

**BY-LAWS
OF
OLYMPIC TOWER CONDOMINIUM**

TABLE OF CONTENTS

<u>Article</u>	<u>Section</u>	<u>Page</u>
I.	GENERAL.....	1
	1 Purpose.....	1
	2 Applicability of By-Laws.....	1
	3 Principal Office of Condominium.....	1
II.	BOARD OF MANAGERS.....	1
	1 Number, Term and Qualification.....	1
	2 Powers and Duties.....	2
	3 Managing Agent and Manager.....	5
	4 First Board of Managers.....	5
	5 Removal.....	5
	6 Vacancies.....	6
	7 Organization Meeting.....	6
	8 Regular Meetings.....	6
	9 Special Meetings.....	6
	10 Waiver of Notice.....	6
	11 Quorum of Board of Managers.....	6
	12 Compensation.....	7
	13 Liability of the Board of Managers.....	7
	14 Fidelity Bonds.....	8
	15 Executive Committee.....	8
III.	UNIT OWNERS.....	8
	1 Annual Meetings.....	8
	2 Place of Meetings.....	9
	3 Special Meetings.....	9
	4 Notice of Meetings.....	9
	5 Adjournment of Meetings.....	9
	6 Order of Business.....	9
	7 Title to Units.....	9
	8 Voting.....	9
	9 Majority of Unit Owners.....	10
	10 Quorum.....	10
	11 Majority Vote.....	10
IV.	OFFICERS.....	10
	1 Designation.....	10
	2 Election of Officers.....	11
	3 Removal of Officers.....	11
	4 President.....	11
	5 Vice President.....	11
	6 Secretary.....	11
	7 Treasurer.....	11

<u>Article</u>	<u>Section</u>	<u>Page</u>
	8 Execution of Documents.....	11
	9 Compensation of Officers.....	12
V.	NOTICES.....	12
	1 Notices.....	12
	2 Waiver of Service of Notice.....	12
	3 Designation of Board of Managers for Service of Notice or Process.....	12
VI.	OPERATION OF THE PROPERTY.....	12
	1 Determination of Common Expenses and Fixing of Common Charges.....	12
	2 Insurance.....	14
	3 Repair or Reconstruction after Fire or Other Casualty.....	16
	4 Payment of Common Charges.....	17
	5 Collection of Assessments.....	18
	6 Default in Payment of Common Charges.....	18
	7 Foreclosure of Liens for Unpaid Common Charges.....	18
	8 Statement of Common Charges.....	18
	9 Maintenance and Repairs.....	18
	10 Limited Common Elements.....	20
	11 Restrictions on Use of Units.....	20
	12 Additions, Alterations or Improvements by the Board of Managers.....	21
	13 Additions, Alterations or Improvements by Unit Owners.....	22
	14 Use of Common Elements and Residential Limited Common Elements.....	23
	15 Right of Access.....	23
	16 Rules and Regulations.....	24
	17 Water Charges and Sewer Rents.....	25
	18 Steam.....	25
	19 Electricity.....	25
	20 Abatement and Enjoinment of Violations by Unit Owners.....	25
VII.	MORTGAGES.....	26
	1 Notice to Board of Managers.....	26
	2 Notice of Default and Unpaid Common Charges.....	26
	3 Examination of Books.....	26
	4 Representatives of Mortgagees.....	26
VIII.	SELLING, LEASING AND MORTGAGING OF UNITS.....	26
	1 Selling and Leasing.....	27
	2 Consent of Unit Owners to Purchase or Lease of Residential Units by Board of Managers.....	29

<u>Article</u>	<u>Section</u>	<u>Page</u>
	3 No Severance of Ownership.....	29
	4 Release by Board of Managers of Right of First Refusal.....	29
	5 Certificate of Termination of Right of First Refusal.....	29
	6 Financing of Purchase of Units by Board of Managers.....	30
	7 Exceptions.....	30
	8 Gifts and Devises, etc.....	30
	9 Waiver of Right of Partition with Respect to Such Units Acquired by Board of Managers, or its Designee, on Behalf of All Unit Owners as Tenants-in-Common	30
	10 Payment of Assessments.....	30
	11 Mortgage of Units.....	30
	12 Transfer Fee.....	31
IX.	CONDEMNATION.....	31
	1 Condemnation.....	31
X.	RECORDS.....	32
	1 Records and Audits.....	32
XI.	MISCELLANEOUS.....	32
	1 Invalidity.....	32
	2 Captions.....	32
	3 Gender.....	32
	4 Waiver.....	32
	5 Insurance Trustee.....	32
XII.	AMENDMENT TO BY-LAWS.....	33
	1 Amendments to By-Laws.....	33
XIII.	CONFLICTS.....	33
	1 Conflicts.....	33
XIII.	LIABILITY FOR LITIGATION COSTS.....	33
	1 Liability for Litigation Costs.....	33
SCHEDULE A TO BY-LAWS, RULES AND REGULATIONS FOR OLYMPIC TOWER CONDOMINIUM.....		35

**BY-LAWS
OF
OLYMPIC TOWER CONDOMINIUM**

**ARTICLE I
GENERAL**

Section 1. Purpose. The purpose of these By-Laws is to set forth the rules and procedures concerning the conduct of the affairs of Olympic Tower Condominium (the "Condominium"). The Condominium covers the property (the "Property") consisting of approximately 23,390.71 square feet of land (the "Land") forming a part of Section 5, Block 1287, Lot 1 on the Tax Maps of the Borough of Manhattan, City, County and State of New York and the building and other improvements now or hereafter to be constructed thereon (hereinafter collectively called the "Building"), including, without limitation, the Units and the Common Elements (as such terms are defined in the Declaration, defined below), all easements, rights and appurtenances belonging thereto, and all other property, real, personal or mixed, intended for use in connection therewith, all of which have been submitted to the provisions of Article 9-B of the Real Property Law of the State of New York by the recording of a Declaration of Condominium (the "Declaration") in the office of the Resister of the City of New York simultaneously herewith. Unless otherwise provided herein, all terms used in these By-Laws shall have the same meanings as ascribed thereto in the Declaration and the Offering Plan ("Offering Plan") covering the Condominium.

Section 2. Applicability of By-Laws. These By-Laws are applicable to the Property and to the use and occupancy thereof. All present and future Unit Owners, mortgagees, lessees and occupants of Units and employees and guests of Unit Owners, as well as all other persons who may use the facilities of the Property, are and shall be subject to the Declaration, these By-Laws and the Rules and Regulations attached hereto as Schedule A and made a part hereof as they or any of them may be amended from time to time. The acceptance of a deed or conveyance, or the succeeding to title to, or the execution of a lease, or the act of occupancy of a Unit shall constitute an agreement that these By-Laws, the Rules and Regulations and the provisions of the Declaration, as they may be amended from time to time, are accepted, ratified, and will be complied with.

Section 3. Principal Office. The principal office of the Condominium and of the Board of Managers shall be located within the Property or at such other place, reasonably convenient thereto, as may be designated from time to time by the Board of Managers.

**ARTICLE II
BOARD OF MANAGERS**

Section 1. Number, Term and Qualification. The affairs of the Condominium shall be governed by the Board of Managers, which shall consist of nine (9) persons. Until the first annual meeting of Unit Owners shall have been held as provided in Section 1 of Article III hereof, the Board of Managers shall consist of three persons appointed by Olympic Tower

Associates, (the "Sponsor"), none of whom need be a Unit Owner. Members of the Board of Managers elected by the Sponsor or its designee need not be Unit Owners and shall serve for a term of one year, except that members of the Board of Managers elected by the Commercial Unit Owner (irrespective of whether Sponsor is the owner of the Commercial Unit) shall serve for a term of three (3) years in like manner as the Managers elected by Residential Unit Owners as hereinafter provided. All other members of the Board of Managers who are elected by the Unit Owners (other than the Sponsor with respect to Sponsor-Owned Residential Units), shall serve for the terms prescribed in these By-Laws. Subject to the foregoing, at the first annual meeting of the Unit Owners three (3) of the Managers shall be elected to serve for a term of three years, three (3) of the Managers shall be elected to serve for a term of two years and the remaining three (3) Managers shall be elected to serve for a term of one year, (except that Managers elected by Sponsor with respect to Sponsor-Owned Residential Units shall serve for one year). At the expiration of the initial term of office of each Manager, his successor shall be elected to serve for a term of three years. The Managers shall hold office for the term herein fixed and until their successors have been qualified and elected. In any event, the terms of three (3) Managers shall expire annually. There shall be no limit on the number of successive terms a Manager may serve on the Board of Managers, if elected as herein provided.

Except for Managers elected by Sponsor, all other Managers shall be Unit Owners or spouses of Unit Owners, or mortgagees of Units or a spouse of an individual mortgagee, or, in the case of partnership Unit Owners or mortgagees shall be members or employees (or their spouses) of such partnerships, or in case of corporate Unit Owners or mortgagees, shall be directors, officers, stockholders or employees (or their spouses) of such corporation, or, in the case of fiduciary Unit Owners or mortgagees, shall be the fiduciaries or their beneficiaries (or their spouses), or directors, officers, stockholders or employees (or their spouses) of a corporate fiduciary, or partners or employees (or their spouses) of a partnership fiduciary. Except for Managers elected by Sponsor or its designee (unless all Residential Units owned by Sponsor or said designee are sold), no manager shall continue to serve on the Board after he ceases to be a Unit Owner or an interested party in a Unit Owner as specified in the preceding sentence. At such time as title to all Sponsor-Owned Residential Units is conveyed, all Managers elected by Sponsor or its designee, as a result of its ownership of said Sponsor-Owned Residential Units, shall resign (Managers elected by the Sponsor by reason of its ownership of the Commercial Unit will not be affected and shall continue in office).

Section 2. Powers and Duties. The Board of Managers shall have the powers and duties necessary for the administration of the affairs of the Condominium and may do all such acts except such acts which by law, the Declaration or these By-Laws may not be delegated to the Board of Managers by the Unit Owners. Such powers and duties of the Board of Managers shall include, without limitation (except as limited elsewhere herein) the following:

- (a) Operation, care, upkeep and maintenance of the Common Elements and the Residential Limited Common Elements.
- (b) Determination of the Common Charges required for the affairs of the Condominium, including, without limitation, the operation and maintenance of the Property.

- (c) Collection of the Common Charges from the Unit Owners.
- (d) Employment and dismissal of the personnel necessary for the maintenance and operation of the Common Elements and the Residential Limited Common Elements.
- (e) Adoption and amendment of the Rules and Regulations covering the details of the operation and use of the Property (other than the Commercial Unit and the Commercial Limited Common Elements), subject to a right of the Unit Owners to overrule the Board as provided in Article VI, Section 16 hereof.
- (f) Maintaining bank accounts on behalf of the Condominium and designating the signatories required therefor.
- (g) Purchasing, leasing or otherwise acquiring in the name of the Board of Managers or its designee, corporate or otherwise, on behalf of all Unit Owners, Units offered for sale or lease or surrendered by their owners to the Board of Managers.
- (h) Purchasing Units at foreclosure or other judicial sales, in the name of the Board of Managers, or its designee, corporate or otherwise, on behalf of all Unit Owners.
- (i) Selling, leasing, mortgaging, or otherwise dealing with (but not voting the votes appurtenant to) Units acquired by, and subleasing Units leased by, the Board of Managers, or its designee, corporate or otherwise, on behalf of all Unit Owners.
- (j) Organizing corporations to act as designees of the Board of Managers in acquiring title to or leasing Units by the Board of Managers on behalf of all Unit Owners.
- (k) Obtaining and reviewing insurance for the Property, including the Units, pursuant to the provisions of Article VI, Section 2 hereof.
- (l) Making repairs, additions and improvements to, or alterations of, the Property (other than the Commercial Unit and the Commercial Limited Common Elements) and repairs to and restoration of the Property (other than the Commercial Unit and the Commercial Limited Common Elements) in accordance with the other provisions of these By-Laws after damage or destruction by fire or other casualty, or as a result of condemnation or eminent domain proceedings.
- (m) Enforcing obligations of the Unit Owners, allocating profits and expenses and doing anything and everything else necessary and proper for the sound management of the Condominium.
- (n) Levying fines against the Unit Owners for violations of the Rules and Regulations established by it to govern the conduct of the Unit Owners.

(o) Purchasing or leasing a Unit for use by a resident superintendent, if any, on behalf of all Unit Owners.

(p) Leasing of laundry room, if any, and granting of licenses for vending machines.

(q) Borrowing money on behalf of the Condominium when required in connection with the operation, care, upkeep, and maintenance of the Common Elements and the Residential Limited Common Elements, provided, however, that (i) the consent of at least 66% in number and in common interest of all Unit Owners, obtained at a meeting duly called and held for such purpose in accordance with the provisions of these By-Laws, shall be required for the borrowing of any sum in excess of \$50,000, (ii) no lien to secure repayment of any sum borrowed may be created on any Unit or its appurtenant interests in the Common Elements without the consent of the owner of such Unit, and (iii) the owner of the Commercial Unit will not be liable for repayment of any portion of a loan in so far as the same relates or is attributable to the Residential Limited Common Elements. If any sum borrowed by the Board of Managers on behalf of the Condominium pursuant to the authority contained in this paragraph (q) is not repaid by the Board, a Unit Owner who pays to the creditor such proportion thereof as his interest in the Common Elements bears to the interest of all the Unit Owners in the Common Elements shall be entitled to obtain from the creditor a release of any judgment or other lien which said creditor shall have filed or shall have the right to file against the Unit Owner's Unit.

(r) Adjusting and settling claims under insurance policies obtained pursuant to Article VI, Section 2 and executing and delivering releases on settlement of such claims on behalf of all Unit Owners, all holders of mortgages or other liens on the Units and all owners of any other interest in the Property, subject to the rights of the Commercial Unit Owner set forth in said Article VI, Section 2.

(s) On behalf of all Unit Owners, filing, prosecuting, negotiating and settling appropriate tax certiorari proceedings so as to reduce the assessed valuations of, and/or real estate taxes due with regard to, all Units in the Condominium. Notwithstanding anything in this paragraph (s), any Unit Owner may elect to pursue its own filing, prosecuting, negotiating and settling appropriate tax certiorari proceedings and not be represented by the Board of Managers.

The Board of Managers shall be responsible for carrying out the duties imposed upon it under these By-Laws and the Declaration regardless of whether a Unit is vacant or occupied by the owner thereof or a permitted lessee or other permitted occupant.

Notwithstanding anything to the contrary contained in these By-Laws, so long as the Sponsor and its designee shall continue to collectively own Residential Units representing 50% or more in number or in interest in the Common Elements attributable to all Residential Units, the Board of Managers may not, without the Sponsor's prior written consent, (i) make any addition, alteration or improvement to the Limited Common Elements or to any Unit (unless required by law), or (ii) assess any Common Charges for the creation of, addition to or replacement of all or part of a reserve, contingency or surplus fund in excess of 4% of the

estimated expenses for any year of operation, or (iii) hire any employee in addition to the number of employees referred to in the Schedule of Projected Receipts and Expenses for the First Year of Condominium Operation set forth in the Offering Plan of the Condominium, or (iv) enter into any service or maintenance contract for work not covered in said Schedule or reduce or eliminate any service provided in such Schedule or the Plan, or (v) borrow money on behalf of the Condominium. In addition, so long as the Sponsor and its designee shall collectively own Units representing 50% or more in number or in interest in the Common Elements, the Board of Managers may not make any addition, alteration or improvement to the Common Elements without Sponsor's prior written consent.

Section 3. Managing Agent and Manager. The Board of Managers may employ for the Condominium a managing agent and/or a manager at a compensation established by the Board of Managers, to perform such duties and services as the Board of Managers shall authorize, including, but not limited to, the duties listed in subdivisions (a), (c), (d), (k), (l) and (p) of Section 2 of this Article II. The Board of Managers may delegate to the manager or managing agent other powers granted to the Board of Managers by these By-Laws except the powers set forth in subdivisions (b), (e), (f), (g), (h), (i), (j), (m), (n), (o), (q) and (r) of Section 2 of this Article II.

Section 4. First Board of Managers. The first Board of Managers shall consist of three persons designated by the Sponsor and they shall hold office and exercise all powers of the Board of Managers. Within thirty (30) days after (i) the conveyance of title to all the Units or (ii) the expiration of twenty-four (24) months from the date of filing the Declaration, whichever shall first occur, all members of the Board shall resign as Board members (such resignations to be effective on the election of their successors) and shall cause the President of the Condominium to call for a special meeting of the Unit Owners to elect a new nine-member Board of Managers.

Section 5. Removal. Subject to the provisions of Section 1 of this Article II, at any regular or special meeting of Unit Owners, any one or more of the members of the Board of Managers may be removed with or without cause by a majority of the Unit Owners and a successor may then and there or thereafter be elected to fill the vacancy thus created, except that Managers elected by Sponsor, its designee, or the Commercial Unit Owner may only be removed by Sponsor, said designee, or the Commercial Unit Owner, respectively, and only they shall have the right to designate a replacement for any Manager removed by any of them. Any member of the Board of Managers whose removal has been proposed by the Unit Owners shall be given an opportunity to be heard at the meeting.

Section 6. Vacancies. Vacancies in the Board of Managers caused by any reason other than the removal of a member thereof by a vote of the Unit Owners shall be filled by vote of a majority of the remaining members at a special meeting of the Board of Managers held for that purpose promptly after the occurrence of any such vacancy, even though the members present at such meeting may constitute less than a quorum, and each person so elected shall be a member of the Board of Managers for the remainder of the term of the member creating such vacancy and until a successor shall be elected at the next annual meeting of the Unit Owners. Notwithstanding the foregoing, vacancies of Managers elected by the Sponsor (or its designee)

or the Commercial Unit Owner shall be filled only by the Sponsor (or said designee) or the Commercial Unit Owner, respectively.

Section 7. Organization Meeting. The first meeting of the Board of Managers following each annual meeting of the Unit Owners shall be held within ten (10) days thereafter at such time and place as shall be fixed by a majority of the members of the Board of Managers, and no notice shall be necessary to the newly elected members of the Board of Managers in order to legally constitute such meeting, provided that a majority of the members of the Board of Managers shall be present at such first meeting.

Section 8. Regular Meetings. Regular meetings of the Board of Managers may be held at such time and place as shall be determined from time to time by a majority of the members of the Board of Managers, but at least four (4) such meetings shall be held during each fiscal year. Notice of regular meetings of the Board of Managers shall be given to each member of the Board of Managers, by personal delivery, mail or telegram, at least five (5) business days prior to the day named for such meeting.

Section 9. Special Meetings. Special meetings of the Board of Managers may be called by the President by giving five (5) business days' prior notice to each member of the Board of Managers, by personal delivery, mail or telegram, which notice shall state the time, place and purpose of the meeting. Special meetings of the Board of Managers shall be called by the President or Secretary in like manner and on like notice on the written request of at least three (3) members of the Board of Managers.

Section 10. Waiver of Notice. Any member of the Board of Managers may at any time waive notice of any meeting of the Board of Managers in writing and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a member of the Board of Managers at any meeting of the Board shall constitute a waiver of notice by him of the time and place thereof. If all the members of the Board of Managers are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

Section 11. Quorum of Board of Managers. At all meetings of the Board of Managers, a majority of the members thereof shall constitute a quorum for the transaction of business, and the votes of a majority of the members of the Board of Managers present at a meeting at which a quorum is present shall constitute the decision of the Board of Managers. If at any meeting of the Board of Managers there shall be less than a quorum present, a majority of those present may adjourn the meeting from time to time. At any such adjourned meeting at which a quorum is present, any business which might have been transacted at the meeting originally called may be transacted without further notice.

Notwithstanding the foregoing, subsequent to the election of the first Board of Managers by all Residential Unit Owners, and at such time as Sponsor or its designee has conveyed title to more than 50% in number and interest of all Sponsor-Owned Residential Units or the second anniversary of the date title is transferred to the first Residential Unit (whichever shall be the later to occur), all determinations thereafter to be made by the Board of Managers which (i) affect only the Residential Section, and not in any wise affecting directly or indirectly the

Commercial Unit or Commercial Limited Common Elements, shall be made by a majority of those Managers elected by the Residential Unit Owners (including Sponsor and its designee with respect, to Sponsor-Owned Residential Units) present at a meeting at which a quorum is present, and (ii) affect only the Commercial Unit or Commercial Limited Common Elements, and not in any wise affecting directly or indirectly the Residential Section, shall be made by a majority of those Managers elected by the Commercial Unit Owner present at a meeting at which a quorum is present. Any decision of the Board of Managers which will affect or may be reasonably expected to affect the operation of the Commercial Unit or the business of the tenants or occupants of the Commercial Unit, or the leasing of any space therein, or the general appearance, quality or character of the Building, or which may require the consent or approval of the holder of any mortgage (fee or leasehold) on the Commercial Unit or any portion thereof, or any interest therein, shall be made by a majority of all Managers present at a meeting at which a quorum is present, including those elected by the Commercial Unit Owner. Any decision of the Board of Managers which will affect or may be reasonably expected to affect the operation of the Residential Section, or the use of the Residential Units for dwelling or permitted professional purposes, or the general appearance, quality or character of the Building, or which may require the consent or approval of the holder of any mortgage on any Residential Unit, shall be made by a majority of all Managers present at a meeting at which a quorum is present, including those elected by the Residential Unit Owners. Decisions relating to or affecting the Common Elements shall be made by a majority of all Managers present at a meeting at which a quorum is present.

Section 12. Compensation. No member of the Board of Managers shall receive any compensation from the Condominium for acting as such.

Section 13. Liability of the Board of Managers. The members of the Board of Managers shall not be liable to the Unit Owners for any mistake of judgment, negligence or otherwise, except for their own individual willful misconduct or bad faith. The Unit Owners (including those who are members of the Board of Managers), in proportion to their respective interests in the Common Elements, shall indemnify and hold harmless each of the members of the Board of Managers against all contractual liability to others arising out of contracts made by the Board of Managers on behalf of the Condominium unless any such contract shall have been made in bad faith or contrary to the provisions of law, the Declaration or these By-Laws. Notwithstanding the foregoing, such indemnity shall not apply to the owner of the Commercial Unit who shall have no liability with respect to any contract relating to the Residential Section only. It is intended that the members of the Board of Managers shall have no personal liability with respect to any contract made by them on behalf of the Condominium (except as Unit Owners). It is understood and permissible for the original Board of Managers, who may be members of (or officers of such members) or be employed by the Sponsor, to contract with the Sponsor and affiliated corporations and entities without incurring any liability for self-dealing, provided that any compensation paid in respect thereof shall be at then competitive rates. It is also intended that the liability of any Unit Owner arising out of any contract made by the Board of Managers shall be limited to such proportion of the total liability thereunder as his interest in the Common Elements bears to the interests of all the Unit Owners in the Common Elements, except that the owner of the Commercial Unit shall not be liable with respect to any contract that relates, to the Residential Section only. Every agreement made by the Board of Managers or by

the managing agent or by the superintendent on behalf of the Condominium shall provide that the members of the Board of Managers, or the managing agent or the superintendent, as the case may be, are acting only as agent for the Unit Owners and that the same shall have no personal liability thereunder (except as Unit Owners), and that each Unit Owner's liability thereunder shall be limited to such proportion of the total liability thereunder as his interests in the Common Elements bears to the interest of all Unit Owners in the Common Elements (exclusive of the Commercial Unit Owner if the liability arises from a contract, claim or other matter which relates to the Residential Section only or the operation or management thereof).

Section 14. Fidelity Bonds. The Board of Managers shall obtain adequate fidelity bonds for all officers and employees of the Condominium and of the managing agent handling or responsible for Condominium funds. The premiums of such bonds shall constitute Residential Common Elements (as defined in Article VI, Section 1 below).

Section 15. Executive Committee. The Board of Managers may by resolution duly adopted, appoint an Executive Committee to consist of three (3) or more members of the Board of Managers. Such Executive Committee shall have and may exercise all the powers of the Board of Managers in the management of the business and affairs of the Condominium during the intervals between the meetings of the Board of Managers insofar as may be permitted by law, except that the Executive Committee shall not have power (a) to determine the common expenses required for the affairs of the Condominium, (b) to determine the Common Charge payable by the Unit Owners to meet the common expenses of the Condominium, (c) to adopt or amend the rules and regulations covering the details of the operation and use of the Property or (d) to exercise any of the powers set forth in subdivisions (g) and (q) of Section 2 in Article II above.

ARTICLE III **UNIT OWNERS**

Section 1. Annual Meetings. Within thirty (30) days after (i) title to all of the Units has been conveyed or (ii) the expiration of twenty-four (24) months from the date for filing the Declaration, whichever shall be the first to occur, the first annual meeting of Unit Owners shall be held. At such meeting the incumbent Board of Managers shall resign and a new Board shall be elected by the Unit Owners prior to title closings to Units representing 50% or more of the common interests. Thereafter, annual meetings shall be held on the second Tuesday of May of each succeeding year unless such day shall be a holiday in which event the meeting shall be held on the next succeeding business day. At such meetings, the Unit Owners shall elect Managers to fill vacancies or to succeed retiring Managers as provided in Article II of these By-Laws and shall also transact such other business of the Condominium as may properly come before the meeting.

Section 2. Place of Meetings. Meetings of the Unit Owners shall be held at the principal office of the Condominium, or at such other suitable place convenient to the Unit Owners as may be designated by the Board of Managers.

Section 3. Special Meetings. It shall be the duty of the President to call a special meeting of the Unit Owners if so directed by resolution of the Board of Managers or upon a petition signed and presented to the Secretary by not less than 25% in common interest, in the aggregate, of Unit Owners. The notice of any special meeting shall state the time and place of such meeting and the purpose thereof. No business shall be transacted at a special meeting except as stated in the notice.

Section 4. Notice of Meetings. It shall be the duty of the Secretary to give a notice of each annual or special meeting, stating the purpose thereof and the time and place where it is to be held, to each Unit Owner of record, at the address as such Unit Owner shall have designated by notice in writing to the Secretary, at least ten (10) days prior to the giving of such notice of meeting by the Secretary. The giving of a notice in the manner provided in these By-Laws shall be considered notice of meeting by the Secretary. The giving of a notice in the manner provided in these By-Laws shall be considered notice properly served.

Section 5. Adjournment of Meetings. If any meeting of Unit Owners cannot be held because a quorum is not present, a majority of the Unit Owners who are present at such meeting, either in person or by proxy, may adjourn the meeting to a time not less than forty-eight (48) hours from the time fixed for the original meeting.

Section 6. Order of Business. The order of business at all meetings of the Unit Owners shall be as follows:

- (a) Roll Call.
- (b) Proof of notice meeting.
- (d) Reports of officers.
- (e) Report of Board of Managers.
- (f) Reports of committees.
- (g) Election of inspectors of election (when so required).
- (h) Election of members of the Board of Managers when so required).
- (i) Unfinished business.
- (j) New Business.

Section 7. Title to Units. Title to Units may be taken in the name of an individual, in the names of two (2) or more persons as tenants in common, joint tenants or tenants by the entirety, in the name of corporation, partnership, association, trustee or other legal entity.

Section 8. Voting. The Unit Owner(s) of each Unit, or a person designated by such Unit Owner(s) to act as proxy on his or their behalf and who need not be Unit Owner, shall be entitled to cast the votes appurtenant to such Unit at all meetings of Unit Owners. The designation of any such proxy shall be made in writing to the Secretary and shall be revocable at any time by written notice to the Secretary by the Unit Owner(s) so designation. Each Unit Owner (including the Sponsor, if the Sponsor shall then own one or more Units), shall be entitled to cast one vote at all meetings of the Unit Owners for each .0001% (rounded off to the nearest .0001%) of interest in the Common Elements applicable to his or its Unit. A fiduciary shall be the voting member with respect to any Unit owned in a fiduciary capacity. Any Unit(s) owned

by the Board of Managers or its designee on behalf of all Unit Owners shall not be entitled to vote and shall be excluded from the total of common interests when computing the interest of all other Unit Owners for voting purposes.

When voting for members of the Board of Managers, the voting shall be by ballot and each ballot shall state the name of a Unit Owner voting and the percentage interest in the Common Elements owned by such Unit Owner, and in addition, the name of the proxy if such ballot is cast by a proxy. All elections of Managers shall be determined by plurality vote and shall be balloted all at the same time, except as provided in the next paragraph.

Notwithstanding anything herein contained to the contrary, the owner of the Commercial Unit shall have the right to designate not less than four members of the Board of Managers. In the event the Declaration or these By-Laws are amended to provide for more less than nine members of the Board of Managers, then the owner of the Commercial Unit shall have the right to designate not less than that number equal to one less than a majority of such new number of members of the Board of Managers.

In addition, from and after the election of the first Board of Managers by all Unit Owners, Residential Units owned by other than Sponsor or its designee will have the right to elect not less than three (3) of the nine (9) Managers, notwithstanding the aggregate number of the percentage interest in the Common Elements owned by such Residential Unit Owners.

Section 9. Majority of Unit Owners. Except as may otherwise be provided by law, as used in these By-Laws the term “majority of Unit Owners” shall mean those Unit Owners having more than 50% of the total authorized votes of all Unit Owners present in person or by proxy an voting at any meeting of the Unit Owners determined in accordance with the provision of Section 8 of this Article III.

Section 10. Quorum. Except as may otherwise be provided in these By-Laws, the presence in person or by proxy of Unit Owners owning more than 50% of the common interests shall constitute a quorum at all meetings of the Unit Owners.

Section 11. Majority Vote. The vote of a majority of Unit Owners present in person or by proxy at a meeting at which a quorum shall be present shall be binding upon all Unit Owners for all purposes except where otherwise provided by law, the Declaration or these By-laws.

ARTICLE IV **OFFICERS**

Section 1. Designation. The principal officers of the Condominium shall be the President, the Vice President, the Secretary and the Treasurer, all of whom shall be elected by the Board of Managers. The Board of Managers may appoint an Assistant Treasurer, an Assistant Secretary and such other officers as in its judgment may be desirable. None of the officers need be Unit Owners until the Board of Managers is elected by the Unit Owners at the first annual meeting. Thereafter, only the President and Vice President need be Unit Owners (or

officers, directors, shareholders, partners, employees or beneficiaries, or members of their family, of Units owned by corporations, partnerships, fiduciaries or mortgagees), both of whom shall also be members of the Board of Managers.

Section 2. Election of Officers. The officers of the Condominium shall be elected annually by the Board of Managers at the organization meeting of each new Board of Managers and until their successors are elected.

Section 3. Removal of Officers. Upon the affirmative vote of a majority of members of the Board of Managers, any officer may be removed, either with or without cause, and his successor may be elected at a regular meeting of the Board of Managers or at any special meeting of the Board of Managers called for such purpose.

Section 4. President. The President shall be the chief executive officer of the Condominium. He shall preside at all meetings of the Unit Owners and of the Board of Managers. He shall have all of the general powers and duties which are incident to the office of President of a stock corporation organized under the Business Corporation Law of the State of New York, including, but not limited to, the power to appoint committees from among the Unit Owners from time to time as he may in his discretion decide are appropriate to assist in the conduct of the affairs of the Condominium.

Section 5. Vice President. The Vice President shall take the place of the President and perform his duties whenever the President shall be absent or unable to act. If neither the President nor the Vice President is able to act, the Board of Managers shall appoint some other member of the Board of Managers to act in the place of the President on an interim basis. The Vice President shall also perform such other duties as shall from time to time be imposed upon him by the Board of Managers.

Section 6. Secretary. The Secretary shall keep the minutes of all meetings of the Unit Owners and of the Board of Managers, shall have charge of such books and papers as the Board of Managers may direct and shall in general perform all the duties incident to the office of Secretary of a stock corporation organized under the Business Corporation Law of the State of New York,

Section 7. Treasurer. The Treasurer shall be responsible for Condominium funds and securities and shall be responsible for keeping full and accurate financial records and books of account showing all receipts and disbursements necessary for the preparation of all required financial data. He shall be responsible for the deposit of all funds and other securities in the name of the Board of Managers or the managing agent in such depositories as may from time to time be designated by the Board of managers, and he shall in general perform all the duties incident to the office or Treasurer of a stock corporation organized under the Business Corporation Law of the State of New York.

Section 8. Execution of Documents. All agreements, contracts, deeds, leases, checks and other instruments of the Condominium shall be executed by any two (2) officers of

the Condominium or by such other person or persons as may be designated by the Board of Managers.

Section 9. Compensation of Officers. No officer shall receive any compensation from the Condominium for acting as such.

ARTICLE V NOTICES

Section 1. Notices. All notices required or desired to be given hereunder shall be sent by registered or certified mail (return receipt requested) to the Board of Managers c/o the managing agent or if there be no managing agent, to the office of the Board of Managers or to such other address as the Board of Managers may hereafter designate from time to time, by notice in writing to all Unit Owners and to all mortgagees of Units. All notices to any Unit Owner shall be sent by registered or certified mail (return receipt requested) to the Property address of such Unit Owner or to such other address as may have been designated by him from time to time in writing, to the Board of Managers. All notices to mortgagees of Units shall be sent by registered or certified mail (return receipt requested) to their respective addresses, as designated by them from time to time, in writing, to the Board of Managers. All notices shall be deemed to have been given when mailed in a postage prepaid sealed wrapper, except notices of change of address which shall be deemed to have been given when received.

Section 2. Waiver of Service of Notice. Whenever any notice is required to be given by law, the Declaration or these By-Laws, a waiver thereof in writing signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed the equivalent thereof.

Section 3. Designation of Board of Managers for Service of Notice or Process. In the event a Residential Unit is leased to or occupied by a person other than the owner of such Residential Unit in accordance with these By-Laws, said owner of such Residential Unit shall be deemed to have designated the Board of Managers as his agent for service of notice or process upon him by the lessee or occupant with respect only to the matters relating to the occupancy of the Residential Unit. Upon receipt of notice or process pursuant to the preceding sentence, the Board of Managers shall forward such notice or process to the Residential Unit Owner at his last known address pursuant to Section 1 of the Article V.

ARTICLE VI OPERATION OF THE PROPERTY

Section 1. Determination of Common Expenses and Fixing of Common Charges. The Board of Managers shall from time to time, and at least annually, prepare a budget for the Condominium determine the amount of the Common Charges payable by the Unit Owners to meet the common expenses of the Condominium and allocate and assess such Common Charges among the Unit Owners in proportion to their respective interests in the Common Elements. The common expenses shall include, without limitation, the cost of all insurance premiums on policies of insurance required to be or which have been obtained by the Board of Managers

pursuant to the provision of Section 2 of this Article VI and the fees and disbursements of the Insurance Trustee. The common expenses may also include such amounts as the Board of Managers may deem proper for the operation and maintenance of the Property, including, without limitation, an amount for working capital of the Condominium, for a general operating reserve, for a reserve capital of the Condominium, for a reserve fund for replacements and to make up any deficit in the Common Charges for any prior year. From and after the date of the filing of the Declaration, the Sponsor shall pay Common Charges with respect to all Units (whether or not constructed) covered thereby and not sold and conveyed to the purchaser thereof. Until all Units are constructed and title thereto has been conveyed, the Board of Managers can reduce the amount of Common Charges allocated to the Units and payable by Unit Owners (including the Sponsor, as owner of any unsold Units). Provided that so long as the Sponsor or its designee controls the Board of Managers, the Common Charges will not be reduced below the amount necessary to operate the Property with the services to be provided as set forth in the Offering Plan covering the Condominium. The common expenses may also include such amounts as may be required for the purchase or lease by the Board of Managers or its designee, corporate or otherwise, on behalf of all Unit Owners, of any Unit whose owner has elected to sell or lease such Unit, any Unit which is to be sold at a foreclosure or other judicial sale and/or a Unit for use by resident superintendent, if any. The Board of Managers shall advise all Unit Owners promptly in writing of the amount of the Common Charges payable by each of them as determined by the Board of Managers as aforesaid and shall furnish copies of each budget on which such Common Charges are based to all Unit Owners and to their respective mortgagees.

All costs and expenses in connection with the repair, maintenance, replacement and operation of the Residential Limited Common Elements will be borne solely by all Residential Unit Owners and will be included in the Common Charges payable by them. The Board of Managers shall from time to time and at least annually prepare a budget for the Residential Section, determine the amount to be charged the Residential Section, determine the amount to be charged the Residential Unit Owners to meet the costs and expenses referred to in the preceding sentence, and allocate and assess such charge among the Residential Unit Owners pro rata in accordance with their respective interests in the Common Elements. Such charges (hereinafter called the "Residential Common Expenses" or "Residential Common Expense") shall be collectible with, and (with respect to the Residential Unit Owners only) for all purposes of these By-Laws and the Declaration shall be considered a part of, the Common Charges. The Commercial Unit Owner shall be solely responsible for all costs and expenses in connection with the repair, maintenance, replacement and operation of the Commercial Limited Common Elements and shall not be required to make any payment to the Board of Managers with respect thereto, but instead shall itself directly pay said costs and expenses.

The Residential Unit Owners shall pay to the Board of Managers charges for provision of cable television service to the Residential Section, whether or not such service is utilized and irrespective of the discontinuance (voluntarily or involuntarily) of such service. The charges shall be in an amount determined from time to time by the Board of Managers in accordance with the rates established by the cable television company providing such service and shall be collected monthly in advance or at such other intervals as the Board of Managers may in its discretion determine. In the event of failure to pay said charges, the Board of Managers shall

have all of the rights and remedies against such defaulting Unit Owner as is provided in these By-Laws and the Declaration in case of non-payment of the Common Charges.

The Board of Managers shall in no event be liable for (i) the interruption of, or failure to provide adequate, cable television reception, (ii) the interference with television reception, (iii) any injury to person or damage to property arising from or in any wise connected with the maintenance, repair, use or operation of the television cable system, or the use of equipment in conjunction therewith, or any act or omission on the part of the cable television company furnishing such service or such company's employees or agents, it being acknowledged that the sole recourse with respect to any of the foregoing shall be against such cable television company.

Section 2. Insurance. The Board of Managers shall be required to obtain and maintain, to the extent obtainable, the following insurance: (1) fire insurance with extended coverage, vandalism and malicious mischief endorsements, insuring the Building (including all of the Units and the bathroom and kitchen fixtures initially installed therein by Sponsor, but not including furniture, furnishings or other personal property supplied or installed by Unit Owners or tenants of Unit Owners), together with all service machinery contained therein and covering the interests of the Condominium, the Board of Managers and all Unit Owners and their mortgagees, as their respective interests may appear, in an amount equal to the full replacement value of the Building (exclusive of foundation), without deduction for depreciation; each of said policies shall contain a New York standard mortgagee clause in favor of each mortgagee of a Unit which shall provide that the loss, if any, thereunder shall be payable to such mortgagee as its interest may appear, subject however, to the loss payment provisions in favor of the Board of Managers and the Insurance Trustee hereinafter set forth; (2) rent insurance covering the Common Charges and expenses payable by the Unit Owners to the Board of Managers; (3) workmen's compensation insurance; (4) machinery insurance; (5) plate glass insurance; (6) comprehensive general liability including water damage legal liability; (7) fidelity insurance covering all officers and employees of the Condominium and managing agent who handle Condominium funds; and (8) such other insurance as the Board of Managers may determine. The premiums for such insurance shall be a common expense payable by all Unit Owners, except the premium for the fidelity insurance referred to in clause (7) above shall be Residential Common Expenses payable only by Residential Unit Owners.

All such policies shall provide that adjustment of loss, unless involving the Commercial Unit or the Commercial Limited Common Elements, shall be made by the Board of Managers and that the net proceeds thereof, if \$100,000 or less, shall be payable to the Board of Managers, and if more than \$100,000 shall be payable to the Insurance Trustee.

If the loss involves only the Commercial Unit (including the Commercial Limited Common Elements), the adjustment shall be made by the Commercial Unit Owner alone and the net proceeds thereof, if \$100,000 or less, shall be payable to the Commercial Unit Owner, and if more than \$100,000 shall be payable to the Insurance Trustee. If the loss involves the Commercial Unit (including the Commercial Limited Common Elements) and either or both the Residential Section or Common Elements, then the adjustment shall be made by the mutual agreement of the Commercial Unit Owner and the Board of Managers, and the net proceeds thereof, if \$100,000 or less, shall be payable to the Commercial Unit Owner and the Board of

Managers in proportion to the cost of repairing and restoring the Commercial Unit (and Commercial Limited Common Elements) and the Residential Section and/or Common Elements (as the case may be), respectively. In the event of any dispute between the Commercial Unit Owner and the Board of Managers shall arise with respect to the provisions of this paragraph, the dispute shall be submitted to arbitration in the City and State of New York before the American Arbitration Association. Such dispute shall be resolved in accordance with the then existing rules of such Association; except that the arbitrator(s) shall afford the disputants a hearing and the right to be represented by counsel and to submit evidence with the privilege of cross-examination, on the question at issue, and shall with all possible speed, make his (their) determination in writing and shall give written notice to the disputants of his (their) determination. The determination of the arbitrator(s) shall be conclusive and binding on the disputants. Judgment upon the determination rendered by the arbitrator(s) may be entered into any court having jurisdiction thereof. The fees and expenses of the arbitrator(s) shall be divided equally between the disputants. If the dispute relates to a loss involving the Common Elements, the portion of such fees and expenses payable by the Board of Managers and the fees of any attorney representing the Board of Managers shall be considered a common expense payable by all Unit Owners. If the dispute relates to a loss involving the Residential Section (but no Common Elements), the portion of such fees and expenses payable by the Board of Managers and the fees of any attorney representing the Board of Managers shall be allocated and assessed among the Residential Unit Owners only, pro rata, as Residential Common Expenses.

The amount of fire insurance to be maintained until the first meeting of the Board of Managers following the first annual meeting of the Unit Owners shall be in at least the sum of \$47,000,000.

All policies of physical damage insurance shall contain waivers of subrogation and waivers of any defense based on co-insurance or other insurance or of invalidity arising from any acts of the insured and of pro rata reduction of liability, and shall provide that such policies may not be cancelled or substantially modified without at least ten (10) days' prior written notice to all of the insureds, including all mortgagees of Units. Duplicate originals of all policies of physical damage insurance and of all renewals thereof, together with proof of payment of premiums, shall be delivered to all mortgagees of Units at least ten (10) days prior to expiration of the then current policies. Prior to obtaining any policy of fire insurance or any renewal thereof, the Board of Managers shall obtain an appraisal from a fire insurance company or otherwise of the full replacement value of the Building (exclusive of foundation), including all of the Units and all of the Common Elements therein, without deduction for depreciation, for the purpose of determining the amount of fire insurance to be effected pursuant to this Section.

The Board of Managers shall also be required to obtain and maintain, to the extent obtainable, public liability insurance in such limits as the Board of Managers may from time to time determine, covering each member of the Board of Managers, the managing agent, the manager, and each Unit Owner. Such public liability coverage shall also cover cross liability claims of one insured against another. The Board of Managers shall review such limits once each year. Until the first meeting of the Board of Managers following the first annual meeting of the Unit Owners, such public liability insurance shall be in a single limit of \$3,000,000 covering all claims for personal injury or property damage arising out of one occurrence.

Unit Owners shall not be prohibited from carrying other insurance for their own benefit provided that all such policies shall contain waivers of subrogation and further provided that the liability of the carriers issuing insurance obtained by the Board of Managers shall not be affected or diminished by reason of any such additional insurance carried by any Unit Owner.

Section 3. Repair or Reconstruction After Fire or Other Casualty. In the event of damage to or destruction of the Building as a result of fire or other casualty (unless three-fourths or more of the Building is destroyed or substantially damaged and 75% or more in number and common interest of the Unit Owners do not duly and promptly resolve to proceed with repairs or restoration), the Board of Managers shall arrange for the prompt repair and restoration of the Building (including any damaged Residential Units contained therein, and the bathroom and kitchen fixtures initially installed therein by the Sponsor, but not including furniture, furnishings or other personal property supplied or installed by any Unit Owner or a tenant of a Unit Owner), and the Board of Managers or the Insurance Trustee, as the case may be, shall disburse the proceeds of all insurance policies to the contractors engaged in such repair and restoration in appropriate progress payments. Any cost of such repair and restoration in excess of the net proceeds of insurance received by or payable to the Board of Managers or the Insurance Trustee, as the case may be, shall constitute a common expense, and the Board of Managers shall assess all Unit Owners for such deficit as a common expense, subject to the emend immediately succeeding paragraph.

Except as otherwise provided in the following paragraph, in the event of a repair or restoration pursuant to the first paragraph of this Section 3 and in the event that the net proceeds of insurance received by or payable to the Board of Managers or the Insurance Trustee, as the sum may be, shall exceed the cost of such repair or restoration, then the excess of such insurance proceeds shall be paid by the Board of Managers or the Insurance Trustee, as the case may be, to all Unit Owners in proportion to their respective interests in the Common Elements after first paying out of the share due each Unit Owner such amounts as may be required to reduce unpaid liens on any Unit in the order of priority of such liens.

Notwithstanding the foregoing, if only the Commercial Unit (including the Commercial Limited Common Elements) is destroyed or damaged by fire or other casualty, the Commercial Unit Owner alone will make all arrangements for the prompt repair and restoration of same and if the net insurance proceeds are insufficient to cover or exceed the cost of repairs and restoration, the Commercial Unit Owner will bear the entire amount of the deficit or receive all of the excess (as the case may be). In such case, the Commercial Unit Owner shall disburse the proceeds of insurance to the contractors engaged in such repair and restoration in appropriate progress payments. Similarly, if only the Residential Section (including the Residential Units and/or the Residential Limited Common Elements) is damaged or destroyed by fire or other casualty and the insurance proceeds (i) are not sufficient to cover or (ii) exceed the cost of repairs and restoration, the deficit or surplus (as the case may be) will be borne or shared entirely by all Residential Unit Owners, pro rata, as Residential Common Expenses. If said damage or destruction by fire or other casualty affects the Commercial Unit, the Residential Section and the Common Elements, or any combination of two thereof, then any deficit or surplus in insurance proceeds shall be borne or shared by all Unit Owners in the proportion that the cost of repairing

the damage or destruction to their respective Units and Limited Common Elements bears to the total cost of repairing all damage or destruction. However, the Commercial Unit Owner shall still have the right to make all arrangements for the prompt repair and restoration of the Commercial Unit to the extent it is affected by such damage or destruction. Any surplus payable to the Commercial Unit Owner and/or each Residential Unit Owner pursuant to this paragraph shall be lessened by such amounts as may be required to reduce unpaid liens on any such Unit in the order of priority of such liens. The provisions of this paragraph are subject to the next paragraph.

If 75% or more of the Building is substantially damaged or destroyed and if 75% in number and in common interest of all Unit Owners do not duly and promptly resolve to proceed with the repair or restoration thereof, the Property will not be repaired and shall be subject to an action for partition instituted by any Unit Owner or lienor, as if owned in common, in which event, the net proceeds of insurance resulting from such damage or destruction, shall be divided among all the Unit Owners in proportion to their respective common interests, provided, however, that no payment shall be made to a Unit Owner until there has first been paid off out of his share of such fund all liens on his Unit in the order of priority of such liens.

Wherever in this Section the words "promptly repair" are used, it shall mean repairs are to begin not more than sixty (60) days from the date the Insurance Trustee notifies the Board of Managers and Unit Owners that it holds proceeds of insurance on account of each damage or destruction sufficient to pay the estimated costs of such work or not more than ninety (90) days after the Insurance Trustee notifies the Board of Managers and the Unit Owners that such proceeds of insurance are insufficient to pay said estimated costs of such work or, in the event the proceeds of insurance are payable to the Board of Managers or Commercial Unit Owner, not more than sixty (60) days from the date of receipt by the Board of Managers or Commercial Unit Owner of proceeds of insurance on account of such damage or destruction, whether or not sufficient to pay the estimated costs of such work. Wherever the words "promptly resolve" are used, it shall mean not more than sixty (60) days from the date the Insurance Trustee or the Board of Managers, as the case may be, notifies the Unit Owners that it holds proceeds of insurance on account of such damage or destruction and that such proceeds are or are not sufficient to pay the estimated costs of such work (as the case may be).

Section 4. Payment of Common Charges. All Unit Owners shall be obligated to pay Common Charges assessed by the Board of Managers pursuant to the provisions of Section 1 of this Article VI at such time or times (but not less than annually), as the Board of Managers shall determine. Unless otherwise determined by the Board of Managers, the Common Charges shall be payable monthly in advance.

No Unit Owner shall be liable for the payment of any part of the Common Charges assessed against his Unit subsequent to a sale, transfer or other conveyance by him (made in accordance with the provisions of Section 1 of Article VIII of these By-Laws) of such Unit together with the Appurtenant Interests, as defined in Section 1 of Article VIII hereof. Any Unit Owner may, subject to the terms and conditions of these By-Laws and provided that his Unit is free and clear of liens and encumbrances other than a permissible first mortgage and the statutory lien for unpaid Common Charges, convey his Unit, together with the Appurtenant Interests, to

the Board of Managers or its designee, corporate or otherwise, on behalf of all Unit Owners, and in such event be exempt from Common Charges thereafter accruing. A purchaser of a Unit shall be liable for the payment of Common Charges accrued and unpaid against such Unit prior to the acquisition by him of each Unit, except that, to the extent permitted by law, a first mortgagee or other purchaser of a Unit at a first mortgage foreclosure sale of such Unit shall not be liable for, and such Unit shall not be subject to, a lien for the payment of Common Charges accrued prior to the foreclosure sale.

Section 5. Collection of Assessments. The Board of Managers shall take prompt action to collect any Common Charges due from any Unit Owner which remains unpaid for more than thirty (30) days after the due date for payment thereof.

Section 6. Default in Payment of Common Charges. In the event any Unit Owner shall fail to make prompt payment of his Common Charges, such Unit Owner shall be obligated to pay interest at the rate of one and one half percent per month on such unpaid Common Charges computed from the due date thereof, together with all expenses, including, without limitation, attorneys' fees, paid or incurred by the Board of Managers or by the managing agent in any attempt to collect such unpaid Common Charges or in an action to foreclose the lien on such Unit arising from said unpaid Common Charges as provided in Section 339 of the Real Property Law of the State of New York, in the manner provided in Section 339-aa thereof. The Board of Managers shall have the right and obligation to institute all proceedings deemed necessary or desirable by the Board of Managers to recover such unpaid Common Charges together with interest thereon computed as aforesaid, and the expenses of any such proceeding.

Section 7. Foreclosure of Liens for Unpaid Common Charges. In any action brought by the Board of Managers to foreclose a lien on a Unit because of unpaid Common Charges, the Unit Owner shall be required to pay a reasonable rental for the use of his Unit and the plaintiff in such foreclosure action shall be entitled to the appointment of a receiver to collect the same. The Board of Managers, acting on behalf of all Unit Owners, shall have the power to purchase such Unit at the foreclosure sale and to acquire, hold, lease, mortgage, convey, or otherwise deal with, (but not to vote the votes appurtenant to), the same. A suit to recover a money judgment for unpaid Common Charges shall be maintainable without foreclosing or waiving the lien securing the same. In the event the net proceeds received on such foreclosure (after deduction of all legal fees, advertising costs, brokerage commissions and other costs and expenses incurred in connection therewith) shall be insufficient to satisfy the defaulting Unit Owner's obligations to the Condominium, then such Unit Owner shall remain liable for the deficit.

Section 8. Statement of Common Charges. The Board of Managers shall promptly provide any Unit Owner so requesting the same with a written statement of all unpaid Common Charges due from such Unit Owner.

Section 9. Maintenance and Repairs. All maintenance, repairs and replacements in or to any Unit (other than maintenance of and repairs to any Common Elements or Limited Common Elements contained therein, unless caused by the negligence, misuse or neglect of the owner of such Unit), whether structural or non-structural, ordinary or extraordinary, including,

without limitation, maintenance, repair and replacement of the interior side of the entrance door and all other doors within a Unit, the electrical, plumbing, heating and air conditioning fixtures, (other than those located in or behind the walls), if any, within the Unit or belonging to the Unit Owner, and any private elevator within a duplex Residential Unit, shall be performed by the owner of such Unit, at the Unit Owner's sole cost and expense, except as otherwise expressly provided to the contrary herein. All maintenance, repairs and replacements in or to the Commercial Unit (other than to the Common Elements and any Residential Limited Common Elements contained therein), whether structural or non-structural, ordinary or extraordinary, including without limitation the replacement of broken windows, shall be done by the Commercial Unit Owner at its sole cost and expense, unless necessitated by the negligence, misuse or neglect of a Unit Owner or the Board of Managers (in which case such Unit Owner or the Board of Managers, as the case may be, shall bear the entire cost thereof, and if said cost is to be paid by the Board of Managers same shall be considered a Residential Common Expense).

All maintenance, repairs and replacements in or to the Common Elements (except as otherwise provided in Section 10 of Article VI with respect to Limited Common Elements) shall be performed by the Board of Managers and the cost and expense thereof shall be charged to all Unit Owners as a common expense, except to the extent that the same are necessitated by the negligence, misuse or neglect of a Unit Owner, in which case such cost and expense shall be paid by such Unit Owner.

Notwithstanding the foregoing, all maintenance, repairs and replacements in or to the following Common Elements, shall be done, performed and paid entirely by the Commercial Unit Owner: (i) the plumbing tank and its room; (ii) service elevator no. 16 and shaft; (iii) men's locker room (and lockers and other equipment contained therein); (iv) women's locker room (and lockers and other equipment contained therein); (v) trash room; and (vi) mechanical equipment room on the southwest portion of second floor. The foregoing Common Elements listed in items (i) through (v) are all situated in the Sub-Cellar except for the service elevator no. 16 shaft which extends from the Sub-Cellar to the first floor. The cost of operating service elevator no. 16 (including wages and related expenses for elevator operators) shall be a common expense payable by all Unit Owners.

Anything herein contained to the contrary notwithstanding, the exterior surface of all windows of the Building shall be washed and cleaned by the Board of Managers and the cost and expense thereof (including, without limitation, the cost of operating, maintaining, repairing and replacing all washing equipment, apparatus, tracks and related facilities, the wages and payroll expenses of the operator of the washing equipment, and supplies) shall be divided between the Commercial Unit Owner and all Residential Unit Owners in proportion to their respective interests in the Common Elements.

The public areas of the Building and those areas exposed to public view shall be kept in good appearance and in first class condition, in conformity with the dignity and character of the Building, by: (1) the Board of Managers with respect to the lobby, hallways and exterior walls of the Residential Section; (2) the Commercial Unit Owner with respect to the Covered Pedestrian Space, lobby, hallways and exterior walls of the Commercial Unit; and (3) the Residential Unit

Owners with respect to the shades, venetian or other blinds, drapes, curtains or other window decorations in their respective Residential Units.

Section 10. Limited Common Elements. All operation, maintenance, repairs and replacements in or to the Residential Limited Common Elements, whether located inside or outside of the Units, including (without limitation), heating or air conditioning fixtures in or behind the walls, and the painting and decorating of public corridor, the exterior of entrance doors and exterior window sashes in the Residential Section, or the repair and replacement of broken windows in Residential Units, shall be done and performed by the Board of Managers and the cost and expense thereof shall be charged to all Residential Unit Owners, pro rata, as Residential Common Expenses, except to the extent same are necessitated by the negligence, misuse or neglect of a Unit Owner, in which case said, cost and expense shall be paid by such Unit Owner.

All operation, maintenance, repairs and replacements in or to the Commercial Limited Common Elements, wherever situated, shall be done, performed and paid entirely by the Commercial Unit Owner, except to the extent same are necessitated by the negligence, misuse or neglect of a Unit Owner, in which case such cost and expense shall be paid by such Unit Owner.

Section 11. Restrictions on Use of Units. In order to provide for congenial occupancy of the Property and for the protection of the values of the Units, the use of the Property shall be restricted to and shall be in accordance with the following provisions:

(a) Each Residential Unit shall be used as a residence only, except as otherwise herein expressly provided. A Residential Unit owned by an individual, corporation, partnership, trust or other fiduciary may only be occupied by (i) the individual Unit Owner (and members of his family and guests), (ii) an officer, director, stockholder or employee of such corporation (and members of his family and guests), (iii) a partner or employees of such partnership (and members of his family and guests), or (iv) the fiduciary or beneficiary of such fiduciary (and the members of his family and guests), as the case may be. Unless otherwise consented to by the Board of Managers, occupants of a leased Residential Unit must be (i) an individual lessee (and members of his family and guests), (ii) an officer, director, stockholder or employee of a corporate lessee (and members of his family and guests), (iii) a partner or employee of a partnership lessee (and members of his family and guests) or (iv) a fiduciary or beneficiary of a fiduciary lessee (and members of his family and guests). Under no circumstances may more than one family occupy a Residential Unit at one time. "Members of his family" or words of similar import whenever used herein shall be deemed to mean spouse, parents, parents-in-law, brothers, sisters, children and grandchildren. Notwithstanding the foregoing, the Board of Managers may consent to occupancy of a Unit by persons other than those set forth above. In addition, the Board of Managers may, in its discretion, grant permission for the use of a Residential Unit as a professional office, provided such use is permitted by law and the Residential Unit Owner complies with all applicable governmental regulations. Such permission by the Board of Managers shall be in writing and shall be personal to the Residential Unit Owner. Any successor in title to such Residential Unit shall be required to obtain the prior written approval of the Board of Managers before using such Residential Unit as a professional office. Anything herein contained to the contrary notwithstanding, the Sponsor may, without the

permission of the Board of Managers (i) grant permission for the use of any one or more Units as a professional office (if permitted by law) ; (ii) retain ownership of one or more Residential Units for use as models and sales and/or promotion offices in connection with the sale or rental of the Residential Units; and/or (iii) grant permission for the use of any one or more Residential Units on the twenty-second floor for any commercial, retail or other business use (including, without limitation, a health club), subject only to compliance with applicable governmental laws and regulations.

(b) The Common Elements and Limited Common Elements shall be used only for furnishing of the services and facilities for which they are reasonably suited and which are incident to the use and occupancy of Units.

(c) No nuisances shall be allowed on the Property nor shall any use or practice be allowed which is a source of annoyance to its residents or occupants or which interferes with the peaceful possession or proper use of the Property by its residents or occupants.

(d) No immoral, improper, offensive or unlawful use shall be made of the Property or any part thereof, and all valid laws, zoning ordinances and regulations of all governmental bodies having jurisdiction thereof shall be observed. Violations of laws, orders, rules, regulations or requirements of any governmental agency having jurisdiction thereof, relating to any portion of the Property, shall be complied with by, and at the sole expense of, the party obligated to maintain or repair such portion of the Property, as elsewhere herein met forth.

(e) No portion of a Residential Unit (other than the entire Residential Unit) may be rented, and no transient tenants may be accommodated therein.

(f) The Commercial Unit may be used for retail business and commercial and professional purposes or for any other lawful purpose.

Section 12. Additions, Alterations or Improvements by the Board of Managers.

Whenever in the judgment of the Board of Managers the Common Elements or the Residential Limited Common Elements, or both, shall require additions, alterations or improvements costing in excess of \$100,000 in the aggregate in any calendar year, and the making of such additions, alterations or improvements shall have been approved by (i) it majority of the Unit Owners present and voting at a meeting at which a quorum is present and (ii) the representative or a majority of the representatives of holders of mortgages on Units appointed pursuant to Section 4 of Article VII hereof, the Board of Managers shall proceed with such additions, alterations or improvements. Any additions, alterations or improvements to the Common Elements or Residential Limited Common Elements, or both, costing in the aggregate \$100,000 or less in a calendar year may be made by the Board of Managers without approval of the Unit Owners or said representative or representatives of mortgagees. The cost and expense of any such additions, alterations or improvements to the Common Elements shall constitute part of the common expenses and shall be assessed to the Unit Owners as Common Charges and the cost of any such additions, alterations or improvements to the Residential Limited Common Elements shall be assessed to the Residential Unit Owners as Residential Common Expenses. Notwithstanding the foregoing and supplementing Section 2 of Article II, the consent of Sponsor

shall be required for any said addition, alteration or improvement (regardless of the cost) to the (i) Common Elements so long as Sponsor and its designee collectively own Units representing 50% or more in number or in common interests or (ii) Residential Limited Common Elements so long as Sponsor and its designee collectively own Residential Units representing 50% or more in number or interest in the Common Elements attributable to all Residential Units.

Section 13. Additions, Alterations or Improvements by Unit Owners. No Residential Unit Owner shall make any structural addition, alteration or improvement in or to his Residential Unit without the prior written consent thereto of the Board of Managers. The Board of Managers shall have the obligation to answer any written request by a Residential Unit Owner for approval of a proposed structural addition, alteration or improvement in such Residential Unit Owner's Unit within thirty (30) days after such request is received, and the failure to do so within the stipulated time shall constitute the Board of Managers' consent to the proposed addition, alteration or improvement. Prior to, and as a condition of, the granting of its consent to the making of a structural addition, alteration or improvement in or to a Residential Unit, the Board may, at its option, require the owner of such Residential Unit to execute an agreement in form and substance satisfactory to the Board setting forth the terms and conditions under which such addition, alteration or improvement may be made, including without limitation, the days and hours during which any work may be done.

All structural additions, alterations and improvements by Residential Unit Owners shall be made in compliance with all laws, rules, ordinances and regulations of all governmental authorities having jurisdiction. A Residential Unit Owner making or causing to be made any structural additions, alterations or improvements agrees, and shall be deemed to have agreed, to hold the Board of Managers and all other Unit Owners harmless from any liability arising therefrom.

Any application to any department of the City of New York or to any other governmental authority having jurisdiction thereof for a permit to make a structural addition, alteration or improvement in or to any Residential Unit so approved by the Board of Managers shall be executed by the Board of Managers, provided that the Board of Managers shall incur no liability, cost or expense in connection with such application or to any contractor, subcontractor, materialman, architect or engineer on account of such addition, alteration or improvement, or to any person having any claim for injury to person or damage to property arising therefrom.

The foregoing restrictions of this Section 13 shall not apply to Sponsor-Owned Residential Units or the Commercial Unit. If not prohibited by the New York Condominium Act, the Sponsor or its designee shall have the right, without the consent or approval of the Board of Managers, other Unit Owners or the representative or representatives of holders of mortgages on Units, to (a) make alterations, additions or improvements, structural and non-structural, interior and exterior, ordinary and extraordinary, in, to, and upon the Commercial Unit, the Commercial Limited Common Elements and any Residential Unit owned by it (including, without limitation, the removal of walls, floors, ceilings and other structural portions of the Building), (b) subdivide the Commercial Unit and any Residential Unit owned by it into separate Units and combine Units (including those resulting from such subdivision or otherwise) into one or more Units and (c) alter the boundary walls between Units, provided, however, that

in each instance, the Sponsor or the then owner of the Commercial Unit (as the case may be) shall comply with all laws, rules, ordinances and regulations of all governmental authorities having jurisdiction and agrees, and be deemed to have agreed, to hold the Board of Managers and all other Unit Owners harmless from any liability arising therefrom. All subsequent owners of the Commercial Unit will have the same rights set forth in this paragraph as the Sponsor or its designee with respect to the Commercial Unit. Sponsor, its designee, or any subsequent owner of the Commercial Unit shall not be required to enter into the agreement with the Board of Managers referred to in the last sentence of the first paragraph of this Section in connection with any said alteration, addition or improvement.

At the request of Sponsor, its designee, or the owner of the Commercial Unit (as the case may be), the Board of Managers will execute any application or other document required to be filed with the City of New York or any other governmental authority having or asserting jurisdiction in connection with any such structural addition, alteration or improvement made by the Sponsor or its designee to any Residential Unit or made by the Sponsor, or its designee, or any subsequent owner of the Commercial Unit to the Commercial Unit or the Commercial Limited Common Elements, provided, however, that the Board of Managers and the Unit Owners shall incur no liability, cost or expense in connection with such application or document or to any contractor, subcontractor, materialmen, architect or engineer on account of such addition, alteration or improvement, or to any person having any claim for injury to person or damage to property arising therefrom.

Section 14. Use of Common Elements and Residential Limited Common Elements.

(a) No furniture, packages or objects of any kind shall be placed in the lobbies, vestibules, public halls, stairways, public elevators, or any other part of the Common Elements or Residential Limited Common Elements other than the areas designated as storage areas. The lobbies, vestibules, public halls, stairways and public elevators shall be used only for normal passage through them. The provisions of this Section 14 shall not apply to the Sponsor or its designee until such time as all Units have been initially sold and conveyed by the Sponsor or its designee; however, Sponsor or its designee shall not use such Common Elements or Residential Limited Common Elements in such a manner as will unreasonably interfere with the use of the other Residential Units for dwelling or permitted professional purposes.

(b) Residential Unit Owners shall require their tradesmen to utilize exclusively the elevator and entrance designated by the Board of Managers for transporting packages, merchandise or any other objects.

Section 15. Right of Access. A Unit Owner shall grant a right of access to his Unit to the Board of Managers, the managing agent, the manager, superintendent and/or any other person authorized by the Board of Managers, the managing agent, the manager or the superintendent, for the purpose of making inspections, or for the purpose of removing violations noted or issued by any governmental authority against the Common Elements, the Limited Common Elements (Residential or Commercial) or any other part of the Property, or for the purpose of correcting any conditions originating in his Unit and threatening another Unit or all or

any part of the Common Elements, or Residential Limited Common Elements, or for the purpose of performing installations, alterations or repairs to the mechanical or electrical services or other portions of the Common Elements or Residential Limited Common Elements within his Unit or elsewhere in the Building, or for the purpose of reading, maintaining or replacing utility meters relating to the Common Elements or Residential Limited Common Elements, his Unit or any other Unit in the Building or to correct any condition which violates the provisions of any mortgage covering another Unit, provided that requests for such entry are made not less than one (1) day in advance and that any such right shall be exercised in such a manner as will not unreasonably interfere with the normal conduct of business by the tenants and occupants of the Commercial Unit or with the use of the Residential Units for residential or permitted professional purposes. In case of an emergency, such right of entry shall be immediate, without advance notice, whether or not the Unit Owner is present.

A Unit Owner shall grant a right of access to his Unit, and the Board of Managers shall grant a right of access to the Common Elements and the Residential Limited Common Elements, to the Commercial Unit Owner, and/or any person authorized by the Commercial Unit Owner, for the purpose of making inspections or for the purpose of correcting any conditions originating in his Unit or in the Common Elements or Residential Limited Common Elements and threatening the Commercial Unit or the Commercial Limited Common Elements (or any part thereof) or for the purpose of performing installations, alterations or repairs to the mechanical or electrical services or other portions of the Commercial Unit or the Commercial Limited Common Elements within his Unit or elsewhere in the Building, or for the purpose of reading, maintaining or replacing utility meters relating to the Commercial Unit or the Commercial Limited Common Elements, or any part thereof, or to correct any condition which violates the provisions of any mortgage covering all or part of the Commercial Unit, provided that the requests for each entry are made not less than one (1) day in advance and that any such entry is at a time reasonably convenient to the appropriate Unit Owner and further provided that such right shall be exercised in such a manner as will not unreasonably interfere with the use of the Residential Units for residential or permitted professional purposes. In case of an emergency, such right of entry shall be immediate, without advance notice, whether or not the Unit Owner is present.

A Unit Owner shall grant a right of access to his Unit, and the Board of Managers shall grant a right of access to the Common Elements and the Residential Limited Common Elements, to the Sponsor and Sponsor's contractors, subcontractors, agents and employees, for the purposes of completing construction of the Building in accordance with the plans and specifications thereof and to fulfill its obligations as set forth in the Offering Plan of the Condominium under the section entitled "Obligations of Sponsor", provided that access thereto shall be exercised in such a manner as will not unreasonably interfere with the use of Residential Units for dwelling and permitted professional purposes.

Section 16. Rules and Regulations. Annexed hereto as Schedule A and made a part hereof are rules and regulations concerning the use of the Units, the Common Elements and Residential Limited Common Elements. The Board of Managers may from time to time modify, amend or add to such rules and regulations except that a majority of the Unit Owners present and voting at a meeting at which a quorum is present may overrule the Board with respect to any such modification, amendment or addition which affects the Residential Section, and the

Commercial Unit Owner may overrule the Board with respect to any such modification, amendment, or addition which affects the Commercial Unit or the Commercial Limited Common Elements. Copies of such modified, amended or additional rules and regulations shall be furnished by the Board of Managers to each Unit Owner not less than thirty (30) days prior to the effective date thereof.

Section 17. Water Charges and Sewer Rents. Water shall be supplied to all of the Residential Units and the Residential Limited Common Elements through one or more Building meters and unless Residential Unit Owners are billed directly by the City Collector, the Board of Managers shall pay, as Residential Common Expenses, all charges, together with all related sewer rents arising therefrom, promptly after the bills for the same shall have been rendered. In the event of a proposed sale of a Residential Unit by the owner thereof, the Board of Managers, on request of the selling Unit Owner shall execute and deliver to the purchaser of such Residential Unit or to the purchaser's title insurance company, a letter agreeing to pay all charges for water and sewer rents affecting the Residential Unit as of the date of closing of title to such Residential Unit, promptly after such charges shall have been billed by the City Collector. Water shall be supplied to the Commercial Unit through one or more separate meters and the Commercial Unit Owner shall pay all charges therefor, together with all related sewer rents arising therefrom, directly to the City Collector promptly after bills for the same shall have been rendered.

Section 18. Steam. Heating of Residential Units and the Residential Section shall be by steam supplied through the Building meter or meters and the bills for the same shall be paid by the Board of Managers as Residential Common Expenses. Heating of the Commercial Unit shall be by steam and the cost thereof paid by the Commercial Unit Owner directly to the utility company per separate meter.

Section 19. Electricity. Electricity shall be supplied by the public utility company serving the area directly to each Unit through a separate meter and each Unit Owner shall be required to pay the bills for electricity consumed or used in his Unit directly to the utility company. The cost of electricity for the Residential Limited Common Elements, as measured by one or more Building meters, will be borne by the Residential Unit Owners as Residential Common Expenses and will be included in the Common Charges therefor. The cost of electricity for the Commercial Unit shall be borne by the Commercial Unit Owner.

Section 20. Abatement and Enjoinment of Violations by Unit Owners. The violation of any rule or regulation adopted by the Board of Managers, or the breach of any By-Law contained herein, or the breach of any provision of the Declaration, shall give the Board of Managers the right, in addition to any other rights set forth in these By-Laws: (a) to enter the Unit in which, or as to which, such violation or breach exists and to summarily abate and remove, at the expense of the defaulting Unit Owner, any structure, thing or condition that may exist therein contrary to the intent and meaning of the provisions hereof, and the Board of Managers shall not thereby be deemed guilty or liable in any matter of trespass; or (b) to enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any such breach.

The violation or breach of any of the provisions of these By-Laws, the Rules and Regulations, or the Declaration with respect to any rights, easements, privileges of licenses granted to the Sponsor or its designee or the owner of the Commercial Unit, shall give to Sponsor, its designee, or said owner of the Commercial Unit, as the case may be, the right, in addition to any other rights set forth in these By-Laws or the Declaration, to enjoin, abate or remedy by appropriate legal proceedings, either in law or in equity, the continuance of any such violation or breach.

ARTICLE VII **MORTGAGES**

Section 1. Notice to Board of Managers. A Unit Owner who mortgages his Unit shall notify the Board of Managers of the name and address of his mortgagee and shall file a conformed copy of the note and mortgage with the Board of Managers. A Unit Owner who satisfies a mortgage covering his Unit shall also notify the Board of Managers thereof and shall file a conformed copy of the Satisfaction of Mortgage with the Board of Managers. The Board of Managers shall maintain such information in a book entitled "Mortgages of Units".

Section 2. Notice of Default and Unpaid Common Charges. Whenever so requested in writing by the mortgagee of a Unit, the Board of Managers shall promptly report to such mortgagee any default in the payment of Common Charges or any other default by the Unit Owner of such Unit under the provisions of the Declaration or these By-Laws which may to the Board's knowledge then exist. The Board of Managers, when giving notice to a Unit Owner of any such default, shall also send a copy of such notice to each holder of a mortgage covering such Unit whose name and address has theretofore been furnished to the Board of Managers.

Section 3. Examination of Books. Each Unit Owner and each mortgagee of a Unit shall be permitted to examine the books of account of the Condominium at reasonable times, on business days, but not more than once a month.

Section 4. Representative of Mortgagees. The holders of mortgages on the Units may, at their election, appoint one or more (but not more than three) representatives who shall be empowered to act on behalf of all mortgagees (first or subordinate) with respect to any matter requiring the consent or approval of mortgagees under the Declaration or these By-Laws. If such representative or representatives are appointed and notice thereof given to the Board of Managers, the act of such representative or a majority of such representatives shall be deemed binding upon the holders of all mortgages which shall be liens on Units. If no such representative(s) shall be appointed or written notice of the appointment shall not be given to the Board of Managers, then notwithstanding any other provision of the Declaration or these By-Laws, the consent or approval of mortgagees to any act of the Board of Managers or the Unit Owners shall not be required.

ARTICLE VIII **SELLING, LEASING AND MORTGAGING OF UNITS**

Section 1. Selling and Leasing. No Residential Unit Owner other than the Sponsor or its designee may sell or lease his Residential Unit except by complying with the following provisions:

Any Residential Unit Owner who receives a bona fide offer to (a) purchase his Residential Unit together with: (i) the undivided interest in the Common Elements appurtenant thereto; (ii) the interest of such Unit Owner in any Units theretofore acquired by the Board of Managers or its designee on behalf of all Unit Owners, or his interest in the proceeds of the sale or lease of such Units, if any; (iii) the undivided interest of such Unit Owner in the Residential Limited Common Elements; and (iv) the interest of such Unit Owner in any other assets of the Condominium, (herein collectively called the "Appurtenant Interests"), or (b) lease his Residential Unit, (such offer to purchase or lease a Residential Unit, as the case may be, is called an "Outside Offer", the party making any such Outside Offer is called an "Outside Offeror", and the Residential Unit Owner to whom the Outside Offer is made is called an "Offeree Unit Owner"), which he intends to accept shall give notice by certified or registered mail to the Board of Managers of the receipt of such Outside Offer. Said notice shall also state the name and address of the Outside Offeror, the terms of the proposed transaction and such other information as the Board of Managers may reasonably require. The giving of such notice to the Board of Managers shall constitute an offer by such Unit Owner to sell his Residential Unit together with the Appurtenant Interests or to lease his Residential Unit to the Board of Managers or its designee, corporate or otherwise, on behalf of all other Unit Owners, upon the same terms and conditions as contained in such Outside Offer and shall also constitute a warranty and representation by the Unit Owner who has received such Outside Offer, to the Board of Managers, on behalf of all Unit Owners, that such Unit Owner believes the Outside Offer to be bona fide in all respects. The Offeree Unit Owner shall submit in writing such further information with respect thereto as the Board of Managers may reasonably have requested. Not later than twenty (20) days after receipt of such notice together with such further information as may have been requested, the Board of Managers may elect, by sending written notice to such Offeree Unit Owner, before the expiration of said twenty (20) day period, by certified or registered mail, to purchase each Residential Unit together with the Appurtenant Interests or to lease such Residential Unit, as the case may be (or to cause the same to be purchased or leased by its designee, corporate or otherwise), on behalf of all Unit Owners upon the same terms and conditions as contained in the Outside Offer and as stated in the notice from the Offeree Unit Owner.

In the event the Board of Managers shall timely elect to purchase such Unit together with the Appurtenant Interests or to lease such Residential Unit, or to cause the same to be purchased or leased by its designee, corporate or otherwise, title shall close or a lease shall be executed at the office of the attorneys for the Condominium, in accordance with the terms of the Outside Offer, within forty-five (45) days after the giving of notice by the Board of Managers of its election to accept such offer. If, pursuant to such Outside Offer to purchase said Residential Unit, the Outside Offeror was to assume or take title to the Residential Unit subject to the Offeree Unit Owner's existing mortgage or mortgages, the Board of Managers may purchase the Residential Unit and assume or take title to the Residential Unit subject to said existing mortgage or mortgages, as the case may be. At the closing, the Offeree Unit Owner, if such Residential Unit together with the Appurtenant Interests is to be sold, shall convey the same to the Board of Managers, or to its designee, on behalf of all other Unit Owners, by deed in the form required by

Section 339-0 of the Real Property Law of the State of New York, with all tax and/or documentary stamps of affixed at the expense of such Unit Owner, who shall also pay all other taxes arising out of such sale. Real estate taxes (including water charges and sewer rents, if separately assessed), mortgage interest if any and Common Charges shall be apportioned between the Offeree Unit Owner and the Board of Managers, or its designee, (corporate or otherwise), as of the closing date. In the event such Residential Unit is to be leased, the Offeree Unit user shall execute and deliver to the Board of Managers or to its designee (corporate or otherwise) a lease between the Offeree Unit Owner, as landlord, and the Board of Managers, or its designee (corporate or otherwise), as tenant, covering such Residential Unit, for the rental and term contained in such Outside Offer.

In the event the Board of Managers or its designee shall fail to accept such offer within twenty (20) days after receipt of notice, as aforesaid, the Offeree Unit Owner shall be free to accept the Outside Offer within sixty (60) days after (i) notice of refusal is sent or (ii) the expiration of the period in which the Board of Managers or its designee might have accepted such offer, as the case may be. In the event the Offeree Unit Owner shall not, within such sixty (60) day period, accept in writing the Outside Offer or if the Offeree Unit Owner shall accept the Outside Offer within such sixty (60) day period but such sale or lease, as the case may be, shall not be consummated, then, should such Offeree Unit Owner thereafter elect to sell each Residential Unit together with the Appurtenant Interests or to lease such Residential Unit, as the case may be, the Offeree Unit Owner shall be required to again comply with all the terms and provisions of this Section.

Any deed to an Outside Offeror shall provide that the acceptance thereof by the grantee shall constitute an assumption of the provisions of the Declaration, the By-Laws and the Rules and Regulations, as the same may be amended from time to time.

Any lease executed in connection with the acceptance of any Outside Offer to lease a Residential Unit shall be consistent with these By-Laws and shall provide that it may not be modified, amended, extended or assigned, without the prior consent in writing of the Board of Managers, that the tenant shall not assign his interest in such lease or sublet the demised premises or any part thereof without the prior consent in writing of the Board of Managers and that the Board of Manager's shall have power to terminate such lease and/or to bring summary proceedings to evict the tenant in the name of the landlord thereunder, in the event of (i) a default by the tenant in the performance of its obligations under such lease or (ii) a foreclosure of the lien granted by Section 339-a of the Real Property Law of the State of New York.

Except as hereinbefore set forth, the form of any such lease executed by the Board of Managers or an Outside Offeror shall be the then current form of apartment lease recommended by the Real Estate Board of New York, Inc., and shall contain such other modification as shall be approved in writing by the Board of Managers. Any lease executed by the Board of Managers as tenant shall provide that the Board may enter into a sublease of the premises without the consent of the landlord.

Any purported sale or lease of a Residential Unit in violation of this Section shall be voidable at the election of the Board of Managers and if the Board of Managers shall so elect, the

Unit Owner shall be deemed to have authorized and empowered the Board of Managers to institute legal proceedings to evict the purported tenant (in case of an unauthorized leasing), in the name of the said Unit Owner as the purported landlord. Said Unit Owner shall reimburse the Board of Managers for all expenses (including attorneys' fees and disbursements) incurred in connection with such proceedings.

The foregoing restrictions of Section 1 of this Article VIII shall not apply to Sponsor-Owned Residential Units or the Commercial Unit (or any units into which the Commercial Unit may be divided). The Sponsor or its designee and the Commercial Unit Owner shall have the right to freely sell their respective Units or to freely lease all or any part thereof without having to first offer the same for sale or lease to the Board of Managers.

Section 2. Consent of Unit Owners to Purchase or Lease of Residential Units By Board of Managers. The Board of Managers shall not exercise any option hereinabove set forth to purchase or lease any Residential Unit without the prior approval of a majority of the Unit Owners present and voting at a meeting at which a quorum is present.

Section 3. No Severance of Ownership. No Residential Unit Owner shall execute any deed, mortgage or other instrument conveying or mortgaging title to his Residential Unit without including therein the Appurtenant Interests, it being the intention to prevent any severance of such combined ownership. Any such deed, mortgage or other instrument purporting to affect one or more of such interests without including all such interests shall be deemed and taken to include the interest or interests so omitted even though the latter shall not be expressly mentioned or described therein. No part of the Appurtenant Interests of any Residential Unit may be sold, conveyed or otherwise disposed of, except as part of a sale, conveyance or other disposition of the Residential Unit to which such interests are appurtenant or as part of a sale, conveyance or other disposition of such part of the Appurtenant Interests of all Units.

The common interest appurtenant to each Unit shall not be separated from the Unit to which it appertains, except as otherwise permitted by law, and not prohibited by these By-Laws or the Declaration.

Section 4. Release by Board of Managers of Right of First Refusal. The right of first refusal contained in Section 1 of this Article VIII may be released or waived by the Board of Managers only in the manner provided in Section 5 of this Article VIII. In the event the Board of Managers shall release or waive its right of first refusal as to any Residential Unit, such Residential Unit, together with the Appurtenant Interests, may be sold, conveyed or leased, free and clear of the provisions of said Section 1.

Section 5. Certificate of Termination of Right of First Refusal. A certificate executed and acknowledged by the Secretary of the Condominium stating that the provisions of Section 1 of this Article VIII have been met by a Unit Owner or stating that the right of first refusal contained therein has been duly released or waived by the Board of Managers, and that as a result thereof the rights of the Board of Managers thereunder have terminated, shall be, conclusive upon the Board of Managers and the Unit Owners in favor of all persons who rely on

such certificate in good faith. The Board of Managers shall furnish, without charge, such certificate upon request to any Unit Owner in respect to whom the provisions of such Section have, in fact, terminated.

Section 6. Financing of Purchase of Units by Board of Managers. The purchase of any Residential Unit by the Board of Managers or its designee, on behalf of all Unit Owners, may be made from the funds deposited in the capital and/or expense accounts of the Condominium. If the funds in such accounts are insufficient to effectuate any such purchase, the Board of Managers may levy an assessment against each Unit Owner, in proportion to his interest in the Common Elements, as a Common Charge, which assessment shall be enforceable in the same manner as provided in Sections 6 and 7 of Article VI, and/or the Board of Managers may, in its discretion, finance the acquisition of such Residential Unit; provided, however, that no such financing may be secured by an encumbrance or hypothecation of any portion of the Property other than the Residential Unit to be purchased together with its Appurtenant Interests.

Section 7. Exceptions. The provisions of Section 1 of this Article VIII shall not apply with respect to any lease, sale or conveyance of any Residential Unit together with its Appurtenant Interests by (a) the Unit Owner thereof to his spouse, adult children, parents, parents-in-law, adult siblings or to any one or more of them, (b) the Sponsor or its designee, (c) the Board of Managers, or (d) any proper officer conducting the sale of a Residential Unit in connection with the foreclosure of a mortgage or other lien covering such Residential Unit or delivering a deed in lieu of such foreclosure; provided, however, that each succeeding Unit Owner shall be bound by, and his Residential Unit subject to, the provisions of this Article. In addition, the provisions of Section I of this Article VIII shall not apply with respect to any lease, sale or conveyance of the Commercial Unit, or any part thereof.

Section 8. Gifts and Devises, etc. Any Unit Owner shall be free to convey or transfer his Unit by gift, to devise his Unit by will or to have his Unit pass by intestacy, without restriction; provided, however, that each succeeding Unit Owner shall be bound by, and his Unit subject to, the provisions of this Article.

Section 9. Waiver of Right of Partition with Respect to Such Units as Are Acquired by the Board of Managers, or its Designee, on Behalf of All Unit Owners as Tenants-in-Common. In the event that any Unit shall be acquired by the Board of Managers, or its designee, on behalf of all Unit Owners as tenants-in-common, all such Unit Owners shall be deemed to have waived all rights of partition with respect to such acquired Unit and the entire Property as herein provided.

Section 10. Payment of Assessments. No Unit Owner shall be permitted to convey, mortgage, pledge, hypothecate or lease his Unit unless and until he shall have paid in full to the Board of Managers all unpaid Common Charges theretofore assessed by the Board of Managers against his Unit and until he shall have satisfied all unpaid liens against such Unit, except permitted mortgages.

Section 11. Mortgage of Units. Subject to the preceding Section 10, each Unit Owner shall have the right to mortgage his Unit without restriction, provided that any such

mortgage covering a Residential Unit shall be substantially in the form of the New York statutory form of mortgage, except for such changes or additions as may be required in order to permit a particular bank, trust company, insurance company, savings and loan association or other institutional or non-institutional lender to make the mortgage loan.

Section 12. Transfer Fee. On the sale, conveyance or other transfer of a Residential Unit in the Condominium, the Residential Section of the Condominium shall be paid a fee by the Purchaser or transferee of the Unit in an amount equal to 1% percent of the gross sale price ("The Transfer Fee"). The Transfer Fee shall be paid at the closing of the transfer of the Unit and deposited into the Residential Section Condominium's reserve fund. In the event the Transfer Fee is not paid the Board shall have the right to place a lien against the Unit and enforce it in the manner provided in Section 339-aa of the Real Estate Property Law of the State of New York, together with the interest thereon computed as provided in Section 6 of Article VI hereof.

The Transfer Fee shall not be payable for transfers to which the Board does not have the right of first refusal.

ARTICLE IX **CONDEMNATION**

Section 1. Condemnation. In the event of a taking in condemnation or by eminent domain of all or any part of the Common Elements or Residential Limited Common Elements, the award made for such taking shall be payable to the Board of Managers if the award does not exceed \$100,000 and shall be payable to the Insurance Trustee if it exceeds \$100,000. If 75% in number and in common interest of all Unit Owners duly and promptly approve the repair and restoration of such Common Elements or Residential Limited Common Elements, the Board of Managers shall arrange for the repair and restoration of such Common Elements or Residential Limited Common Elements, and the Board of Managers or the Insurance Trustee, as the case may be, shall disburse the proceeds of such award to the contractors engaged in such repair and restoration in appropriate progress payments. In the event that 75% in number and in common interest of all Unit Owners do not duly and promptly approve the repair and restoration of such Common Elements or Residential Limited Common Elements, the Board of Managers or the Insurance Trustee, as the case may be, shall distribute the net proceeds of such award in the same manner as they are required to distribute insurance proceeds where there is no repair or restoration of the damage as provided in Section 3 of Article VI. As used in this Section, the words "promptly approve" shall mean not more than sixty (60) days from the date of such taking.

Anything herein contained to the contrary notwithstanding, if the Commercial Unit or the Commercial Limited Common Elements, or any part thereof, are taken in condemnation or by eminent domain, the award made for such taking shall be payable to the Commercial Unit Owner if the award does not exceed \$100,000 and shall be payable to the Insurance Trustee if it exceeds \$100,000. The Commercial Unit Owner shall arrange for the repair and restoration of such Unit or Commercial Limited Common Elements so taken, and the Commercial Unit Owner or the Insurance Trustee, as the case may be, shall disburse the proceeds of such award to contractors engaged in such repair and restoration of such Unit or Commercial Limited Common Elements in appropriate progress payments.

ARTICLE X
RECORDS

Section 1. Records and Audits. The Board of Managers or the managing agent shall keep detailed records of the actions of the Board of Managers and the managing agent, minutes of the meetings of the Board of Managers, minutes of the meetings of the Unit Owners and financial records and books of account of the Condominium, including a chronological listing of receipts and expenditures as well as a separate account for each Unit, which, among other things, shall contain the amount of each assessment of Common Charges against each Unit, the date when due, the amounts paid thereon and the balance, if any, remaining unpaid. An annual report of the receipts and expenditures of the Condominium, prepared and certified by an independent certified public accountant, shall be submitted by the Board of Managers to all Unit Owners and to all mortgagees of Units who have requested same, within four (4) months after the end of each fiscal year. The cost of such report shall be paid by the Board of Managers as Residential Common Expenses payable by the Residential Unit Owners.

Copies of the Declaration, these By-Laws, the Rules and Regulations and floor plans of the Building and Units, as the same may be amended from time to time, shall be maintained at the office of the Board of Managers and shall be available for inspection by Unit Owners and their authorized agents during reasonable business hours.

ARTICLE XI
MISCELLANEOUS

Section 1. Invalidity. The invalidity of any part of these By Laws shall not impair or affect in any manner the validity, enforceability or effect of the balance of these By-Laws.

Section 2. Captions. The captions herein are inserted only as a matter of convenience and for reference, and in no way define, limit or describe the scope of these By-Laws or the intent of any provision hereof.

Section 3. Gender. The use of the masculine gender in these By Laws shall be deemed to include the feminine and neuter genders and the use of the singular shall be deemed to include the plural, and vice versa, whenever the context so requires.

Section 4. Waiver. No restriction, condition, obligation or provision contained in these By-Laws shall be deemed to have been abrogated or waived by reason of any failure to enforce the same, irrespective of the number of violations or breaches thereof which may occur.

Section 5. Insurance Trustee. The Insurance Trustee will be a bank or trust company in the City of New York, designated by the Board of Managers and having a capital, surplus and undivided profits of \$50,000,000 or more. In the event the Insurance Trustee shall resign or be replaced by the Board of Managers, the Board of Managers shall appoint a new Insurance Trustee which shall be a bank or trust company having an office located in the City of New York having a capital, surplus and undivided profits of \$50,000,000 or more. The Board of Managers

shall pay the fees and disbursements of any Insurance Trustee and such fees and disbursements shall constitute a common expense of the Condominium.

ARTICLE XII **AMENDMENTS TO BY-LAWS**

Section 1. Amendments to By-Laws. Except as otherwise provided in the next paragraph and in the Declaration, these By-Laws may be modified or amended by the vote of 66 2/3% in number and in common interest of all Unit Owners at a meeting of Unit Owners duly held for such purpose, provided the written approval of the representative or a majority of said representatives of mortgagees (if any) appointed pursuant to Section 4 of Article VII hereof is first obtained.

For as long as Sponsor or its designee remains the owner of one or more Residential Units, these By-Laws, the Rules and Regulations and the Declaration may not be modified, added to, amended or repealed so as to eliminate, change, or impair any rights, privileges, easements, licenses or exemptions granted therein or herein to Sponsor or its designee, or otherwise adversely affect Sponsor or such designee, without Sponsor's or such designee's prior written consent in each instance. No provision of these By-Laws, the Rules and Regulations or the Declaration may be modified, added to, amended or repealed so as to eliminate, change, or impair the rights, privileges, easements, licenses or exemptions granted therein or herein to the Commercial Unit Owner, or otherwise adversely affect the Commercial Unit Owner, unless such owner of the Commercial Unit shall give its prior written consent thereto in each instance. Notwithstanding anything to the contrary contained herein, no provision of these By-Laws, the Rules and Regulations or the Declaration relating to the use of the Units or the percentage interest of a Unit in the Common Elements may be amended without the consent of every Unit Owner affected by such amendment.

ARTICLE XIII **CONFLICTS**

Section 1. Conflicts. These By-Laws and the Rules and Regulations are intended to comply with the requirements of Article 9-B of the Real Property Law of the State of New York and all other applicable laws. In case any of these By-Laws or any provision of the Rules and Regulations shall conflict with the provisions of said statute, the Declaration or any other applicable law, the provisions of said statute, the Declaration or such other applicable law, as the case may be, shall control.

ARTICLE XIV **LIABILITY FOR LITIGATION COSTS**

Section 1. Liability for Litigation Costs. If any Unit Owner, tenant, purchaser, or an applicant to purchase or lease a Unit, institutes any action or proceeding against the Condominium, its officers, managers, agents or employees, relating to the Declaration, the By-Laws, the House Rules or the affairs of the Condominium and if there is an adverse determination by the court against the Unit Owner, tenant, purchaser, or applicant or the action

or proceeding is dismissed, then on a determination by the Board of managers that such action or proceeding was not brought in good faith, (a) such Unit Owner, tenant, purchaser or applicant shall reimburse the Condominium for the attorneys' fees and disbursements incurred by the Condominium in such action or proceeding or in the enforcement of this provision, and (b) the Condominium shall have the right to collect the same as an assessment against the unit owner or rent against the tenant. By applying to purchase or lease a Unit, an applicant to purchase or lease a Unit agrees to be bound by this provision. The effective date of this provision is the date that it is approved by two thirds of the Unit Owners and all actions or proceedings brought or new causes of action alleged in then existing actions or proceedings subsequent to such date shall be expressly subject to this provision.

SCHEDULE A

RULES AND REGULATIONS FOR OLYMPIC TOWER CONDOMINIUM

One. The sidewalks, entrances, passages, public halls, elevators, vestibules, corridors and stairways of the Building shall not be obstructed or used for any other purpose than ingress to and egress from the Units.

Two. No article shall be placed in any of the halls or on any of the staircase or fire tower landings of the Residential Section, nor shall any fire exit thereof be obstructed in any manner. Nothing shall be hung or shaken from the doors, or windows or placed upon the window sills of the Building.

Three. Children shall not play in the public halls, public elevator vestibules, stairways, fire towers or public elevators of the Residential Section.

Four. No public hall or public elevator vestibule of the Residential Section shall be decorated or furnished by any Unit Owner in any manner.

Five. Each Unit Owner shall keep his Unit in a good state of preservation and cleanliness, and shall not sweep or throw or permit to be swept or thrown therefrom, or from the doors, or windows thereof, any dirt or other substance.

Six. No shades, venetian or other blinds, drapes, curtains, window guards or other window decorations shall be used in or about any Residential Unit except such as shall have been approved in writing by the Board of Managers or the managing agent or the manager, which approval may be granted or refused in the sole discretion of the Board of Managers or the managing agent or the manager.

Seven. No radio or television aerial shall be attached to or hung from the exterior of the Building and no sign, notice, advertisement or illumination shall be inscribed or exposed on or at any window or other part of the Residential Section of the Building except such as shall have been approved in writing by the Board of Managers or the managing agent or the manager; nor shall anything be projected from any window of the Residential Section without similar approval.

Eight. No ventilator or air conditioning device shall be installed in any Residential Unit, without the prior written approval of the Board of Managers, which approval may be granted or refused in the sole discretion of the Board of Managers.

Nine. All radio, television or other electrical equipment of any kind or nature installed or used in each Unit shall fully comply with all rules, regulations, requirements or recommendations of the New York Board of Fire Underwriters and the public authorities having jurisdiction, and the Unit Owner alone shall be liable for any damage or injury caused by any radio, television or other electrical equipment in each Unit Owner's Unit.

Ten. No velocipedes, bicycles, scooters or similar vehicles shall be taken into or from the Residential Section of the Building through the main entrance or be allowed in any of the elevators other than the elevator designated by the Board of Managers or the managing agent or the manager for that purpose, and no baby carriages or any of the above-mentioned vehicles shall be allowed to stand in the public halls, passageways, or other public areas of the Residential Section.

Eleven. No Unit Owner shall make or permit any disturbing noises or activity in the Building, or to or permit anything to be done therein, which will interfere with the rights, comforts or conveniences of other Unit Owners or the tenants or occupants of the Commercial Unit. No Unit Owner shall play or suffer to be played upon any musical instrument, or operate or permit to be operated a phonograph or a radio or television set or other loud speaker in such Owner's Unit between the hours of twelve o'clock midnight and the following seven o'clock A.M., if the same shall disturb or annoy other occupants of the Building, and in no event shall practice or suffer to be practiced either vocal or instrumental music between the hours of ten P.M. and the following nine A.M.

Twelve. No bird, reptile or animal shall be permitted, kept or harbored in the Residential Section unless the same in each instance be expressly permitted in writing by the Board of Managers or the managing agent or the manager and such consent, if given, shall be revocable by the Board of Managers or the managing agent or the manager in their sole discretion, at any time. In no event shall any bird, reptile or animal be permitted in any public elevator in the Residential Section, other than the elevator designated by the Board of Managers or the managing agent or the manager for that purpose, or in any of the public portions of the Residential Section, unless carried or on leash. Large dogs permitted to be kept in Residential Units shall be carried only in the elevator designated by the Board of Managers or the managing agent or the manager for that purpose.

Thirteen. Servants, messengers and tradespeople visiting the Residential Section shall use the elevator designated by the Board of Managers or the managing agent or the manager for that purpose, for ingress and egress, and shall not use any of the other elevators for any purpose, except that nurses in the employ of Residential Unit Owners or their guests or tenants may use any of the other elevators when accompanying said Unit Owners, their guests or tenants. However, a guest of a Unit Owner or a tenant may use any of the elevators freely.

Fourteen. Supplies, goods and packages of every kind are to be delivered to Residential Units only through the service entrance of the Building and by the elevator designated by the Board of Managers or the managing agent or the manager for that purpose. Trunks and heavy baggage shall be taken in or out of the Residential Section by the elevator designated by the Board of Managers or the managing agent or the manager for that purpose, and through the service entrance only.

Fifteen: No refuse from the Residential Units shall be sent to the basement of the Building except at such times and in such manner as the Board of Managers or the managing agent or the manager may direct.

Sixteen. Water-closets and other water apparatus in the Building shall not be used for any purpose other than those for which they were designed, nor shall any sweepings, rubbish, rags or any other article be thrown into the same. Any damage resulting from misuse of any water-closets or other apparatus in a Unit shall be repaired and paid for by the owner of such Unit.

Seventeen. No occupant of the Building shall send any employee of the Board of Managers or of the managing agent out of the Building on any private business.

Eighteen. The agents of the Board of Managers or the managing agent, and any contractor or workman authorized by the Board of Managers or the managing agent or the manager, may enter any room or Unit in the Building at any reasonable hour of the day, on reasonable notice to the Unit Owner, for the purpose of inspecting such Unit for the presence of any vermin, insects or other pests and for the purpose of taking such measures as may be necessary to control or exterminate any such vermin, insects or other pests; however, such entry, inspection and extermination shall be done in a reasonable manner so as not to unreasonably interfere with the conduct of business of the tenants and occupants of the Commercial Unit or the use of the Residential Units for dwelling purposes.

Nineteen. No cooking shall be permitted in any Unit not especially constructed and equipped therefor. Corridor doors shall be kept closed at all times except when in actual use for ingress or egress to and from public corridors.

Twenty. (as amended on February 24, 2009) The Board of Managers or the managing agent or the manager must be provided a pass-key to each Residential Unit. The Unit Owner shall not alter any lock or install a new lock on any door leading to his Residential Unit without the written consent of the Board of Managers or the managing agent or the manager, if such consent is given, the Board of Managers or the managing agent or the manager shall be provided with a key.

If the Unit Owner fails to provide a pass-key as specified above, the unit owner will be assessed an Administrative Fee of Five Hundred and no/100 dollars (\$500.00) per month until such pass-key is provided.

If the Unit Owner is not personally present to open and permit entry to his Unit at any time when an entry therein is necessary or permissible under these Rules and Regulations or under the By-laws and has not furnished a key to the Board of Managers or the managing agent or the manager, then the Board of managers or such managing agent or their agents may forcibly enter such Unit without liability for damages or trespass by reason thereof (if during such entry reasonable care is given to such Unit Owner's Property).

The agents of the Board of Managers or the managing agent, and any contractor or workman authorized by the Board of Managers or the managing agent or the manager, may enter any room or Unit in the Building at any hour of the day for the purpose of inspecting such Unit in the course of investigating a plumbing leak, an HVAC system leak or other leak.

Twenty-One. No vehicle belonging to a Unit Owner or to a member of the family or guest, tenant or employee of a Unit Owner shall be parked in such manner as to impede or prevent ready access to any entrance to or exit from the Building by another vehicle.

Twenty-Two. The Board of Managers or the managing agent or the manager may from time to time curtail or relocate any portion of the Common Element or Residential Limited Common Elements devoted to storage or service purposes in the cellars of the Building.

Twenty-Three. Complaints regarding the service of the Building shall be made in writing to the Board of Managers or to the managing agent or to the manager.

Twenty-Four. Any consent or approval given under these Rules and Regulations may be added to, amended or repeated at any time by resolution of the Board of Managers.

Twenty-Five. The laundry and drying apparatus in the laundry rooms in the Building shall be used in such manner and at such times as the Board of Managers or the managing agent or the manager may direct. Clothes and other articles shall not be dried or aired on the roof.

Twenty-Six. No garbage cans, ice, milk bottles, mats or other articles shall be placed in the halls or on the staircase landings of the Residential Section, nor shall anything be hung from the windows, or placed upon the window sills or the Residential Section. Nor shall any linens, cloths, clothing, curtains, rugs or mops, be shaken or hung from or on any of the windows or doors.

Twenty-Seven. Unit Owners will faithfully observe the following procedures with respect to the use of the compactor: (a) wrap dust, floor and powdered waste in compact packages before depositing the same; (b) thoroughly drain and wrap in paper all garbage before depositing the same; (c) refrain from forcing large bundles into the flue; (d) crush into tight bundles all loose papers before placing the same in the hopper door; (e) deposit all bundles of waste into the hopper; (f) refrain from depositing waste of an explosive nature therein.

Twenty-Eight. Residential Unit Owners, their families, guests, servants, employees, agents, visitors or licensees shall not at any time or for any reason whatsoever enter upon or attempt to enter upon the roof of the Building.

Twenty-Nine. Unit Owners shall not cause or permit any unusual or objectionable noise or odors to be produced upon or to emanate from their Units.

Thirty. Residential Unit Owner or any of his agents, servants, employees, licensees, or visitors shall at any time bring into or keep in his Unit any inflammable, combustible or explosive fluid, material, chemical or substance, except for normal household use.

Thirty-One. Any key or keys are entrusted by a Unit Owner or by any member of his family or by his agent, servant, employee, licensee or visitor to an employee of the Board of Managers or of the managing agent, whether for such Unit Owner's Unit or an automobile, trunk or other item of personal property, the acceptance of the key shall be at the sole risk of such Unit Owner, and neither the Board of Managers nor the managing agent nor the manager shall be liable for injury, loss or damage of any nature whatsoever, directly or indirectly resulting therefrom or connected therewith.

Thirty-Two. Nothing shall be done or kept in any Unit or in the Common Elements or in the Limited Common Elements (Residential or Commercial) which will increase the rate of insurance of the Building or contents thereof applicable for residential or commercial use without the prior written consent of the Board of Managers. No Unit Owner shall permit anything to be done or kept in his Unit or in the Common Elements or limited Common Elements (Residential or Commercial) which will result in the cancellation of insurance on the Building or which would be in violation of any law. No waste shall be committed in the Common Elements or Limited Common Elements (Residential or Commercial).

Thirty-Three. The storage room shall be used by all Residential Unit Owners, in common, for the storage of trunks, bags, suitcases and packing cases only, all of which shall be empty, and for such other articles as the Board of Managers, in its sole discretion, may determine. The wine cellar (if any) shall be used for storage of bottled alcoholic beverages and such other articles as the Board of Managers, in its sole discretion, may determine. Supervision, management and control of the storing and removal of a Unit Owner's property from the storage room or the wine cellar, is vested in the Board of Managers. The use of the storage room or wine cellar shall be at the sole risk of the Unit Owner or other person using the same and the Board of Managers, its agents or the Managing Agent, shall not be liable for any injury to person or loss by theft or otherwise or damage to property whether due to the negligence of the Board of Managers, its agents, the managing agent or otherwise.

Thirty-Four. The following non-essential services will not be provided to those Unit Owners who (a) are more than sixty days in arrears in the payment of their Common Charges, assessments or other charges or (b) have violated a House Rule and/or policy twice in the last twelve months; in which case said services will be reinstated upon written request by the resident, but only after management is convinced the violation will not recur.

Specifically, the following services **will not be tendered** to all residents of the Unit, whether or Owner or tenant:

1. Housekeeping and/or maintenance requests that are a Unit Owner's responsibility (which could have been performed by the staff and billed back to the Unit Owner as an additional charge) will not be provided.
2. Fax and Xeroxing services will not be provided.
3. Concierge services will not be provided:

- a) No visitors, guests, delivery or service people will be allowed beyond the desk unless personally escorted by the resident, nor will the concierge call the apartment to advise them of their arrival.
- b) Visitors will have to call from outside the building to announce their arrival.
- c) No authorization to enter or to release keys will be honored.
- d) No packages or deliveries of any kind (except prescription medication) will be accepted by the concierge.
- (e) The concierge will not order limousines, make restaurant reservations or arrange tickets for the theater or any other form of entertainment.
- (f) No service calls will be provided to the apartment except for emergencies or essential services.

Thirty- Five. Maintenance and Replacement of Unit HVAC Equipment, Rule Adopted February 24, 2009.

Unit owners are required to replace all HVAC equipment, including associated unit and piping insulation and valves, within their apartments as noted below. This rule applies to existing equipment that is original to the building or is older than 30 years.

1. Effective immediately, within one year of the transfer of ownership of an apartment in conjunction with a change in occupancy, excluding a change in the form of ownership when the owner and occupancy remains the same.
2. Effective September 1, 2009, within one year of the vacancy of the tenant or occupant of the apartment:
 - a. Upon the vacancy of a lessee occupying an apartment on August 31, 2009.
 - b. Upon the vacancy of the owner occupant and their family occupying an apartment on August 31, 2009 in order to lease the apartment or to authorize another individual to take occupancy.
 - c. Upon the change in the authorized occupant and their family occupying an apartment on August 31, 2009 by an entity owner.
3. In conjunction with an apartment alteration as required in the Alteration Agreement or whenever the interior Alteration will entail opening the walls surrounding an HVAC Unit.

Additionally, any HVAC equipment found to be defective, damaged or deteriorated must be immediately repaired or replaced by the Unit Owner.

If the Unit Owner fails to comply with the required replacement as specified above, the unit owner will be assessed an Administrative Fee of Five Hundred and no/100 dollars (\$500.00) per month until such replacement(s) is/are complete.

