

ALTERATION AGREEMENT

This Agreement, made as of this ____ day of _____, 20__ between 150 East 56th Street Condominium (Condominium.) with an address c/o The Lovett Company, LLC, 1270 Broadway, Suite 408, New York, NY 10001 and _____ (the "unit owner") having a mailing address of _____.

WITNESSETH:

WHEREAS, the Unit owner desires to install equipment and/or make alterations in apartment _____ (the "**Apartment**") at 150 East 56th Street, New York, NY.

WHEREAS, the Condominium rules between the Unit Owner and the Condominium provides that no equipment shall be installed and no alterations shall be made in the Apartment without the consent of the Condominium Board of Managers; and

WHEREAS, the Unit owner desires to obtain such consent;

NOW, THEREFORE, the parties agree as follows:

1. **Unit owner's Submissions.** Together with this Agreement, Unit owner is delivering to the Condominium:
 - a. **One original set and two copies** of: detailed plans, drawings and specifications for the equipment proposed to be installed and/or the alterations proposed to be made which, if so required by the Condominium, have been prepared by a licensed architect or engineer. Such plans, drawings and specifications include a room by room list of the equipment to be installed and the alterations to be made.
 - b. A processing fee in the amount of \$1,000.00 must be submitted with the application. Please make check payable to The Lovett Company, LLC. This fee includes three (3) site inspections, with an additional charge of \$150 for each additional site inspection, if required. If it is determined that no Department of Building (DOB) permit, or only a Limited Application Alteration (LAA) or electrical permit is required, \$750 of this deposit will be refunded as long as all policies and procedures have been followed and no damage to any of the building's common areas has occurred before, during, or after the work has been completed.
2. **Review of Plans, Drawings and Specification.** The plans, drawings and specifications submitted by the Unit owner shall be subject to review and approval by the Condominium and its architect or engineer (the "**Condominium's Designated Architect/Engineer**"), and the Unit owner shall make such changes in and to such plans, drawings and specifications as the Condominium or the Condominium's Designated Architect/Engineer shall require in order to obtain such approval. The term "**Plans**" as used in this Agreement shall refer to the plans, drawings and specifications as approved in writing by the Condominium and the Condominium's Designated Architect/Engineer and the term "**Work**" shall refer to the work called for by the Plans or any other work performed by or on behalf of the Unit owner. After approval by the Condominium and the Condominium's Designated Architect/Engineer, the Plans shall not be modified without the approval of the Condominium and the

Condominium's Designated Architect/Engineer. Notwithstanding any approval of the Plans by the Condominium or the Condominium's Designated Architect/Engineer, the Unit owner shall be solely responsible for the Plans, for insuring compatibility with the systems and facilities of the Building and for compliance with applicable laws and codes.

The Condominium's execution of this Agreement does not constitute consent to the work called for by the plans, drawings and specifications submitted by the Unit owner, and the Condominium retains all of its rights and remedies available at law or in equity to withhold consent. Only written approval of such plans, drawings and specifications as provided for above shall constitute the Condominium's consent to the Work called for by the Plans, and any such consent shall be subject to the terms of this Agreement.

3. **Pre-Conditions to Commencement of Work by Unit owner.** The Unit owner shall not commence the Work unless and until all of the following has occurred:

- a. The Condominium and the Condominium's Designated Architect/Engineer shall have approved in writing the plans, drawings and specifications submitted by the Unit owner, and the Unit owner shall have received a copy of such approvals.
- b. The Unit owner shall have submitted to the Condominium (i) a list of all contractors, subcontractors and suppliers who will perform or provide materials for the Work and (ii) complete copies of all agreements entered into with such contractors, subcontractors and suppliers pertaining to the Work.
- c. The Unit owner shall have made all required filings with, and received all required permits, approvals, licenses and consents from, all governmental agencies having jurisdiction over the Work including, but not limited to, the New York City Buildings Department, the New York City Fire Department and the Landmarks Preservation Commission, and the Unit owner shall have furnished copies of all such filings, permits, approvals, licenses and consents to the Condominium. The determination of the Condominium's Designated Architect/Engineer as to the need for any such filing, permit, approval, license or consent shall be conclusive. **Unit owner and their architect acknowledge that no self-certification filings will be allowed.**
- d. The Unit owner shall have caused each of its contractors to furnish to the Condominium the insurance policies described on Exhibit A attached hereto or certificates thereof. Such policies (i) shall name the Condominium, the Condominium's officers, directors and unit owners, the Condominium's Designated Architect/Engineer, the Managing Agent and the Unit owner, as parties insured, (ii) shall be issued by companies reasonably acceptable to the Condominium and (iii) shall provide that they may not be cancelled or terminated without at least ten (10) days prior written notice to the Condominium. The Unit owner shall cause all such insurance policies to be kept in full force and effect until the completion of the Work.

4. **Alteration Deposit and Fees.**

- a. If the Condominium and the Condominium's Designated Architect/Engineer determine that a construction permit will need to be filed with the NYC Department of Buildings (DOB) in order to comply with NYC building code, the Unit owner will be required to submit an alteration deposit in the sum of **\$5,000 payable to 150 East 56th Street Condominium.** The Unit owner agrees that the Condominium may

use, apply or retain the whole or any part of the security so deposited and the interest earned thereon, if any, to the extent required for the payment of any sums due to the Condominium under this Agreement. If the deposit is diminished by one-half of the original amount, the Unit owner shall replenish it to the full amount within (3) days after written demand. The Unit owner's failure to so replenish the security deposit shall be a material breach of this Agreement and shall entitle the Condominium to stop the Work, and/or exercise any remedies it has hereunder. If the Unit owner shall comply with all of the terms and conditions of this Agreement, the security deposit and interest or remaining balance thereof, if any, shall be returned to the Unit owner after completion of the Work. The Condominium's release of the security deposit shall not constitute acceptance of the Work by the Condominium or a waiver of any of the Condominium's rights under this Agreement. Any sums due to the Condominium under this Agreement and not recovered by application of the security deposit shall be chargeable as additional common charges under the by-laws.

- b. If the Condominium and/or the Condominium's Designated Architect/Engineer determine that a limited permit, such as an LLA Plumbing permit is required, or that no permit is required, Unit owner will be required to submit an alteration deposit in the sum of **\$1,000 payable to 150 East 56th Street Condominium**.
- c. During any renovation project, whether it requires a DOB construction permit or not, there will be a charge of \$25/day imposed on the Unit owner's common charge account to cover costs associated with staff supervision, wear and tear on common hallways, elevator usage, etc. while work is actively being performed in the apartment.

5. **Unit owner to Give Notice Prior to Commencement of Work.** Prior to commencing the Work, the Unit owner shall give at least five (5) days' prior written notice to the Condominium's Designated Architect/Engineer, the superintendent of the Building and the Managing Agent of the date on which the Work will commence and the estimated duration of the Work.

6. **Performance of the Work.**

- a. **In General.** The Unit owner shall perform the Work strictly in accordance with the Plans and shall not perform any Work not called for by the Plans. In performing the Work, the Unit owner shall comply with (i) all applicable laws and codes, (ii) the requirements of all insurance policies covering the Work, the Apartment or the Building, (iii) this Agreement, (iv) the By-laws, (v) the House Rules, (vi) the requirements of the Condominium and (vii) any directions given by the Managing Agent, the Condominium's Designated Architect/Engineer or the superintendent of the Building.
- b. **Work Hours and Noise.** The Unit owner shall perform the Work diligently and in a manner so as not to disturb other residents of the Building. The Work shall be performed only on Mondays through Fridays (excluding holidays) between the hours of 8:00 a.m. and 4:00 p.m.; provided however, that any noisy work which may disturb other residents shall not be performed before 9:00 a.m. The Work shall not be performed on weekends or holidays. The Condominium shall be the sole arbiter should there be any doubt as to noise levels which may be disturbing.

- c. **Labor Harmony.** The Unit owner shall cause its contractors and subcontractors to employ only such laborers as shall not conflict with any of the trade unions employed in the Building or otherwise cause disharmony with any Building service union.
 - d. **Required Completion Date.** The Unit owner shall cause the Work (other than decorative work such as painting, wallpapering and carpeting) to be completed on or before the date (the "**Required Completion Date**") which is 120 days (excluding weekends and holidays) after the commencement of the Work. If the Work (other than decorative work as aforesaid) shall not be completed on or before the Required Completion Date, the Unit owner shall pay to the Condominium, as liquidated damages on account of late completion, the sum of \$100 per day (excluding weekends and holidays) until the Work is completed. The determination of whether the Work is completed shall be made by the Condominium, and the Condominium's determination shall be conclusive.
 - e. **Evidence of Completion.** Upon completion of the Work, the Unit owner shall obtain and deliver to the Condominium (i) a certificate from the architect or engineer who prepared the Plans certifying that the Work has been completed in accordance with all applicable laws and codes and the Plans, and (ii) all required final governmental signoffs and approvals, including if the Condominium shall require, an amended certificate of occupancy and a certificate from the Board of Fire Underwriters. The determination of the Condominium as to the need for an amended certificate of occupancy shall be conclusive.
7. **Inspection and Correction of the Work.** The Condominium shall have the right from time to time to inspect or observe the Work, and for this purpose the Unit owner shall provide access to the Apartment to Condominium's Designated Architect/Engineer, the Managing Agent, the superintendent of the Building, or any other person the Condominium may authorize. The Unit owner shall promptly make all corrections required by the Condominium in order to conform to the Plans and the other requirements of this Agreement. If the Condominium so requires, such corrections shall include the removal and replacement of non-conforming work. The Condominium's failure to inspect shall not be considered a waiver of the Unit owner's obligation to comply with this Agreement.
8. **Damage or Adverse Effect Caused by the Work.** The Unit owner shall be responsible for any damage to or any other adverse effect upon the Apartment or the Building (including the structure, shell, systems, equipment, fixtures and finishes of the Building) caused by or resulting from the Work, regardless of when such damage or adverse effect becomes apparent. If any such damage or adverse effect shall occur or arise, the Condominium may (a) require the Unit owner, at its expense, promptly to repair the damage or remedy the condition giving rise to such adverse effect and/or (b) repair such damage or remedy such condition at the Unit owner's expense.

Without limiting the generality of the foregoing, the Unit owner specifically acknowledges that this Section 7 shall be applicable to any damage to the carpeting, wall coverings or other finishes in the Building's hallways, elevators and other common areas (including without limitation, the cost of cleaning, shampooing, painting or repairing the same if soiled or otherwise damaged).

If the Managing Agent advises the Unit owner of any damage which, in the Managing Agent's opinion, was caused by the Work, the Unit owner shall promptly submit a claim to

the Unit owner's insurance carrier and to Unit owner's contractor for submission to its insurance carrier, and the Unit owner agrees to use all reasonable efforts, and to cause its the contractor to use all reasonable efforts, to cause such insurance carriers to expeditiously review and settle all such claims for which they are responsible. The provisions of this paragraph shall not limit the Unit owner's liability under this Section 7.

9. **Indemnification by Unit owner.** The Unit owner shall indemnify and hold harmless the Condominium, the Condominium's officers, members of the Board of Managers, and unit owners, the Condominium's Designated Architect/Engineer, the Managing Agent and the other residents of the Building (the "**Indemnified Persons**") against any loss, cost, claim, damage (including damage to persons or property) or expense arising out of or related to the Work or any act or omission of the Unit owner or any of its contractors, subcontractors, architects, engineers or consultants, including reasonable attorneys fees and disbursements incurred by any of the Indemnified Persons in the defense of any such claim or any suit, action or proceeding based thereon.
10. **Unit owner to Bear All Costs Associated with Work.** The Unit owner shall be responsible for all costs incurred by the Unit owner or the Condominium in connection with the Work or this Agreement, including the fees and disbursements of any attorney, architect, engineer or consultant retained by the Condominium in connection with the Work or this Agreement. Without limiting the generality of the foregoing, the Unit owner specifically agrees to reimburse the Condominium for all charges of the Condominium's Designated Architect/Engineer for the review of the plans, drawings and specifications submitted by the Unit owner, for inspection of the Work or otherwise related to the Work or this Agreement.
11. **Additional Requirements.**
 - a. **No Change in Building Heating or Air-Conditioning.** The Unit owner recognizes that there will be no change in the operation of the Building's heating system or air-conditioning system to facilitate the functioning of any heating or air-conditioning units which the Unit owner may be installing.
 - b. **Prohibited Construction Methods.** The Unit owner shall not interfere with the Building's intercom, gas, electric, heating, air-conditioning or plumbing system or any other Building system or service. The Unit owner shall not penetrate any exterior Building wall.
 - c. **Plumbing Alterations.** All Unit owners are required to replace the branch lines up to the riser and install new shut-off valves at their sole cost.
 - d. **Accessibility of Valves.** The Unit owner shall insure that all water, steam, gas and other valves remain accessible during the performance of and after the completion of the Work. If any valve is enclosed in violation of this Agreement, then the Condominium may (i) require the Unit owner, at its expense, promptly to remove such enclosure and/or (ii) remove such enclosure at the Unit owner's expense.
 - e. **Use of Public and Common Areas During Work.** The Unit owner shall not allow the halls, sidewalks, courtyards and other public areas to be used for the storage of building materials or debris. The Unit owner shall cause its contractor to cover with construction paper the floor of any back hall to be used in connection with the Work and shall also cause its contractor to take all precautions necessary to prevent

damage to the carpeting, wall coverings or other finishes in the Building's hallways, elevators and other common areas.

- f. **Unit owner to Maintain Certain Safety Precautions.** Unit owner shall maintain functioning fire extinguishers and smoke alarms in the Apartment throughout the prosecution of the Work. Unit owner shall insure that the Work does not block access to any fire exits in the Building. Unit owner shall install smoke detectors within 15 feet of every sleeping area on the ceiling or wall pursuant to Local Law 62 of 1981 of the City of New York, and if a child 10 years old or under lives in the Apartment Unit owner shall install window guards pursuant to Section 131.15 of the New York City Health Code.

- g. **Unit owner to Control Refuse, Dirt, Dust.** Unit owner shall take all precautions to prevent dirt and dust from permeating other parts of the Building during the progress of the Work, and shall place all materials and rubbish in barrels or bags before removing the same from the Apartment. All such barrels and bags and all rubbish, rubble, discarded equipment, empty packing cartons and other materials shall be removed from the Apartment and taken out of the Building at Unit owner's expense. Unit owner recognizes that only the service elevator may be used for such removal and only at such times as the superintendent of the Building may direct. Unit owner shall not permit any dumpster or garbage container to be left overnight in front of the Building and shall not permit any dumpster or garbage container to be left for more than five (5) consecutive days at the side of the Building. Notwithstanding the foregoing, the placement of any dumpsters shall comply with all governmental regulations, including without limitation, obtaining any necessary permits.

- h. **Lead-Based Paint.** The Federal Task Force on Lead-Based Paint Hazard Reduction has recommended and Local Law 38 of 1999 of the City of New York requires in all buildings erected prior to January 1, 1960 certain maintenance practices, including (i) limiting access to the work area to only workers, (ii) isolating the work area with polyethylene plastic or equivalent, (iii) protecting the workers, (iv) protecting the Unit owner's belongings by covering or removing them from the work area, (v) wetting the painted surfaces before disturbing the paint and (vi) wetting the debris before sweeping. The Task Force has indicated that certain removal practices are unsafe, including (i) open flame burning, (ii) power sanding or sandblasting (unless a special vacuum attachment is used to contain dust), and (iii) dry scraping more than a de minimis surface area (de minimis means an area of less than one square foot per room). The Unit owner shall cause the Unit owner's contractors and/or workers to perform the Work consistently with the recommendations of the Task Force and shall upon completion of the Work perform specialized cleaning of the work area using methods designed to safely remove dust and debris which may contain lead. No more than sixty (60) days prior to beginning renovation activities in the Apartment, the Unit owner shall cause its contractor to provide to the Unit owner and any other occupant of the Apartment with the Environmental Protection Agency (the "**EPA**") pamphlet entitled, Protecting Your Family from Lead in the Home, (the "**Pamphlet**"), and the Unit owner shall furnish the Contractor with a written acknowledgement of receipt. The Unit owner hereby acknowledges that the Condominium has no liability or obligation in connection with this notification requirement of the EPA.

- i. **Installations by Unit owner.** Unit owner agrees that any air conditioning units, terrace plantings and/or structures, wherever located in the Building, may be removed by the Condominium for the purpose of repairs, upkeep or maintenance of the Building, at the sole expense of the Unit owner.
12. **Unit owner to Comply with Laws, etc.** The Unit owner shall not do or permit any act or thing to be done contrary to law, or which will invalidate or be in conflict with any provision of any liability, casualty or other insurance policies carried by Unit owner or for Unit owner's benefit. The Unit owner shall comply with all federal, state and local laws, rules and regulations pertaining to the Work, including any such laws, rules and regulations pertaining to lead-based paint, asbestos and other hazardous material.
13. **Maintenance and Repair of the Work.** Notwithstanding anything to the contrary contained in the by-laws, the Unit owner shall be responsible for the maintenance, repair and replacement of the Work and any portions of the Apartment affected by the Work, and for all costs incurred by the Condominium or the Unit owner in connection therewith. Furthermore, the Unit owner releases the Condominium, the Managing Agent, the Condominium's agents, members of the Board of Managers, and employees from any liability for damage to the Work or any portion of the Apartment affected by the Work however arising.
14. **Unit owner's Security Deposit; Additional Common Charges Under By-laws.** As security for the faithful performance and observance by Unit owner of the terms and conditions of this Agreement, the Unit owner has deposited the sum indicated in Section 4(a) with the Condominium. The Unit owner agrees that the Condominium may use, apply or retain the whole or any part of the security so deposited and the interest earned thereon, if any, to the extent required for the payment of any sums due to the Condominium under this Agreement. If the deposit is diminished by one-half of the original amount, the Unit owner shall replenish it to the full amount within (3) days after written demand. The Unit owner's failure to so replenish the security deposit shall be a material breach of this Agreement and shall entitle the Condominium to stop the Work, and/or exercise any remedies it has hereunder. If the Unit owner shall comply with all of the terms and conditions of this Agreement, the security deposit and interest or remaining balance thereof, if any, shall be returned to the Unit owner after completion of the Work. The Condominium's release of the security deposit shall not constitute acceptance of the Work by the Condominium or a waiver of any of the Condominium's rights under this Agreement. Any sums due to the Condominium under this Agreement and not recovered by application of the security deposit shall be chargeable as additional common charges under the by-laws.
15. **Assumption by Purchaser.** The Unit owner (a) shall advise the person or persons to whom it transfers the Apartment ("**Purchaser**") of the Work undertaken by the Unit owner pursuant to this Agreement; (b) shall provide copies of the Plans and this Agreement to the Purchaser; and (c) shall cause the Purchaser to execute and deliver to the Condominium an agreement substantially in the form of Exhibit B hereto pursuant to which the Purchaser shall assume all of the obligations of Unit owner under this Agreement, including the obligation under this Section 14 with respect to any transfer of the Apartment by the Purchaser.

The Unit owner hereby waives any claim against the Condominium on account of (a) the Condominium advising a potential Purchaser of the provisions of this Agreement, including this Section 14, and/or (b) refusing to consent to or register the transfer of the Apartment to

such potential Purchaser unless and until such potential Purchaser shall execute and deliver to the Condominium an agreement in the form of Exhibit B hereto.

16. **Miscellaneous.** This Agreement and the by-laws represent the only agreements between the Condominium and the Unit owner relative to the subject matter hereto. This Agreement may not be changed orally. This Agreement shall be binding on legal representatives, successors and authorized assigns. Captions are for the purposes of convenience of reference only and are not to be considered in interpreting this Agreement. THE CONDOMINIUM AND UNIT OWNER WAIVE TRIAL BY JURY IN ANY ACTION OR PROCEEDING UNDER THIS AGREEMENT.

17. **Unit owner's Breach and Condominium's Remedies.** Any breach by the Unit owner of any of the provisions of this Agreement shall constitute a breach of the Agreement and shall entitle the Condominium to exercise all of the rights and remedies available at law or in equity. In addition, the Condominium shall also have the right (a) to suspend the Work and prevent workers from entering the Apartment for any purpose other than to remove their tools, and/or (b) to revoke its consent to the Work, and/or (c) to exercise any of the rights and remedies provided for herein. The remedies provided for herein and in the by-laws shall not be exclusive and the Condominium shall also be entitled to exercise any of the remedies provided by applicable law.

IN WITNESS WHEREOF, Unit owner and the Condominium have executed this Agreement.

150 East 56th Street Condominium

By: _____
President

Unit owner

Unit owner

Exhibit A

Each of Unit owner's contractors shall provide insurance of the types and in not less than the limits set forth below with a company or companies satisfactory to the Condominium, licensed to do business in the State of New York, and all such policies shall name the Condominium, the Condominium's officers, directors and unit owners, the Condominium's Designated Architect/Engineer and the Managing Agent as additional named insureds. No diminution of limits of insurance will be permitted.

(i) **WORKER'S COMPENSATION** as required by law together with Employer's Liability Insurance and Disability Benefits Insurance as required by the State of New York.

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

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

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

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

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

(iv) **UMBRELLA LIABILITY, BODILY INJURY, PERSONAL INJURY AND PROPERTY DAMAGE** If umbrellas are written in more than one company any layers above the first one shall follow the form of the primary umbrella.

\$3,000,000 COMBINED*
(combined single limit)

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

Prior to the commencement of any work hereunder, detailed certificates of insurance shall be furnished to the Condominium showing that such insurance is in full force and the premiums due thereunder have been paid. Such certificates shall provide that the said insurance may not be canceled, terminated or modified without ten (10) days written advance notice thereof to the Condominium. The Contractor shall promptly furnish the Condominium with copies of any endorsements subsequently issued amending insurance coverage or limits.

In the event of the failure of the Contractor to furnish and maintain such insurance, the Condominium shall have the right, at its option, at any time:

- (a) to revoke permission to perform the work and to deny entry into the Building of all workers, except that if such workers are escorted by a member of the Building's staff, they shall be permitted to remove their tools and supplies, or
- (b) to take out and maintain the said insurance for and in the name of the Condominium, the Contractor or the Unit owner and, in such a case, the Unit owner agrees to pay the cost thereof and to furnish all information and consents necessary to permit the Condominium to take out and maintain such insurance for and in the name of the Condominium, the Contractor or the Unit owner.

Compliance with the foregoing requirements to carry insurance and furnish certificates shall not relieve the Unit owner from liability assumed under any provisions of this Agreement.

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

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

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

CONTRACTORS INSURANCE REQUIREMENTS

Contractor and its subcontractors shall not commence work until it has obtained all insurance referred to herein and provided proof as set forth and has been approved by The 150 East 56th Street Condominium, hereinafter referred to as "Owner").

Contractor and its subcontractors shall secure, pay for and maintain the following insurance policies in full force and effect during the term of the agreement:

- (1) Property Insurance upon all tools, material and equipment (owned, borrowed or leased by the contractor or their employees) to the full replacement value thereof during the full term of this contract. This insurance shall insure against damage or loss caused by fire and all other perils covered by a standard "All Risk" insurance policy. Contractors agree to waive their right of subrogation against Owner. The Property policy shall allow for a Waiver of Subrogation in favor of Owner. Failure of the contractor to secure and maintain adequate coverage shall not obligate the Owner or its agents or employees for any losses.
- (2) Workers Compensation affording coverage under the Workers Compensation laws of the State of New York and Employers Liability coverage subject to a limit of no less than \$1,000,000 each employee, \$1,000,000 each accident, and \$1,000,000 policy limit.
- (3) Commercial General Liability Insurance with limits of \$1,000,000 per occurrence Bodily Injury and Property Damage Combined, \$1,000,000 per occurrence Personal & Advertising Injury, \$1,000,000 aggregate Products and Completed Operations Liability and \$2,000,000 General (per project) Aggregate. The policy shall be written on an occurrence basis with no deductible.

The policy shall not contain exclusions relating to:

- (a) contractual liability
- (b) independent contractors
- (c) gravity related injuries
- (d) injuries sustained by employee of an insured or an insured rather than "the insured"

Policy shall be endorsed to The 150 East 56th Street Condominium, The Lovett Company, LLC, and _____ (unit owner) as "additional insured." Definition of Additional Insured shall include all Officers, Directors and Employees of the named entity. Further, coverage for the "additional insured" shall apply on a primary basis irrespective of any other insurance, whether collectible or not.

- (4) Automobile; Liability Insurance for Bodily Injury and Property Damage in the amount of \$1,000,000 combined and covering all owned, non-owned and hired vehicles.
- (5) Umbrella Liability Insurance for the total limit purchased by Contractor but, not less than a \$1,000,000 limit providing excess coverage over all limits and coverages noted in paragraph 2, 3, and 4 above. This policy shall be written on an "occurrence" basis.

All policies noted in above shall be written with insurance companies licensed to do business in the State of New York and rated no lower than A-8 in the most current edition of A.M. Best's Property-Casualty Key Rating Guide.

**CONTRACTORS INSURANCE
REQUIREMENTS**

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(6) EVIDENCE (NOTICES) OF COMPLIANCE

All policies shall be endorsed to provide that in the event of cancellation, non-renewal or material modification, Owner shall receive thirty (30) days written notice thereof.

Contractor shall furnish Owner with Certificates of Insurance no later than (5) days prior to commencement of work and upon Owners request, complete copies of all policies including all endorsements attached thereto evidencing compliance with all insurance provisions noted above.

All Certificates or policy termination notices should be delivered to:

The Lovett Company, LLC
1270 Broadway, Suite 408
New York, NY 10001
Fax # 212-736-3444

FAIURE TO COMPLY WITH ANY OF THE REQUIREMENTS NOTED ABOVE WILL RESULT IN A BREACH OF THIS CONTRACT BY THE CONTRACTOR.

(7) INDEMNIFICATION/HOLD HARMLESS

The contractor shall, to the fullest extent permitted by law and at its own cost and expense, defend, indemnify and hold Owner, its partners, directors, officers, employees, servants, representatives and agents harmless from and against any and all claims, loss, (including attorneys' fees, witnesses' fees and all court costs), damages, expense and liability (including statutory liability), resulting from injury and/or death of any person or damage to or loss of any property arising out of any negligent or wrongful act, error or omission or breach of contract, in connection with the operations of the contractor or its subcontractors. The foregoing indemnity shall include injury or death of any employee of the contractor or subcontractor and shall not be limited in any way by an amount or type of damages, compensation or benefits payable under any applicable Workers Compensation, Disability Benefits or other similar employee benefits acts. The contractor agrees to waive its right of subrogation against the owner, its partners, directors, officers, employees, servants, representatives and agents applicable to any claims brought by the contractor's employees.

Agreed to:

Signature

Contractor Name

Date

EXHIBIT B

PURCHASER'S ASSUMPTION OF ALTERATION AGREEMENT

WHEREAS, simultaneously with its execution and delivery of this Assumption of Alteration Agreement, the undersigned is becoming the owner of the apartment in _____ (the "**Condominium**") and the deed appurtenant thereto that relates to Apartment _____ (the "**Apartment**"); and

WHEREAS, a prior owner of the deed (the "**Unit Owner**") and the Condominium entered into an Alteration Agreement dated _____ (the "**Alteration Agreement**"), a copy of which is attached hereto.

WHEREAS, the Alteration Agreement (1) provides that any person acquiring a percentage of common interest shall assume the obligations of the Unit Owner under the Alteration Agreement and (2) authorizes the Condominium not to consent to or to register the transfer of such deed to the Apartment to any person unless and until such person assumes the obligations of the Unit Owner under the Alteration Agreement.

NOW THEREFORE, in order to induce the Condominium to consent to, and register on the records of the Condominium, the transfer of the deed to the Apartment to the undersigned, the undersigned hereby ASSUMES AND AGREES TO PERFORM AND OBSERVE all the terms, covenants and conditions of the Alteration Agreement to be performed or observed by the Unit Owner thereunder (including the provisions of Paragraph 15 thereof pertaining to future transfers).

Henceforth, the term "Unit Owner" as used in the Alteration Agreement shall mean the undersigned with the same force and effect as though the undersigned had been the original Unit Owner thereunder. Any breach of this Assumption of the Alteration Agreement or of the Alteration Agreement shall constitute a breach of the deed appurtenant to the Apartment. This Assumption of Alteration Agreement shall be binding on, and enforceable against, the undersigned and the undersigned's estate, heirs, executors, administrators, personal representatives, successors and assigns.

_____, New York _____

Date: _____

State of New York }
 }
County of } ss

On this _____ day of _____, 20____, before me personally came _____, to me known and known to me to be the individual described in and who executed the foregoing instrument, and duly acknowledged to me that she/he executed the same.

Notary Public

To be executed by a purchaser where the apartment being acquired is the subject of an Alteration Agreement in the managing agent's files

ADDENDUM

**150 EAST 56TH STREET CONDOMINIUM
ALTERATION APPLICATION**

Please be advised that should you replace the kitchen sink, bathroom sink, toilet or bathtub at any time, you will be required to replace and/or install shut-off valves inside your unit as a requirement of the Alteration Policy. Please acknowledge below that you will abide by the rules in connection with the installation/replacement of your shut-off valves.

As indicated herein, I (we) understand that I (we) will be responsible to install/replace the shut-off valves in my (our) unit when and if I (we) replace any of the fixtures listed above.

By: _____
Unit(s) Owner Signature(s)

By: _____
Unit(s) Owner Signature(s)

Dated: _____

PLEASE ALSO NOTE: Effective April 22, 2010, a new EPA rule regarding lead-based paint renovation, repair and painting went into effect. All contractors or their company must be certified to deal with these issues and the Federal EPA lead dust laws, and will be required to show proof of certification. All contractors, electricians, plumbers, painters, etc. who are unable to provide a copy of their certification will be prohibited from performing any work which requires this until such time when proof has been satisfactorily provided.