote of the stock represented in person or by proxy, provided notice of the proposed amendment be given in the call for such meeting, and provided the proposed amendment has been filed with the Secretary and read at the previous stockholders' meeting.

