

SHAREHOLDER RIGHTS AND RESPONSIBILITIES

Being a shareholder comes with unique rights, responsibilities, and privileges.

GOVERNANCE

Shareholders have the right to . . .

- ☒ Elect representatives to the board of directors at the annual shareholder meeting
- ☒ Recall board members who are not doing their job (in accordance with the procedure outlined in the By-Laws)
- ☒ Recommend amendments to their co-op documents or propose policy to the Board
- ☒ Vote on proposed amendments to the By -Laws and proprietary lease
- ☒ Meet with the board of Directors
- ☒ Call special meetings in accordance with the procedure outlined in the By-Laws (10% of the shareholders are needed to call a special meeting)
- ☒ Request shareholder education/training programs
- ☒ Run for the board of Directors
- ☒ Sublet their apartment with the approval of the board or 2/3 of the shareholders

Shareholders have the responsibility to . . .

- ☒ Attend the annual meeting, and other important shareholder meetings
- ☒ Vote competent representatives to the board of Directors
- ☒ Take a turn serving on the Board, if elected
- ☒ Know what is in the By-Laws and proprietary lease

FINANCE

Shareholders have the right to . . .

- ☒ Receive an annual financial report
- ☒ See the corporate books and records including board meeting minutes upon request, during business hours
- ☒ Sell their shares
- ☒ Receive equity and applicable profit upon the sale of shares

Shareholders have the responsibility to . . .

- ☒ Pay their maintenance fees and any special assessments on time

REPAIR AND MAINTENANCE

Shareholders have the right to . . .

- ☒ A building that is well maintained
- ☒ Basic services (such as heat, hot water, security, etc.)
- ☒ Make alterations to their apartments, with the prior approval of the board of directors

Shareholders have the responsibility to . . .

- ☒ Notify the board immediately if a hazardous condition exists in the building
- ☒ Maintain and repair their apartments, according to the proprietary lease (shareholders are responsible for most things within their apartments, including appliances, ceilings, walls, floors, electrical and heating fixtures)

SOCIAL

Shareholders have the right to . . .

- ☒ "Quiet enjoyment" of their apartments

Shareholders have the responsibility to . . .

- ☒ Abide by the house rules

☒ Live cooperatively with your neighbors

ADVANTAGES OF BEING A SHAREHOLDER

Security

Shareholders can remain in the co-op for as long as they like provided that they abide by the terms and provisions of their proprietary lease.

Inheritance/Equity

Shareholders have an ownership interest (equity) in the co-op. They may transfer their lease and assign their shares to a Spouse without asking for the Board's consent. The board or shareholders "may not unreasonably withhold consent to assignment of the lease and the transfer of shares to a **financially responsible member of the shareholder's family**. (proprietary lease 5.05 ii B)

Control over Building Mgmt.

Shareholders annually elect a board of directors to represent their interests in how the building should be managed. The board as their representatives screen and approve new shareholders.

\$ Cost control

Shareholders can keep costs down in **their** building by doing tasks themselves (i.e. super's duties, management) and implementing energy and water conservation techniques.

Lifestyle

Shareholders live cooperatively with their neighbors. They really come to know the people in their building by working together to resolve issues that affect everyone's quality of life.

Networking

Shareholders can join forces with other co-ops to get the best possible goods at the lowest possible price. They can also share resources such as information on good attorneys, contractors, handypeople etc. Shareholders also have a greater ability to effect political change as a group than they do as individuals.

Education

Shareholders learn how co-ops work. They serve on the board of directors and chair committees. They can attend conferences and training classes that help them run the building more effectively.