

ALTERATION AGREEMENT

This Agreement, made as of this ____ day of _____, 20__, between 350 BLEECKER STREET APARTMENT CORP. (the "Corporation") with an address c/o Maxwell-Kates, Inc., 9 East 38th Street, New York, New York 10016 ("Managing Agent") and _____ (the "Shareholder") having a mailing address of _____.

W I T N E S E T H

WHEREAS, the Shareholder hereby requests permission to make/install the equipment and/or make the alterations in the apartment (the "Apartment") (Apt. #____) at 350 Bleecker Street, New York, New York, as described in the accompanying plans and specifications (the "Work");

WHEREAS, in order to obtain the Corporation's consent to the Work as required under Paragraph 21 of the proprietary lease (the "Lease") between the Shareholder and the Corporation, the Shareholder agrees to comply with the terms of the Lease and the obligations and policies of the Corporation, including but not limited to, applicable House Rules.

All work is considered an alteration except for the following: painting, plastering, refinishing of floors and replacing of appliances with no change of location or no change to electrical or power except for connections.

NOW, THEREFORE, in consideration of the covenants contained herein and other good and valuable consideration the receipt and legal sufficiency of which are hereby acknowledged, the parties agree as follows:

1. Shareholder's Submissions. Shareholder herewith delivers to the Corporation:

- a. detailed plans, specifications and drawings of the Work, including a room- by-room list of all alterations to be undertaken, and detailed plans and specifications (the "Plans") prepared by a licensed architect or engineer (if the nature of the alteration so requires), which shall not be modified by the Shareholder after they are approved by the Corporation's architect or engineer or Superintendent (the "Corporation's Designated Representative") without the Corporation's Designated Representative's subsequent approval.
- b. a check with respect to the security payable in connection with this Agreement in the sum of \$5,000.00 or ten (10%) percent of the cost of the Work, whichever is greater but in no instance shall exceed \$15,000, payable to the Corporation in accordance with paragraph 13 of this Agreement, if applicable.
- c. a check for \$350.00 payable to MAXWELL-KATES, INC., managing agent for the Building (the "Managing Agent") for coordination and review of the instant agreement, plans, collection of security and to report to the Corporation as necessary.
- c. a check for \$350.00 payable to 350 BLEECKER STREET APARTMENT CORP for coordination and review of the instant

agreement, plans, collection of security and to report to the Corporation as necessary.

d. a check payable to RAND ENGINEERING & ARCHITECTURE DPC, the Corporation's engineer in the amount of \$1,250 for up to four hours related to the initial review of the renovation plans, site visit, and a report on their initial review. Additional hours spent by the building's engineer/architect after the initial four hours, including, but not limited to, review of the responses from and meetings with the Shareholder's architect, multiple site visits, interim reports to the Board, etc., will be billed on an hourly basis ranging from \$215 to \$375 per hour, depending on the experience level of the building's engineer/architect.

2. Corporation's Review of Work as Proposed. Shareholder acknowledges that the Corporation's Designated Representative, may at Shareholder's expense, (a) review the Plans for the Work and (b) from time to time observe the Work to ensure that the Work conforms to or is substantially and materially similar the approved Plans and is otherwise in conformity with the requirements of this Agreement, as well as the Corporation's By-laws, Proprietary Lease and House Rules in effect at such time. Shareholder shall provide access to the Apartment at any time and without notice to permit the Corporation's Designated Representative, the Managing Agent, the superintendent of the Building, or any other person the Corporation may authorize, to observe and inspect the Work. Shareholder shall make all corrections specified by the Corporation as a result of such inspections, necessary to bring the Work into conformity with the Plans. The Corporation's failure to inspect shall not be considered a waiver of the Shareholder's obligation to comply with this Agreement and the approved Plans. The Corporation shall notify the Shareholder as to when inspections will be required.

Shareholder shall promptly correct all parts of the Work (whether or not such work is fabricated, installed or completed) rejected by the Corporation because of its failure to conform to the Plans and specifications previously approved by the Corporation or with the requirements of this Agreement or the laws, rules, orders or regulations of any governmental authority having jurisdiction over the Building or which violates any policy of insurance maintained by the Corporation. Shareholder shall bear all costs of correcting such rejected parts of the Work, including the compensation for additional services to the Corporation of any architect or engineer made necessary thereby.

3. Pre-Conditions to Commencement of Work by Shareholder. Shareholder agrees:

a. Prior to beginning the Work, to provide the Corporation with complete and conformed copies of every agreement made with contractors, subcontractors and suppliers;

b. If required by laws, rules, orders or governmental regulations or the Corporation's Designated Representative, to file plans, forms or applications (including without limitation any asbestos-related forms filed in support of any applications) with, and procure the approval, permits, licenses, consents of all governmental agencies having jurisdiction over the work including, but not limited to, the New York City Buildings

Department, the Board of Fire Underwriters and the Landmarks Preservation Commission, and, not more than ten (10) business days after receipt of such approval, to deliver to the Corporation a copy of every

permit or certificate issued. The determination of the Corporation's Designated Representative as to the need for any such approval shall be conclusive;

c. At the completion of the Work, the Shareholder will deliver to the Corporation an amended certificate of occupancy and a certificate of the Board of Fire Underwriters, if either be required, and such other proof as may be necessary to indicate that all Work has been done in accordance with all applicable laws, ordinances and government regulations, together with a statement from the architect or engineer who signed the Shareholder's Plans that the Work has been executed in accordance with those Plans. Shareholder shall also provide with a Release of Lien executed by Shareholder's contractor (s) and in a form approved by the Corporation. If an amended certificate of occupancy or certificate of the Board of Fire Underwriters is not required, the Shareholder's Designated Representative must submit a statement to that effect. The determination of the Corporation's Designated Representative as to the need for an amended Certificate of Occupancy shall be conclusive.

d. To procure from Shareholder's contractor or contractors the insurance policies described on Exhibit "A" attached hereto, which policies shall name the Corporation, the Corporation's officers, directors, shareholders, Designated Supervisor, the Managing Agent, and Shareholder, as parties insured. Such policies shall provide that they may not be terminated until at least ten (10) days after written notice to the Corporation. All such policies or certificates evidencing the issuance of the same shall be (i) with companies that are reasonably acceptable to the Corporation, and (ii) delivered to the Corporation before the Work commences.

e. Private contractors are not permitted to do any work in the basement on behalf of the shareholder.

4. Shareholder to Give Notice of Actual Commencement of Work. Prior to commencing the Work, Shareholder shall give at least five (5) days' written notice to the Corporation's Designated Supervisor, the superintendent of the Building and the Managing Agent of the date the Work shall commence and the estimated date of substantial completion. In addition, Shareholder must notify the shareholders of apartments adjacent to, above and below the Apartment that the Work will be performed and that the Shareholder will indemnify the other shareholders for any damage whatsoever that may result from or be attributable the Work. The notice sent by Shareholder shall be writing, in the form annexed hereto as Exhibit C. Copies of the letter shall be delivered to the Managing Agent before the commencement of the Work.

5. Work Done at Shareholder's Risk. Any damage to the Apartment or other areas of the Building, including, but not limited to the common structure, infrastructure, mechanical systems equipment, elevators, doors and finishes of the Building, caused by or resulting from the Work, shall be covered by the insurance coverage required of Shareholder, or Shareholder's contractor(s) or subcontractor(s), as the case may be. However, the existence of such insurance shall not relieve Shareholder of liability therefor. If the Managing Agent advises Shareholder of any damage, which in the Managing Agent's opinion, was caused by the Work, Shareholder shall

promptly submit such claim to Shareholder's insurance carrier and to Shareholder's contractor(s) or subcontractor(s) for submission to their insurance carrier, as appropriate. Shareholder agrees to use all reasonable efforts, and to cause the contractor(s) and subcontractor(s) likewise to use all reasonable efforts, to cause any insurance carrier insuring Shareholder or Shareholder's contractors or subcontractors to expeditiously review and settle damage claims for which they are responsible.

Any damage caused by construction to neighboring apartments shall be repaired by the Shareholder. In case Shareholder is notified by a neighbor of damage to an apartment that the Shareholder believes to have not been caused by the construction, Shareholder is to notify its insurance carrier forthwith, together with proof thereof to the Managing Agent.

6. Indemnification by Shareholder. Shareholder hereby indemnifies and holds harmless the Corporation, the Corporation's Designated Supervisor and employees, the Managing Agent, and other shareholders and residents of the Building against any damages suffered to persons or property as a result of the Work. Shareholder shall reimburse the Corporation, the Corporation's Designated Supervisor, Managing Agent, and other shareholders of the Corporation and residents of the Building for any losses, costs, fines, criminal liability, fees and expenses (including, without limitation, reasonable attorney's fees and disbursements) incurred as a result of the Work and/or the Shareholder's or any contractor's or consultant's failure to conform with this Agreement or any law or ordinance and which may be incurred by the Corporation in the defense of any suit, action, claim or violation in connection with the Work or the abatement thereof, or in connection with the DOB filings related to the Work.

7. All Costs Associated with Work Done at Shareholder's Expense. Shareholder accepts sole responsibility for the Work and for all costs in connection with the Work. If the Corporation obtains legal, engineering or architectural advice relating to the alteration request either prior or subsequent to granting permission for the Work, Shareholder agrees to reimburse the Corporation, on demand, for any fees (including attorney's, architectural, engineering, consulting or advisory fees) incurred. Shareholder understands and agrees that all costs of labor, equipment and materials incurred by the Corporation, shall be charged to Shareholder as additional rent/maintenance under the Lease.

8. Shareholder's Contractor to Cooperate with Building Labor. The Contractor shall acknowledge this Agreement and agrees to, and shall cause all subcontractors to abide by, all of the rules and regulations of the Corporation by signing the agreement annexed hereto as Exhibit B.

9. Shareholder's Responsibility for Consequences of Work. Shareholder and any successor-in-interest assume(s) all risks of damage to the Building and its mechanical or electrical systems, and to persons and property in the Building which may result from or be attributable to the performance or existence of the Work and the maintenance and repair of any alterations and installations in the Apartment after completion. This responsibility covers all aspects of the Work, whether or not structural, including without limitation, weather-tightness of windows, exterior walls or roofs, waterproofing of every part of the Building directly or indirectly affected by the Work, and maintenance of all heating, plumbing, air-conditioning and other equipment installed or altered pursuant hereto. If the operation of the Building, or any of its equipment, is adversely affected by the Work, Shareholder, when so advised, shall promptly remove or correct the cause of the problem as determined by the Corporation. Shareholder agrees that any air conditioning units, terrace plantings and/or structures, wherever located in the Building, may be removed by the Corporation for the purpose of repairs, upkeep or maintenance of the Building, at the sole expense of the Shareholder. If the Shareholder does not promptly remove or correct the problem, the Corporation may have the problem corrected and the Shareholder shall be liable for all costs and expenses incurred therein.

10. Prohibited Construction Methods. Shareholder will not interfere or permit interference with the Building's intercom system, gas, electric, plumbing, heating or any other service beyond the scope of the approved Plans without first obtaining written permission from the Corporation. Shareholder agrees that exterior masonry walls shall not be penetrated without first obtaining approval from Landmarks Preservation Committee and written permission from the Corporation. Shareholder agrees that no concrete hallway will be altered in anyway without first obtaining written approval from the Corporation and the building's engineer. Notwithstanding the foregoing, Shareholder may make arrangements on no less than three (3) days' notice with the Corporation's superintendent should it need to shut down the water to the Building for a short time as reasonably necessary and in furtherance of the approved plans.

11. Completion of Work. The Shareholder shall use the Shareholder's best efforts to ensure that the Work is completed expeditiously, but in any event all Work shall be completed within an aggregate of 180 calendar days from the date of commencement of the Work, or such other period as the Corporation, in writing, designates (the "Completion Date"). Commencement of Work shall be defined as the first day when Contractor is present at the Building and/or materials are delivered to the Unit. Within such time period, Shareholder agrees that, absent written consent by the Corporation otherwise, all demolition shall occur at the commencement of the Work and shall not exceed twenty (20) days. The Corporation expresses no opinion regarding the feasibility of completion of the Work within this time period. No Work other than decorative work, such as painting, wallpapering or carpeting, may be continued beyond the Completion Date without the Corporation's specific written consent. If the Work shall not have been completed by the Completion Date, the Corporation shall be entitled to apply, from the security funds provided pursuant to paragraph 1(b) of this Alteration Agreement, the sum of \$250.00 per day for each calendar day that the Work remains incomplete. These amounts are acknowledged to be liquidated damages, and not a penalty, to compensate the Corporation and the Corporation's shareholders for the costs and inconvenience of the continuation of the Work, it being understood that the damages caused by continuation of the Work would be difficult to determine. The Corporation's application of the security funds provided pursuant to paragraph 1(b) of this Agreement as aforesaid shall be without prejudice and in addition to all other remedies the Corporation may have. If the security funds provided pursuant to paragraph 1(b) are fully applied, the Shareholder agrees to pay all amounts due under this paragraph to the Corporation in weekly installments as additional rent under the proprietary lease. The determination of whether the Work is completed shall be made by the Corporation, and the Corporation's determination shall be conclusive. The Shareholder agrees that any consent by the Corporation to perform Work after the Completion Date may be revoked by the Corporation immediately if the Shareholder fails to comply with any requirement of this Agreement or extension of the Completion Date and only reinstated in the Corporation's sole and absolute discretion. Notwithstanding anything contained herein to the contrary, the Corporation may in its sole and absolute discretion may, upon written request of Shareholder, waive or lessen the liquidated damages or extend the time periods set forth in this paragraph 11.

12. Work Hours and Noise. The Work shall be performed, only between the hours of 9:00 a.m. and 4:30 p.m. Monday through Friday; provided however, that "noisy work" which may disturb other residents shall not be performed before 10:00 a.m., Monday through Friday. The Work shall not be performed on Saturdays, Sundays and holidays. All supplies and material are to be delivered within the above time except for no deliveries of construction materials will be allowed in the building after 12:00 Noon on Fridays. Demolition work and removal of demolition refuse from the building must end by 12:00 Noon on Fridays.

13. Shareholder's Security Deposit. As security for the faithful performance and observation by Shareholder of the terms and conditions of this Agreement, Shareholder has

deposited the sum indicated in paragraph 1(b) with the Corporation. In the event that Shareholder or persons engaged by Shareholder to perform the Work cause loss, cost or expense to the Corporation, including without limitation any loss, cost or expense arising from or relating to (a) the fees of the Corporation's Designated Supervisor to review the plans and specifications or to review from time to time the progress of the Work; (b) the fees of the Corporation's attorneys engaged in the event of Shareholder's breach or alleged breach of the provisions of this Agreement, or otherwise in connection with the Work; (c) damage to the flooring, walls, fixtures and/or ceiling in the Building's hallways or to any common area (including without limitation, the cost of cleaning, shampooing, painting or repairing the same if soiled or otherwise damaged); (d) delays in completion of the Work, as more specifically referred to in Paragraph 11 of this Agreement, or (e) any other expenses incurred by the Corporation in connection with any complaints or breach of this Agreement. Shareholder agrees that the Corporation may use, apply or retain the whole or any part of the security so deposited and the interest earned thereon, if any, to the extent required for the payment thereof. If the deposit is diminished by one-half of the original amount, Shareholder shall replenish it to the full amount within (3) days after written demand. Shareholder's failure to so replenish the security deposit shall be a material breach of this Agreement and shall entitle the Corporation to stop the Work, and/or exercise any remedies it has hereunder.

Notwithstanding anything herein to the contrary, the Security Deposit shall not be returned until the Cooperative has received, as necessary: (1) certified copies of all filings in connection with the Work including the PW3 submission of final costs in connection with the sign-off, an affidavit that the Work does not require a change in the Certificate of Occupancy of 350 Bleecker Street, New York, New York, and a Certificate of Completion that the Work is complete.

If Shareholder shall comply with all of the terms and conditions of this Agreement, the security deposit and interest or remaining balance thereof, if any, shall be returned to Shareholder.

14. Accessibility. Shareholder agrees that all water, steam, and gas valves will be reasonably accessible. If any portion of the Work should enclose such valves, contrary to the provisions of this Agreement, if requested by the Corporation's Designated Supervisor, such portion shall be uncovered at Shareholder's expense for observation. Such enclosure shall be opened and replaced at Shareholder's expense. Anything to the contrary notwithstanding, the Corporation reserves its right to mandate that all shut off valves for utilities must be left exposed.

15. Use of Public and Common Areas During Work. Shareholder will not allow the halls, sidewalks, courtyards and other public areas to be used for the storage of building materials or debris and agrees that the floors of all public spaces to be used in connection with the Work will be covered with construction paper during the Work. Floors of the elevator must be covered with protective coverings at all times. If the Work marks or damages the hall, stairs, or elevators, the Corporation may repair them at Shareholder's expense upon the completion of the Work. Shareholder will take or cause their contractors to take all precautions necessary to prevent damage to the carpeting and wallpaper in the Building's hallways, elevators (including the doors and appurtenances) and to other common areas during the progress of the Work. If Shareholder shall fail to promptly perform any repair, Shareholder shall promptly pay all reasonable bills for such repairs.

16. Shareholder to Maintain Certain Safety Precautions. Shareholder agrees that functioning fire extinguishers and smoke alarms will be maintained in the Apartment during the Work. Shareholder agrees that the Work shall not block access to any fire exits in the Building.

During the Work and after such completion, Shareholder shall have smoke detectors installed within 10 feet of every sleeping area on the ceiling or wall pursuant to Local Law 62 of 1981 of the City of New York, and Shareholder shall install window guards if a child or children under 10 years old lives or resides in the Apartment pursuant to the New York City Health Code.

17. Shareholder to Control Refuse, Dirt, Dust, Lead Based Paint, etc.

a. All precautions will be taken by Shareholder to prevent dirt and dust from permeating other parts of the Building during the progress of the Work. Materials and rubbish will be placed in barrels or bags before being taken out of the Apartment. All such barrels or bags, rubbish, rubble, discarded equipment, empty packing cartons and other materials will be taken out of the Building and removed from the Apartment at Shareholder's expense on a daily basis. Shareholder recognizes that the elevator may be used for such removal and only at such times as the superintendent of the Building may direct.

b. The Federal Task Force on Lead-Based Paint Hazard Reduction has recommended certain maintenance practices, including (1) limiting access to the work area to only workers, (2) isolating the work area with polyethylene plastic or equivalent, (3) protecting the workers, (4) protecting the Shareholder's belongings by covering or removing them from the work area, (5) wetting the painted surfaces before disturbing the paint and (6) wetting the debris before sweeping. The Task Force has indicated that certain removal practices are unsafe, including (1) open flame burning, (2) power sanding or sandblasting (unless a special vacuum attachment is used to contain dust), and (3) dry scraping more than a de minimis surface area (de minimis means an area of less than one square foot per room). The Shareholder shall cause the Shareholder's contractors and/or workers to perform their work consistently with the recommendations of the Task Force and shall upon completion of the work perform specialized cleaning of the work area using methods designed to safely remove dust and debris which may contain lead. As necessary, Contractor shall tender copy of proof of compliance with 40 CFR Part 745 before commencement of work.

c. No more than sixty (60) days prior to beginning renovation activities in the Apartment, the contractor shall provide the Shareholder with the Environmental Protection Agency (the "EPA") pamphlet entitled, *Renovate Right: Important Lead Hazard Information for Families, Child Care Providers, and Schools*, (the "Pamphlet"). If the Apartment is occupied by other than the Shareholder, the contractor shall provide the occupant with the Pamphlet. The contractor shall be responsible for obtaining the Shareholder's or the occupant's written acknowledgment of receipt of the Pamphlet or a certificate of mailing evidencing same. The Shareholder hereby acknowledges that the Corporation has no liability or obligation in connection with this notification requirement of the EPA.

18. Shareholder to Comply with Laws, etc. Shareholder shall not do or permit any act or thing to be done contrary to law, or which will invalidate or be in conflict with any provision of any liability, multi-peril casualty or other insurance policies carried by Shareholder or for

Shareholder's benefit. Shareholder shall comply with all federal, state and local laws, rules and regulations pertaining to asbestos and other hazardous material, as the same have been or may be promulgated, supplemented or amended from time to time prior to and during the abatement-work.

19. Acceptance of Responsibility by Shareholder. The Shareholder releases the Corporation, the Managing Agent, the Corporation's agents and employees from any liability for damage to the portions of the Apartment affected by the Work, which may occur in the performance of the Alteration or any resulting building maintenance repairs. Notwithstanding anything to the contrary contained in the Lease, the Shareholder accepts sole responsibility for the Work and costs in connection with the maintenance, repair, restoration or replacement of any portions of the Apartment affected by the Work, and acknowledges that such responsibility shall pass to the Shareholder's successor-in-interest in the Apartment.

20. PW1/PW3. As necessary, the Corporation authorizes the Shareholder to file Applications for Work Permits in connection with the Work pursuant to New York City Department of Buildings ("DOB") Operational Policy and Procedure Notice 17/87 including filing DOB Forms PW1 and Form PW3 including but not limited to the initial filings and Sign-Offs including actual construction cost of completed work, which forms shall be prepared by Shareholder's licensed professional and submitted for review and approval by the Corporation prior to actual filing. All filings by the Shareholder in connection with the Work shall be limited to plans and specifications previously submitted in connection herewith. Shareholder further acknowledges that no other filings nor amended agency filings (and related changes to PW3) shall be made other than those submitted to the Corporation in advance for its approval and copies of all approved amended filings shall be provided to the Corporation as set forth herein and further that any and all comments, changes, etc. proposed by the DOB as part of its review of the Application shall be delivered to the Corporation, as well as all responses thereto by Shareholder or his/her licensed professional. Shareholder agrees to deliver to the Corporation certified stamped copies of all filings and amended filings within two (2) business days of their approval by the DOB. Shareholder shall certify in each such case that no other filings were prepared, submitted and/or approved by the DOB other than those submitted in advance and approved by the Corporation.

Shareholder and his/her licensed professional shall complete and submit Form PW3 ("Cost Affidavit") both initially and to obtain Sign-Off for the work to the Corporation and its managing agent, which forms shall attest to the accuracy of construction costs including an affidavit from the Shareholder's licensed professional as to the accuracy of such costs and the basis for the cost estimates (own estimates; another party's estimates or actual bids and costs) knowing that the Corporation relies upon such attestation prior to its filing with the DOB and submit a certified copy of such filing within two (2) business days after approval by the DOB. Shareholder shall submit a final inspection report, including a statement from his/her licensed professional that the Work is complete and shall have a Certificate of Completion issued by the DOB, a copy of which shall be delivered to the Corporation.

21. Work is of Shareholder's Sole Design. Shareholder recognizes that by granting consent to the Work, the Corporation does not express any opinion as to the design, feasibility or efficiency of the Work.

22. Jackhammers and Tools. The removal or demolition of interior masonry walls and floors and the use of jackhammers, impact hammers, electric hammers, pneumatically operated tools or other machines or tools which may cause undue damage to the building and/or disturbance to residents of the building are not permitted unless specifically approved by the

Corporation or its agents. Any such permission, if granted, may be revoked at any time and without notice if in the sole judgment of the Corporation conditions warrant such action.

23. Miscellaneous. This Agreement may not be changed orally. This Agreement shall be binding on legal representatives, successors and authorized assigns. Captions are for the purposes of convenience of reference only and are not to be considered in interpreting this Agreement.

24. Shareholder's Breach and Corporation's Remedies. SHAREHOLDER'S FAILURE TO COMPLY WITH ANY OF THE PROVISIONS HEREOF SHALL BE DEEMED A BREACH OF THE PROVISIONS OF THE LEASE, PURSUANT TO WHICH THE CORPORATION'S CONSENT HAS BEEN GRANTED, IN ADDITION TO ALL OTHER RIGHTS, THE CORPORATION MAY ALSO SUSPEND THE WORK AND PREVENT WORKERS FROM ENTERING SHAREHOLDER'S APARTMENT FOR ANY PURPOSE OTHER THAN TO REMOVE THEIR EQUIPMENT. IN SUCH EVENT, THE CORPORATION MAY ALSO REVOKE PERMISSION FOR SHAREHOLDER TO UNDERTAKE THE WORK. ANY DEVIATION FROM THE WORK APPROVED IN THIS ALTERATION AGREEMENT SHALL VOID IN ITS ENTIRETY THE PERMISSION GRANTED HEREIN. THE CORPORATION RESERVES THE RIGHT TO SET FORTH FURTHER CONDITIONS PRIOR TO ANY RESUMPTION OF WORK FOLLOWING SUSPENSION. SUCH CONDITIONS MAY INCLUDE, WITHOUT LIMITATION, REQUIRING ADDITIONAL OR ALTERNATE CONTRACTORS.

25. Permission. By executing this Agreement, the Corporation is granting permission to the Shareholder to perform the Work pursuant to the Plans and this Agreement. This permission can be revoked at any time on written notice to the Shareholder as a result of Shareholder's or its agent's violation of the terms of this Agreement. The Corporation also agrees to perform its obligations under this Agreement.

350 BLEECKER STREET
APARTMENT CORP

Shareholder

By:

Shareholder

EXHIBIT A

Shareholder's Contractor shall provide insurance of the types and in not less than the limits set forth below with a company or companies satisfactory to the Corporation, licensed to do business in the State of New York, and all such policies shall name the Corporation, the Shareholder and the Corporation's managing agent (the "Managing Agent") as additional named insureds. No diminution of limits of insurance will be permitted.

(i) WORKER'S COMPENSATION as required by all applicable Federal, State, or other laws including Employers Liability in accordance with the statutory requirements of the State of New York, together with Disability Benefits Insurance required by the State of New York.

(ii) COMPREHENSIVE GENERAL LIABILITY including Contractor's Liability and Blanket Contractual Liability (oral or written), all on an occurrence basis with Personal Injury Coverage, which shall include mental anguish as well as standard conditions, and Broad Form Property Damage, without any exclusion relating to Explosion, Collapse and Underground Property Damage.

The policy will contain the "Broad Form Comprehensive General Liability" endorsement in Paragraph 1 in such form; the exclusion pertaining to liability assumed by the Contractor under any contract or agreement (Section II paragraph B(1)) is to be deleted. The Completed Operations Coverage is to extend for a period of one year following termination of the Work and Contractual Indemnity Coverage is also to extend for one year following termination of the Work. The policy is also to include (a) Owners Protective Liability Coverage, (b) Knowledge of Occurrence and Notice of Occurrence endorsements and (c) Unintentional Errors and Omissions clause. The policy shall also include coverage with respect to asbestos exposure if the Work involves any asbestos-containing material, and shall not include a sunset clause without the Corporation's consent.

\$2,000,000 BODILY INJURY & PROPERTY
DAMAGE* (combined single limit)

(iii) COMPREHENSIVE AUTOMOBILE LIABILITY, including non-ownership and hired car coverage, as well as owned vehicles:

\$1,000,000 BODILY INJURY & PROPERTY DAMAGE
(combined single limit)

(iv) \$3,000,000 UMBRELLA LIABILITY, BODILY INJURY, PERSONAL INJURY AND PROPERTY DAMAGE COMBINED. Amounts of insurance required may be higher for major renovations as designated by the Board of Directors.

If umbrellas are written in more than one company any layers above the first one shall follow the form of the primary umbrella. Prior to the commencement of any work hereunder, detailed certificates of insurance shall be furnished to the Corporation showing that such insurance is in full force and the

premiums due thereunder have been paid. Such certificates shall provide that the said insurance may not be canceled, terminated or modified without ten (10) days written advance notice thereof to the Corporation. The Contractor shall promptly furnish the Corporation with copies of any endorsements subsequently issued amending insurance coverage or limits.

In the event of the failure of the Contractor to furnish and maintain such insurance, the Corporation shall have the right, at its option, at any time, (a) to revoke permission to perform the work and to deny entry into the Building of all workers, except that if such workers are escorted by a member of the Building's staff, they shall be permitted to remove their tools and supplies, or (b) to take out and maintain the said insurance for and in the Corporation's name, the Shareholder's name and the name of the Contractor and the Shareholder agrees to pay the cost thereof and to furnish all necessary information and consents to permit the Corporation to take out and maintain such insurance for the Corporation's account, the Shareholder's account and the account of Contractor. Compliance with the foregoing requirements to carry insurance and furnish certificates shall not relieve the Shareholder or the Contractor from liability assumed under any provisions of this Agreement.

The Contractor's insurance policy shall also contain in substance the following endorsement:

“This insurance shall not be invalidated should the insured waive, in writing, prior to a loss, any or all right of recovery against any party for the loss occurring to the property described herein.”

Nothing in this Exhibit A shall constitute a waiver of or limitation of any other rights or remedies the Corporation may have for consequential damages or otherwise.

EXHIBIT B

CONTRACTOR LETTER

Date:

To: Mr. Neil Levin
Maxwell – Kates, Inc.
9 East 38th Street, 6th Floor
New York, NY 10016

RE: 350 Bleecker Street
Apt. Number:
New York, New York

(the “Apartment”)

Shareholder(s): _____ (the “Shareholder”)

Dear Mr. Levin:

This letter will confirm that the undersigned has (i) reviewed and fully understood the terms and provisions of the Alteration Agreement dated _____ (the “Agreement”)

between 350 BLEECKER STREET APARTMENT CORP. (the “Cooperative”) and the Shareholder and (ii) agrees to abide by the terms of the Agreement, the proprietary lease between the parties and the rules and regulations of the Cooperative from time to time in effect.

The undersigned further agrees that it will not make any claim against, or seek to recover from (a) the Cooperative or the Cooperative's shareholders or (b) the Cooperative's or the Cooperative's shareholders' servants, agents, partners, guests, licensees, invitees, tenants or employees (collectively, the “Indemnified Parties”) for any damage to persons or property by the perils within the scope of the policies described in the Agreement unless the loss or damage is due to the carelessness or negligence of that Indemnified Party.

The undersigned further agrees to defend, indemnify and hold harmless the Indemnified Parties and all other occupants of the building, against any and all liability, including legal costs and expenses on account of loss of life or injury to any person or damage to property, happening in or arising out of or in any way relating to the performance of the work unless such injury or loss of life or loss or damage to property is caused by the carelessness or negligence of that Indemnified Party.

The undersigned hereby waives and releases any right to place a lien against any unit other than the Apartment referenced above, in the event of any payment dispute regarding work in Apartment.

Sincerely,

[Company Name of Contractor]

New York City Contractor's License
Number

By:

Signature

Name: _____

Title:

EXHIBIT C

NEIGHBOR LETTER

Date:

Dear _____:

In accordance with the Alteration Agreement between me/us and 350 Bleecker Street Apartment Corp. (the "Corporation") covering the alterations to be performed in my/or apartment # ____ (the "Apartment") , you are advised as follows:

1. Alterations will be performed in the Apartment commencing on or about _____. The Alteration Agreement with the Corporation permits me ____ calendar days to permit the alteration, subject to amendment at the sole discretion of the Corporation.
2. I/We hereby agree to indemnify you for any damage whatsoever to your apartment caused by the alterations performed in my/our Apartment. I agree to pay you the reasonable costs of repair for such damage. At your option, such repair may be performed, at my/our expense by contractors of your choosing approved by the Corporation or by my contractors.
3. In order to take advantage of the foregoing indemnification, you must permit my designated representative in your presence or in the presence of the Corporation's Superintendent to inspect your apartment prior to the commencement of my alterations. It would also be helpful to permit my designated representative to photograph conditions in your apartment as they exist prior to the commencement of my alterations. Please call me at _____ or email me at _____ to arrange the inspection. You must also permit my designated representative to inspect any damage you may claim my alterations may have caused.

Shareholder

Shareholder

ALTERATION FEES AND PROCEDURES

1. TIME AT WHICH AN ALTERATION MAY COMMENCE:

No work can commence until: All permits and approvals are in place; All preconstruction Alteration Agreement provisions have been met; and all parties have executed the Alteration Agreement; and the Managing Agent/Superintendent has scheduled a start date.

Factors such as the location and scope of work of your project, as it relates to other projects currently underway (in scope, location within the building, number of projects) and other common element building projects all are taken into consideration. The Cooperative will not permit an alteration that places any one Shareholder in a position of having more than one adjacent (side, above or below) alteration underway, at any one given time.

2. DESIGN POLICIES AND PROHIBITIONS:

- a. No channeling of floor, wall, or ceiling slabs.
- b. No “wet areas” over “dry areas” (i.e. no bathrooms over libraries), unless first obtaining written permission from the Corporation and its engineer.
- c. Sound-proofing material is required to be installed in all renovations that encompass the replacement of any existing floors and/or ceilings. The specified materials that must be installed are either: (i) AudioSeal Sound Barrier Iso-Step Floor Underlayment 12mm or, (ii) AudioSeal Sound Barrier - Enkasonic Floor Underlay 3/8", depending on the subfloor and application, as determined by the building's engineer/architect. Floors, ceilings, and walls that are contiguous to other apartments must also be insulated. Additional sound proofing, foams, and vibration dampening materials may be used in conjunction with the aforementioned at the Shareholder's discretion, and with the approval of the building engineer/architect and the Board.
- d. Cement board type product (not moisture resistant “Greenboard”) must be used throughout all bathrooms indicating wall removal and replacement.
- e. All plumbing material must be inspected and approved by the Superintendent before being installed.

3. DEMOLITION:

To the extent feasible, all demolition must be scheduled at the “front end” of the project. Demolition shall not exceed ten (10) days. Demolition within the apartment and removal of refuse from the apartment must end by 12 noon on Fridays.

4. DURATION OF THE ALTERATION:

The duration of the alteration, as submitted by the Shareholder's architect, must be considered attainable and realistic by the Building's architect/engineer, Superintendent and Board of Directors. If an extension is granted to go beyond the stated term in the Alteration Agreement, such extension is subject to a daily fee, to be determined by the Board of Directors.

5. WORK DAYS / WORK HOURS / HOURS OF NOISY WORK / HOLIDAYS / SHUT-DOWNS:

- a. Work Days: Weekdays, except below listed exceptions and holidays. No work on weekends;
- b. Work hours: 9:00AM to 4:30PM; All Contractors must leave the premises by 5:00PM;
- c. Hours of noisy work: 10:00AM to 4:00PM;
- d. No work Wednesday, Thursday, or Friday Thanksgiving week;
- e. No work from December 24th through January 1;
- f. No working on Federal holidays, including, but not limited to: New Years, Martin Luther King Day, Presidents Day, Good Friday, Memorial Day, Fourth of July, Labor Day, Rosh Hashanah, Yom Kippur, Columbus Day;
- g. Water, electric, and gas line shut-downs must be scheduled with the Superintendent and can only occur between the hours of 10:00AM and 2:00PM (at intervals and length of time subject to the sole and unilateral discretion of the Superintendent or Managing Agent). A \$300 per line/per occurrence fee is charged for all utility line shut-downs;
- h. Private contractors are not permitted to do any work in the basement.

6. WRITTEN NOTICE OF ALTERATION/DECORATION TO ADJACENT UNIT OWNERS:

Shareholder will send each adjacent resident a letter describing the general extent of the alteration and its duration; at least one week prior to the commencement of work.

7. INSPECTION BY BUILDING'S ARCHITECT:

During demolition, the construction phase and immediately before closing walls/ceilings/floors containing building service lines, the Cooperative reserves the right, at its sole and unilateral discretion, to have the architect/engineer for the Cooperative perform inspection(s) at the Shareholder's expense.

8. FEES AND SECURITY DEPOSITS:

In addition to the fees set forth in Section 1 of the Alteration Agreement:

- a. **Alteration Construction Fee:** \$500.00 payable to 350 Bleecker St Apt Corp per month each month of that the Alteration takes place.
- b. **Water Shutdown Fee:** \$300 payable to 350 Bleecker St Apt Corp per water line shutdown.
- c. **Power & Gas Shutdown Fee:** \$300 payable to 350 Bleecker St Apt Corp per power line shutdown.
- d. **Security Deposit:** Shareholder must remit a Security Deposit in an amount of ten percent (10%) of the project value (including contractor and sub-contractor costs) or \$5,000 whichever is greater but in no instance shall exceed \$15,000.
- e. **Penalty:** A \$500 penalty payable to 350 Bleecker St Apt Corp will be assessed any violation of the alteration agreement and/or house rules. A \$250 penalty payable to 350 Bleecker St

will be assessed if contractors leave the lobby door open while unattended by building staff (to be paid by the Shareholder for whom the contractor work for).

At the conclusion of the alteration and ***prior to the return of*** the security deposit, Shareholder must submit the following items to the Alteration Administrator: 1. For all projects that were filed with the NYC DOB, a Letter of Completion issued by the NYC DOB (and a Certificate of Completed Electrical Work by the contractor, as applicable); 2. A letter from the Shareholder stating the actual work completed conforms, in its entirety, to the plans and specifications approved by the Corporation; 3. A letter from the architect (or the contractor) stating the actual work completed meets or exceeds all applicable NYC building codes

9. WORK STOPPAGE:

Any of the following persons will retain the right to stop work and/or waive “administrative fees” for a breach of any of the terms of the Alteration Agreement and/or these Policies and Procedures: Any member of the Board of Directors; any employee of the Corporation or the Managing Agent.

10. OTHER PROVISIONS:

- a. Contractors and/or their suppliers agree not to block the main entrance to the building.
- b. Contractors must use low odor products whenever possible and use window ventilation whenever weather permits.
- c. Contractor must seal all air exhaust registers and the entry door to the unit, prior to any painting, sanding, demolition and/or dust producing work.
- d. Contractor must inspect unit entry door, setback, doorframe and compactor room doors and walls for scratches, marks and “touch-up” said marks DAILY. If the repainted areas are visible after the “touch-up,” contractor must repaint the entire section to ensure a blemish free appearance.
- e. If the existing one-piece tank/bowl toilets will remain as part of the alteration, the contractor must adjust the height of the toilet tank overflow tube so it will not permit water to rise to a level that can cause water to leak from the toilet’s bolt holes (used for mounting the toilet seat) and adjust the water level so that the water level will not rise to the level of the boltholes.