

To: Tenants-Shareholders
Mont Cenis Apartments, Inc.
54 Morningside Drive
New York, New York 10025

From: Mont Cenis Board of Directors

Re: Apartment Renovations

Dear Tenant/ Shareholder:

The Board has recently reviewed Mont Cenis' Alteration and Decorative Agreements. We ask all residents to review the existing agreements and note the changes that the current Board has introduced.

Tenant-Shareholder(s) wishing to undertake renovations in their apartment must contact the Board and/or Management to specify the nature and scope of the work planned. This includes all large and small-scale renovations and very small jobs including, but not limited to, electrical, plumbing, and decorative improvements. All proposed work must undergo a review process. While minor jobs will only require approval by Management and two Board Members, Tenant-Shareholders undertaking large and small scale renovations must submit an Alteration and/or Decorative Agreement and receive approval from the entire Board. Management will consult with the Board to determine whether a full or abbreviated review is required.

Tenant-Shareholders undertaking very small jobs requiring plans, licenses, insurance and other assurances must submit the appropriate paperwork to Management. Approval will be granted on the recommendation of a Management official in close consultation with the President and Vice-President of the Board. In their absence, Management and the Board's Secretary and Treasurer will assume full voting power vis-à-vis proposed plans. In the event a plan does not receive approval from Mont Cenis' President and Vice-President, work proposals will go to the full Board for a vote.

For large and small scale renovations, Management will send Mont Cenis' Alteration and/or Decorative Agreements to the Tenant Shareholder(s) to fill out and return in duplicate with written specifications, architectural plans (if appropriate), and nine copies, one for each of the seven Board Members and two for Mont Cenis' building managers. Please note that an architectural plan includes any proposal for demolition, plumbing, electrical, structural, and/or any other plan for change. Once Management receives the agreement package, the package will be sent to the Board for approval. Should the package require review by the Cooperative's Architect or any other professionals, fees related to the review will be charged back to the Tenant-Shareholder(s).

The Board has voted to introduce the following changes:

[1]. The Board **will not** allow Tenant-Shareholders to install NEW kitchens or bathrooms in locations directly above the living areas of Tenant-Owners residing below their apartment. A living area is a space such as a bedroom, living room, dining room, den, study or library. Thus kitchens and bathrooms can **ONLY** be installed above kitchens and bathrooms. This will be known as the **“no wet above dry”** rule.

[2]. The Board **will not** approve plans calling for NEW dropped ceilings. Dropped ceilings can obscure evidence and early detection of water leaks. The Board wants leaks observed and reported as quickly as possible.

[3]. Tenant-shareholder(s) **must** notify the Board and/or Management whenever hiring an electrician or plumber to repair pipes, install new electrical outlets, etc.

[4]. Protective covering **must** be placed around the base of any plumbing riser when conducting work on the floor around it to prevent dust or debris from filtering down to the apartments below or to areas between the floor and ceiling, possibly causing damage to the unit below over time.

[5]. As a reminder, Mont Cenís **does not** allow Tenant-Shareholders to install washing machines or dryers in their apartments.

[6]. The Board reiterates the Building’s long-standing policy that Tenant-Shareholders who undertake renovations are liable for any damages that occur as a result.

All of us must comply with the Alteration and Decorative Agreements. This will ensure the success of individually proposed work and the physical well being of the building.

Maria L. Sánchez, of Buchbinder & Warren will forward copies of the Alteration and Decorative Agreements for your records. Please take the time to review the Agreements so that you know what is expected if you wish to do any renovations.

If you have any questions, please feel free to contact the President or Vice-President of the Board. Thank you for your attention.

Sincerely,

Board of Directors
Mont Cenís Apartments, Inc.



APARTMENT DECORATING AGREEMENT APPLICATION

Apartment Corporation:

Address: _____

New York, NY

***** SUBMIT IN TRIPLICATE TO MANAGING AGENT *****

Name: _____

Apartment Number: _____

Home Phone: _____ Work Phone: _____

Fax Number: _____

Requested Commencement Date for Work: _____

Detailed room-by-room description of proposed decorative work:

[illegible]

(Attach additional pages if necessary)

This Decorating Agreement is a preliminary request. NO WORK MAY COMMENCE UNLESS AND UNTIL THIS AGREEMENT IS EXECUTED BY THE CORPORATION AND YOU. A Certificate of Insurance from the Contractor naming the Corporation and its Managing Agent as additional insureds must be on file.

Shareholder's Signature

Date _____

Alteration Guidelines

I. Prohibited Alterations

1. The use of jackhammer and other pneumatic tools
2. Channeling into the exterior or supporting walls (for water, cable or electric lines)
3. The removal or modification of walls which support the building
4. Additional bathrooms (e.g., powder rooms)

Optional Prohibitions:

1. Windows
2. Air conditioners
3. Garbage disposals
4. Jacuzzis

II. Renovations and Alterations which require evaluation by the Building's Architects and Engineers and Approval by the Board of Directors.

1. Any changes that affect water, gas, plumbing, heating system, telephone and/or electric lines. Please be aware that when changes are made which affect water pipes, branch-plumbing lines must also be replaced.
2. Any renovations that require breaching the outside wall of the building
3. Demolition of existing interior walls or the construction of new interior walls
4. Terrace structures and/or installations (eg., planters)
5. Installation of new air conditioning systems or units and modification of existing units

Optional

1. Any cabinets or shelves which are fixed to interior walls

III. Minor Alterations which DO NOT require Approval by the Building's Architects and Engineers nor Approval by the Board of Directors

The following minor alterations merely require managing agent's approval:

1. Painting, wallpapering and similar decorative work
2. Installing carpeting or similar floor covering
3. Sanding and staining existing wood flooring
4. Replacing existing appliances with new models

To obtain managing agent approval for the aforementioned minor alterations, you must submit an executed copy of the Decorating Agreement, Certificate of Insurance for the Contractor (a sample is provided) and a copy of the executed contract (if applicable).

IV. How to Obtain Approval of Alterations and Renovations

1. Call the managing agent and request a renovation package.
This set of materials lays out the details of the plans that need to be filed with the building management. The renovation package also details the specific licenses and insurance certificates that must accompany these plans.
2. Submit your plans to the managing agent.
3. Management will submit your plans to the building's architect and engineer who will determine if the work you have in mind conforms to the building's legal, safety, convenience and esthetic concerns. Be as complete and thorough as possible. If plans are incomplete or present design problems, the building's architect and engineer may require modifications. The more often plans must be revised or amended, the longer the approval process will take. There is a fee for the review of your plans by the building's engineer and architect.

Before you begin work:

4. At the start of work, Contractor or skilled crafts people must submit, to both management and Superintendent, Certificates of Insurance against damage to building and occupants.
5. Major alterations must then be approved by the Board of Directors. **Be aware that the Board meets only once a month.**
6. Before you begin work, complete the checklist.
7. Contractor must obtain all necessary permits from the New York City Department of Buildings.
8. Pay Fees Required and Due Under Applicable Agreement.
9. Notify your neighbors, above, below and on either side by dropping them a note informing them of the nature and duration of the work planned.



ALTERATION AGREEMENT

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This Agreement, made as of this _____ day of _____, between Mari Cons/Partners (the "Corporation") with an address c/o Buchbinder & Warren, LLC ("Managing Agent") and _____ (the "Shareholder") having a mailing address of 54 Morningside Drive.

WITNESSETH:

WHEREAS, the Shareholder hereby requests permission to make/install the equipment and/or make the alterations in the apartment (the "Apartment") (Apt. # _____) at (building address _____) 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 Article _____, Paragraph _____ 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.

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 if required by the Corporation, 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 (the "Corporation's Designated Engineer") without the Corporation's Designated Engineer's subsequent approval.
- b. a check with respect to the security payable in connection with this Agreement in the sum of \$ 1,500.00 payable to the Corporation in accordance with paragraph 13 of this Agreement, if applicable.
- c. a check in the sum of \$ 500.00 payable to B & W (Buchbinder & Warren, LLC) managing agent for the Building (the "Managing Agent") as a processing fee in connection with this request and the Work, if applicable.

2. Corporation's Review of Work as Proposed. Shareholder acknowledges that the Corporation's Designated Engineer, 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 the approved Plans and is otherwise in conformity with the requirements of this Agreement. Shareholder shall provide access to the Apartment, from time to time, to permit the Corporation's Designated Engineer, 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.

Note to Shareholder: This form of Alteration Agreement is to be used for structural alterations to the Apartment (i.e., removing all or part of a wall, changing the plumbing or electrical lines, or replacing windows). If you are just doing cosmetic work (i.e., painting, wallpapering, changing bathroom, kitchen or lighting fixtures without altering the plumbing or electrical lines) use Decorating Agreement.

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 Engineer, 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 Engineer 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. If an amended certificate of occupancy or certificate of the Board of Fire Underwriters is not required, the Shareholder's Designated Engineer must submit a statement to that effect. The determination of the Corporation's Designated Engineer 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 Engineer, 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.

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 Engineer, the superintendent of the Building and the Managing Agent of the date the Work shall commence and the estimated duration 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.

6. Indemnification by Shareholder. Shareholder hereby indemnifies and holds harmless the Corporation, the Corporation's Designated Engineer 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 Engineer, Managing Agent, and other shareholders and residents of the Building for any losses, costs, fines, 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.

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 either prior or subsequent to granting permission for the Work, Shareholder agrees to reimburse the Corporation, on demand, for any reasonable fees (including attorney's 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 under the Lease.

8. Shareholder's Contractor to Cooperate with Building Labor. All of Shareholder's contractors and subcontractors shall employ only such laborers as shall not conflict with any of the trade unions employed in the Building or otherwise cause disharmony with any Building service union. 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.

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 recognizes that there will be no change in the operation of the Building's heating system, ventilation system or air-conditioning system, if any, to facilitate the functioning of any heating or air-conditioning units Shareholder may be installing. Shareholder will not interfere or permit interference with the Building's intercom system, gas, electric, plumbing or any other service. Shareholder agrees that exterior masonry walls shall not be penetrated.

10a. No New "Wet" Over Dry. Absolutely no new "wet" areas will be permitted above existing dry areas. No new kitchen or new bathroom or any portion thereof shall be permitted to be constructed above an existing living room, bedroom, dining room, den/family room, library or home office.

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 ___ working days from the date of commencement of the Work, or such other period as the Corporation, in writing, designates (the "Completion Date"). 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 \$_____ per day for each calendar day 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. 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.

12. Work Hours and Noise. The Work shall be performed, only between the hours of 8 a.m. and 5 p.m. Monday through Friday; provided however, that "noisy work" which may disturb other residents shall not be performed before 8 a.m., Monday through Friday. The Work shall not be performed on Saturdays, Sundays and holidays. The Corporation shall be the sole arbiter should there be any doubt as to noise levels which may be disturbing.

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 Engineer 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 carpeting or wallpaper 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. 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 Engineer, such portion shall be uncovered at Shareholder's expense for observation. Such enclosure shall be opened and replaced at Shareholder's expense.

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 floor of the back halls to be used in

connection with the Work will be covered with construction paper during the Work. If the Work mars or damages the back 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. Shareholder shall have smoke detectors installed within 15 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 10 years old or under lives or resides in the Apartment pursuant to Section 131.15 of 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. Shareholder recognizes that only the service elevator may be used for such removal and only at such times as the superintendent of the Building may direct. Shareholder shall not permit any dumpster or garbage container to be left overnight in front of the Building and shall not permit any dumpster or garbage container to be left for more than five (5) consecutive days at the sides of the Building. Notwithstanding the foregoing, the placement of any dumpsters must comply with all governmental regulations, including without limitation, obtaining any necessary permits.

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.

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, Protecting Your Family from Lead in the Home, (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 and Shareholder's Successor in Interest

a. 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 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.

b. Shareholder or Shareholder's successor-in-interest (i) shall advise each subsequent purchaser of Shareholder's interest in the Corporation's shares appurtenant to the Apartment (a "Purchaser") of the Work undertaken by the Shareholder and the Purchaser's obligations under this Agreement; (ii) shall provide copies of the Plans and this Agreement to the Purchaser; (iii) shall waive any claim or cause of action against the Corporation, the Board of Directors or the Managing Agent, for advising a potential Purchaser of the obligations of the owner of the Apartment under this Agreement; (iv) have the Assumption of Alteration Agreement, in substantially the same form annexed as Exhibit B, executed by any successor-in-interest.

20. 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.

21. 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.

22. 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.

23. 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 agents violation of the terms of this Agreement. The Corporation also agrees to perform its obligations under this Agreement.

Shareholder

Shareholder

APARTMENT CORP.

By: _____
_____, President

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.

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

(iii) **COMPREHENSIVE AUTOMOBILE LIABILITY**, including non-owner-ship 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***

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

* Amounts of insurance required may be higher for major renovations as designated by the Board of Directors.

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

ASSUMPTION OF ALTERATION AGREEMENT

WHEREAS, by a certain Assignment of Proprietary Lease, dated _____, _____ ("Assignee") will acquire all of the right, title and interest of _____ ("Assignor") in and to a certain lease (the "Lease") dated _____, between (Apartment Corporation), ("Lessor Corporation"), as lessor, and Assignor, or [her][his] predecessor in interest, as lessee, for apartment _____ ("Apartment") in premises known as (address); and

WHEREAS, by instrument dated _____ ("Assumption of Lease") Assignee will assume all of the obligations of Assignor as lessee under the Lease, and is about to become the lessee of the Apartment by virtue of said instrument or the execution of a new lease.

NOW, THEREFORE, in consideration of the premises and the consent of Lessor Corporation or its directors to the assignment of the Lease to Assignee and to the transfer to Assignee of the shares of Lessor Corporation which accompany the Lease, Assignee hereby ASSUMES AND AGREES TO PERFORM AND COMPLY with all the terms, covenants and conditions of that certain Alteration Agreement between Assignor and the Lessor Corporation dated _____ (copy attached hereto), including, without limitation, the obligation to maintain and repair, at Assignee's expense, the alteration work which was the subject of the Alteration Agreement and any structures, fixtures, appliances, or other items installed or built in connection with such alteration work.

Any breach of this Assumption Agreement or the obligations assumed hereby shall be a breach of the Lease.

This Assumption Agreement and all of its provisions shall be binding on Assignee and [her][his] estate, heirs, executors, administrators, personal representatives, successors and assigns.

New York, N.Y.

Date: _____

_____, Assignee

State of New York }
 } ss.:
County of New York }

On this _____ day of _____, before me personally came _____, to me known and known to me to be the individual described in and who executed the foregoing instrument, and duly acknowledged to me that [she][he] executed the same.

Notary Public

ALTERATION APPROVAL CHECKLIST

Building Name: _____

1. Department of Buildings Approved Plans and Applications _____
2. Permits _____
3. Specifications _____
4. Schedule _____
5. Completed Alteration Agreement _____
6. Date of Commencement _____
7. Date of Completion _____
8. Completed Project Summary _____
9. Minor Damage Deposit \$ _____
10. Application Fee \$ _____
11. Major Damage Deposit (bond optional) \$ _____
12. Copies of Contracts
 - a) General Contracts _____
 - b) Subcontractors _____
 - c) Consultants _____
 - d) Other Supplies _____
13. Certificate of Occupancy (at end of job) _____
14. Insurance
 - a) Liability - Contractors and Consultants _____
 - b) Workman's Compensation/ Disability Benefits _____
 - c) Bonding (optional) _____
15. Table of Organization _____
16. Pre Construction Asbestos Report _____
17. Post Construction Asbestos Report _____
18. Electrical Load Letter _____
19. Debris Disposal Letter _____
20. Credentials of Asbestos Contractor (if required) _____
21. Lien Waivers
 - a) Contractors _____
 - b) Consultants _____
 - c) Other Suppliers of Labor, Goods, Materials _____
22. Completion Form from Superintendent/Agent _____

ALTERATION PROJECT SUMMARY

Application Date _____

Apartment Number _____

Owner's Name _____

Owner's Phone Number During Renovation _____

EMERGENCY PHONE NUMBER _____

Contractor's Name _____

Contractor's Phone Number _____

Name of Contractor's Field Superintendent _____

Architect _____

Start Date _____

Completion Date _____

Project Cost \$ _____

Permits Required _____



Indicate Areas Affected Structurally

Mechanical

Electrical

Plumbing

Exterior

Demolition Required (circle one)

OK for Release of Deposit

YES or NO

Comments