

**ALTERATION AGREEMENT FOR A
COOPERATIVE APARTMENT IN THE BAKERY, INC.**

This Agreement, made as of this _____ day of _____, 20____ between The Bakery Inc. (the “**Corporation**”) with an address c/o Atlas NYC Property Management, P.O. Box 150366, Brooklyn, NY 11215 (Managing Agent), and _____ (the “**Shareholder**”) having a mailing address of _____.

WITNESSETH:

WHEREAS, the Shareholder desires to install equipment and/or make alterations in apartment _____ (the “**Apartment**”) at 521 West 47th Street New York, New York 10036 (the “**Building**”);

WHEREAS, the proprietary lease (the “**Lease**”) between the Shareholder and the Corporation provides in substance that no equipment shall be installed, and no alterations shall be made in the Apartment without the consent of the Corporation; and

WHEREAS, the Shareholder desires to obtain such consent;

NOW, THEREFORE, to induce the Corporation to give its consent to the “**Work**” (defined below) and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the parties agree as follows:

1. **Shareholder’s Submissions.** Together with this Agreement, Shareholder is delivering to the Corporation:
 - a. 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 Corporation, 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. A detailed list of all such plans, drawings and specifications are annexed hereto as Exhibit “A.”
 - b. **Security Deposit:** a check in the sum of \$1,500.00 or 2.5% of the renovation costs, whichever is higher¹ payable to The Bakery, Inc. for the refundable security deposit required to be posted by the Shareholder as provided for in Paragraph 14 of this Agreement (the “**Security Deposit**”);
 - c. **Application Fee:** a check in the sum of \$500.00 payable to Atlas NYC Property Management, the managing agent for the Building (the “**Managing Agent**”), as a processing fee in connection with this Agreement; and
 - d. **Alteration Fee:** a check in the sum of \$500 or 1% of the renovation costs, whichever is greater payable to The Bakery, Inc. The fee is non-refundable.
 - e. **Rubbish-handling fee:** a check in the sum of \$500 payable to The Bakery, Inc. The fee is non-refundable.
2. **Review of Plans, Drawings and Specifications.** The plans, drawings and specifications of the alterations submitted by the Shareholder shall be subject to review by the Corporation and approval of the Corporation’s architect and/or engineer (the “**Corporation’s Designated Engineer**”), and the Shareholder shall make such changes in and to such plans, drawings and specifications as the Corporation or the Corporation’s Designated 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 showing the Work (defined below) as approved in writing the Corporation’s Designated Engineer and

¹ Under House Rule 4(b)(vi) (Effective November 1, 2021), the Board of Directors of the Corporation may require a higher Security Deposit, in its discretion, after reviewing the Alteration Application submitted by the Shareholder.

consented to by the Corporation, and any subsequent amendments or changes to the plans, drawings and specifications originally submitted that have been approved in writing by the Corporation's Designated Engineer and consented to by the Corporation. The term "**Work**" shall refer to all physical changes and alterations in or about the Apartment, and the equipment to be installed therein, called for by the Plans. After approval by the Corporation's Designated Engineer and consent by the Corporation of the Plans, the Work shall not be modified without the written approval of the Corporation's Designated Engineer and written consent of the Corporation.

Notwithstanding any approval of the Plans by the Corporation's Designated Engineer or any consent by the Corporation, the Shareholder 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. Any such approval or consent shall not constitute an assumption by the Corporation, its Board or the Corporation's Designated Engineer of any responsibility or liability for the Work or the Plans, nor an approval, acknowledgment or admission of the accuracy, suitability or soundness of such Plans, or their conformity with applicable laws, as well as codes, regulations, rules and requirements of any governmental authority having jurisdiction thereof (all of the foregoing are referred to herein as "legal requirements").

The Corporation's execution of this Agreement does not constitute consent to the proposed plans, and the Corporation retains all of its rights under the Lease to withhold consent. Only written approval of the Plans as provided for above shall constitute the Corporation's consent, and any such consent shall be subject to the terms of this Agreement, and any rules established by the Corporation for such Work.

3. **Pre-Conditions to Commencement of Work by Shareholder.** The Shareholder shall not commence the Work unless and until all of the following have occurred:
 - a. The Corporation's Designated Engineer has approved in writing the Plans submitted by the Shareholder, the Corporation has consented in writing to such Plans, and the Shareholder shall have received a copy of such approval and consent. The Corporation's consent shall be in writing and in the form annexed hereto as Exhibit "B" (the "**Consent Letter**").
 - b. The Shareholder has submitted to the Corporation: (i) a list of all contractors, subcontractors and suppliers who will perform or provide materials for the Work, and (ii) complete executed copies of all agreements entered into with such contractors, subcontractors and suppliers pertaining to the Work (the "**Contractor's Agreement**"). Each Contractor's Agreement shall include a provision pursuant to which the contractor or subcontractor (as applicable) agrees to defend (with attorneys chosen by the indemnifying party and "reasonably acceptable" to the Corporation), indemnify and hold harmless the "Indemnified Persons" from and against any and all "Claims, Liabilities and Expenses" for personal injury or property damage arising out of, or in connection with the performance of the Work to the extent undertaken by such contractor or subcontractor (all quoted terms are defined below).
 - c. The Shareholder has submitted to the Corporation a signed **Contractors/ Subcontractors/Service Providers Agreement** in the form attached hereto as Exhibit "F".
 - d. The Shareholder has made all required filings with, and received all required permits, approvals, licenses and consents for the Work from, all governmental authorities having jurisdiction over the Work, including (but not limited to), if and to the extent applicable, the New York City Buildings Department, the New York City Fire Department and the Landmarks Preservation Commission, and the Shareholder shall have furnished copies of all such filings, permits, approvals, licenses and consents to the Corporation. The determination of the Corporation's Designated Engineer as to the need for any such filings, permits, approvals, licenses or consents shall be conclusive. The Shareholder shall be solely responsible for the content of, and any obligations or liabilities arising from, any and all such filings, permits, approvals, licenses and consents.
 - e. The Shareholder shall deliver to the Corporation a copy of Shareholder's insurance policies as required hereunder or, at the Corporation's option, a certificate evidencing such insurance; and the Shareholder shall deliver or shall cause each of Shareholder's

contractors and subcontractors to deliver to the Corporation the insurance policies for Contractor Required Insurance or, at the Corporation's option, certificates thereof.

- f. The Shareholder shall provide a list of the power tools expected to be used in the plans and specifications for the work. The Corporation reserves the right to prohibit or to limit the use of certain tools to certain hours so as to minimize disruption to other residents of the building.

The term "**Claims, Liabilities and Expenses**" means all claims, suits, actions, proceedings, disputes, controversies or litigation (collectively, "**Litigation**") brought before any court or governmental authority having jurisdiction, or any arbitration or mediation association or alternative dispute resolution body; all liabilities, judgments, awards, losses, damages, penalties, fines, costs and expenses (including, without limitation, reasonable legal fees and disbursements, court costs and associated Litigation expenses) in connection with, or resulting from, such Litigation; any other loss, cost, expense, fine, penalties, fees, etc., which may be incurred by or charged to the Corporation arising out of, or in connection with the Work and any act or omission of Shareholder, or any contractor or subcontractor or agent or Shareholder; together with the per diem interest thereon at the rate equal to the lower of twelve percent (12%) a year or the maximum legal rate, computed from the date each item of cost or expense is paid or incurred to the date reimbursement thereof is received.

The term "**Indemnified Persons**" means the Corporation, the Corporation's officers, directors and shareholders, the Corporation's Designated Engineer, the Managing Agent and the occupants of the Building.

The term "**reasonably acceptable**" or words of similar import means the acceptance of the attorneys, insurer or other matter or item at issue shall not be unreasonably withheld, denied, delayed or conditioned.

4. **Shareholder to Give Notice Prior to Commencement of Work.** Prior to commencing the Work, the Shareholder shall give at least five (5) days' prior written notice to the Corporation's Designated 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. In addition, The Shareholder shall also give at least five (5) days' prior written notice to the neighbors above, below and on either side of the Apartment by written note, informing them of the nature and duration of the Work. This notice must also notify all such neighbors that the Shareholder will indemnify them for all damage sustained to their apartments as a result of the Work, so long as the neighbor consents to a pre-Work inspection of their Apartment to document the condition.

5. **Insurance Requirements.**

- a. The Shareholder shall maintain during the period that the Work is being undertaken (and during any warranty period given to the Shareholder by the contractor or subcontractor) general liability insurance of not less than \$1,000,000.00, which insurance may be a part of a homeowner's insurance policy and/or a personal liability umbrella. Each of the Shareholder's contractors and subcontractors shall maintain throughout the duration of its portion of the Work (and any warranty period given to the Shareholder by the contractor or the subcontractor) the insurance policies described on Exhibit "C" attached hereto ("**Contractor Required Insurance**").
- b. Both the Shareholder's and the Contractor Required Insurance policies (i) shall name the Shareholder and the Indemnified Persons as insured parties, (ii) shall be issued by companies licensed to do business and admitted in the State of New York, and reasonably acceptable to the Corporation and (iii) shall provide that they may not be cancelled or terminated without at least ten (10) days' prior written notice to the Corporation. Each insurance policy or certificate of insurance rejected by the Corporation shall be corrected as necessary and shall be resubmitted until approved. Failure to reject a certificate or a policy shall not relieve the Contractor or the Shareholder of the obligation to provide insurance in accordance with this Agreement. Such insurance shall apply as primary and non-contributing insurance before any other insurance or self-insurance, including any deductible maintained by the Indemnified Persons.

6. **Performance of the Work.**

- a. **In General.** The Shareholder shall cause the Work to be performed strictly in accordance with the Plans and shall not perform any work not called for by the Plans. In performing the Work, the Shareholder shall comply with (i) all applicable laws and legal requirements, (ii) the requirements of all insurance policies covering the Work, the Apartment or the Building, (iii) this Agreement, (iv) the Lease, (v) the House Rules, (vi) the requirements of the Corporation which may be promulgated and revised from time to time (the “**Work Rules**”), and (vii) any directions given by the Managing Agent, the Corporation’s Designated Engineer or the superintendent of the Building. A copy of the Work Rules is annexed hereto as Exhibit “D.”
- b. **Work Hours and Noise.** The Work shall be undertaken diligently and in a manner so as not to disturb other occupants of the Building. The Work shall be performed only on Mondays through Fridays (excluding holidays) between the hours of 8:00 a.m. and 6:00 p.m.; provided however, that any noisy Work which may disturb other occupants shall not be performed before 9:00 a.m. The Work shall not be performed on weekends or holidays. The Corporation shall be the sole arbiter should there be any doubt as to noise levels which may be disturbing. The use of jackhammers or other pneumatic devices may not be used without the specific written permission of the Corporation, which may be withheld or, if given, may limit the use thereof or set other conditions.

All work that requires a temporary shutdown, that being a shutdown of the water, heating, gas or electrical system affecting the common element areas in the Building must be scheduled with the Managing Agent following approval by the Corporation or Managing Agent. At least 48 hours advance notice is required for any shutdown. Shutdowns may not exceed five (5) hours in duration. No work that requires shutdown of the heating or cooling system will be permitted during the heating or cooling season, as applicable. Any shutdown exceeding the five (5) hour time limit may result in the consent for the Work being revoked or suspended. Any shutdown required for longer than five (5) hours shall be permitted solely at the Corporation’s absolute discretion, which permission may be withheld for any reason or no reason.

The Work shall be discontinued immediately should the Corporation deem that the Work is creating a disturbance to other occupants of the building or causing any interruption of the normal operation of the Corporation. At the request of the Board of Managers, the Shareholder will notify the Corporation’s Superintendent and managing Agent in advance of the date and time of any anticipated noisy work to allow the Superintendent or Managing Agent to alert the neighboring residents.

- c. **Labor Harmony.** The Shareholder shall cause its contractors and subcontractors to undertake the Work, and employ only such laborers, as shall not in any manner interfere or conflict with, or cause any labor disturbances or stoppages with, any of the unions whose members are either employees of the Corporation or employees of any contractor or other third party servicing the Building.
- d. **Required Completion Date.** The Shareholder shall cause the Work (other than decorative work such as painting, wallpapering and carpeting) to be completed as expeditiously as possible, but in no event after the date set forth in the Consent Letter (the “**Required Completion Date**”). The Corporation expresses no opinion regarding the feasibility of completion of the Work within that time period. If the Work (other than decorative work as aforesaid) shall not be completed on or before the Required Completion Date, the Shareholder shall be entitled to not more than 30 additional, consecutive days (excluding weekends and holidays) to complete the Work (the “**Extension Period**”) provided that and conditioned upon the payment by Shareholder to the Corporation, at least five (5) days before the Required Completion Date, the sum of \$200.00 per day (excluding weekends and holidays) as consideration for each additional working day in the Extension Period. The Shareholder acknowledges that this payment is made in consideration for the Corporation’s amending its initial consent to the Work; it being agreed by the parties that the initial consent, is granted pursuant to the Lease and reliance upon the Work being completed by the

Required Completion Date, and that such timely completion was a material inducement to the Corporation's consent to the proposed Work. These amounts are also acknowledged and agreed to be liquidated damages, and not a penalty, to compensate the Corporation and the Shareholders for the costs and inconvenience of the continuation of the Work, it being understood that the damages caused by continuation of the Work beyond the Completion Date would be difficult to determine, and the foregoing liquidated damages constitutes fair and reasonable damages. After the Extension Period, there will be no further extensions, unless otherwise agreed to in writing by the Corporation. The determination of whether the Work is completed shall be made by the Corporation in its sole judgment, and the Corporation's determination shall be conclusive.

- e. **Evidence of Completion.** Upon completion of the Work, the Shareholder shall obtain and deliver to the Corporation (i) a certificate from the architect or engineer who prepared the Plans (or a successor) certifying that the Work has been completed in accordance with all applicable laws, codes, legal requirements and the Plans, (ii) all required final governmental signoffs and approvals, including if the Corporation shall require, an amended certificate of occupancy and a certificate from the Board of Fire Underwriters, and (iii) "as built" drawings certified to by the architect or engineer who prepared the Plans originally submitted (or a successor). Such "as built" drawings will include any modifications, revisions or amendments to the original Plans submitted. The determination of the Corporation as to the need for an amended certificate of occupancy shall be conclusive.
 - f. **Consents.** Whenever consents are required or may be given by the Corporation under this Agreement, such consents must be in writing, and the granting or denying of such consents may be in the sole judgment of the Corporation. Notwithstanding anything to the contrary contained herein, all consents of the Corporation may be signed by either an officer of the Corporation, or by a duly authorized employee of the Managing Agent. No consents may be given by the superintendent or any other employee of the Corporation. "Consent" as used in this paragraph shall include any consents or approvals that in any way, or in any manner, amend the Plans or amend the provisions of this Agreement or the Lease.
7. **Inspection and Correction of the Work.** The Corporation shall have the right from time to time, and as often as it deems necessary, to inspect or observe the Work, and for this purpose the Shareholder shall provide access to the Apartment to Corporation's Designated Engineer, the Managing Agent, the superintendent of the Building, or any other person the Corporation may authorize. Such inspections may be made without notice to the Shareholder at any time when Shareholder, his/her representative, a permitted occupant, or workers are present in the apartment. The Shareholder shall promptly make all corrections required by the Corporation in order to conform to the Plans and the other requirements of this Agreement. If the Corporation so requires, such corrections shall include the removal and replacement of non-conforming work. The Corporation's failure to inspect shall not be considered a waiver of the Shareholder's obligation to comply with this Agreement.
8. **Damage or Adverse Effect Caused by the Work.** The Shareholder shall be responsible for any damage to, or any other adverse effect upon, the Apartment, the personal property and improvements in other apartments in the Building, and 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 occurs or becomes apparent. If any such damage or adverse effect shall occur or arise, the Corporation may (a) require the Shareholder, at Shareholder's 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 Shareholder's expense.

Without limiting the generality of the foregoing, the Shareholder specifically acknowledges the obligations under this Paragraph 8 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 Shareholder of any damage which, in the Managing Agent's opinion, was caused by the Work, the Shareholder shall promptly submit a claim to the Shareholder's insurance carrier and

to Shareholder's contractor for submission to its insurance carrier, and the Shareholder agrees to use all reasonable efforts, and to cause the contractor(s) 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 subparagraph shall not limit the Shareholder's liability under this Paragraph 8.

9. **Indemnification by Shareholder.** The Shareholder shall defend (with attorneys chosen by the Shareholder and reasonably acceptable to the Corporation), indemnify and hold harmless the Indemnified Persons from and against all Claims, Liabilities and Expenses arising out of or related to the Work or any act or omission of the Shareholder or any of its contractors, subcontractors, architects, engineers or consultants, except as limited herein. This agreement to indemnify specifically contemplates full and complete indemnity in the event liability is imposed against any one or more of the Indemnified Persons without any negligence on their part and based solely by reason of statute, operation of law or otherwise. In the event an Indemnified Person(s) is held to be liable in part, indemnification shall be limited to any liability imposed over and above that percentage of liability attributable to such Indemnified Person(s). Nothing in this paragraph, nor in this Agreement, shall exempt the Corporation from liability it may otherwise have for damages for injuries to person or property caused by or resulting from the negligence of the Corporation, its agents, servants or employees.

10. **Shareholder to Bear All Costs Associated with Work.** The Shareholder shall be responsible for all costs incurred by the Shareholder or the Corporation in connection with the Work, the Plans, or this Agreement, including the fees, charges, and disbursements of any attorney, architect, engineer or consultant retained by the Corporation in connection with the Work, the Plans or this Agreement. Without limiting the generality of the foregoing, the Shareholder specifically agrees to reimburse the Corporation (or pay as directed by the Corporation) within three (3) business days after a reasonably detailed demand is made (accompanied by copies of supporting bills), for all fees, disbursements and charges of the Corporation's Designated Engineer for the review of the plans, drawings and specifications submitted by the Shareholder (and any revisions thereto), for inspection of the Work or otherwise related to the Work or this Agreement. Shareholder acknowledges his/her liability under this Paragraph is not limited to the amount tendered with this Agreement.

11. **Designation of Architect/Engineer.** The Shareholder acknowledges that the Corporation may designate an architect and/or engineer, who shall, at the Shareholder's expense, based upon the architect's and/or engineer's hourly rate, (a) review plans and specifications for the alterations in regard to how the intended work may affect the common elements of the Building and the use, security, safety, enjoyment by other Shareholders of the Corporation, and (b) from time to time observe the Work to insure that all work conforms to plans and specifications previously approved and is otherwise in conformity with the requirements of this Agreement, and that no conditions have been created by the Work which create a hazard or environment which is harmful to the health or safety of individuals working or residing in the building or to the structural integrity of the Building or the systems therein or is in violation of laws, orders or regulations of any governmental agency having jurisdiction. The Shareholder agrees to provide access to such architect and/or engineer or any successor thereto as well as to Corporation's Board of Managers, Managing Agent and their respective agents (including, without limitation, the Corporation's Superintendent) to observe the Work from time to time and undertake to make all corrections specified by the Corporation as a result of nonconformance with plans and specifications or as the result of a condition described in the preceding sentence. Such observation visits will be scheduled on the following occasions:
 - a. Prior to any demolition Work
 - b. Prior to inspections, testing or approvals as required by any public authority having jurisdiction over any portion of the Work
 - c. Prior to the enclosure or obstruction of any concealed or inaccessible portions of the Work
 - d. Prior to any other stage in the progress of the Work, which has been designated for observation by the Corporation's Architect and/or Engineer in its review of the Shareholder's plans and specifications.

- e. The Managing Agent, Superintendent or Corporation's Architect and/or Engineer shall make reasonable efforts to observe the Work within ten (10) working days after receiving a request for an observation visit. The Shareholder shall not proceed until Work has been observed and approved in writing by the Superintendent, Managing Agent or the Corporation's Architect and/or Engineer. If any portion of the Work should be covered contrary to the request of the Superintendent or Managing Agent or before the Superintendent or Managing Agent is notified and permitted to inspect, the Shareholder shall cause the enclosure to be uncovered at the Shareholder's sole cost and expense for observation by the Superintendent or Managing Agent and thereafter replaced at the Shareholder's sole cost and expense

12. **Additional Requirements.**

- a. **No Change in Building Heating or Air-Conditioning.** The Shareholder recognizes that 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 that the Shareholder may be installing will be permitted.
- b. **Prohibited Construction Methods.** The Shareholder shall not interfere with the Building's intercom, gas, electric, heating, air-conditioning or plumbing system or any other Building system or service. The Shareholder shall not penetrate any exterior wall of the Building.
- c. **Accessibility of Valves.** The Shareholder 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 Corporation may (i) require the Shareholder, at Shareholder's expense, promptly to remove such enclosure and/or (ii) remove such enclosure at the Shareholder's expense.

Any renovation which includes substantial work on the plumbing system must include the installation of a shut-off valve for the hot and cold-water supply lines coming into the Apartment. The Corporation shall determine whether the scope of the renovation warrants this installation. The determination of the Corporation as to the need for the installation of a shut-off valve shall be conclusive.

- d. **Use of Public and Common Areas During Work.** The Shareholder shall not allow the halls, sidewalks, courtyards and other public areas in or around the Building to be used for the storage of building materials or debris. The Shareholder 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.
- e. **Shareholder to Maintain Certain Safety Precautions.** Shareholder shall maintain functioning fire extinguishers and smoke alarms in the Apartment throughout the prosecution of the Work. Shareholder shall insure that the Work does not block access to any fire exits in the Building. Shareholder 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, or will live in the Apartment, Shareholder shall install window guards pursuant to Section 131.15 of the New York City Health Code.
- f. **Shareholder to Control Refuse, Dirt, Dust.** Shareholder 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 Shareholder's expense. Shareholder recognizes that only the service elevator may be used for such removal and only at such times as the superintendent of the Building may direct. Shareholder shall not permit any dumpster or garbage container to be left overnight in front of the Building and shall not permit any dumpster or garbage container

to be left for more than five (5) consecutive days at the 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. If the Corporation, in its sole discretion, believes that the dirt or dust is unreasonable, the Corporation shall have the right to temporarily suspend the Work until a solution acceptable to the Corporation is found.

- g. **Installations by Shareholder.** Shareholder agrees that any air-conditioning units, terrace plantings and/or other structures installed as part of the Plan, wherever located in the Building, may be removed by the Corporation (at the sole expense of Shareholder) for the purpose of repairs, upkeep or maintenance of the Building.
13. **Shareholder to Comply with Laws, etc.** The Shareholder shall not do or permit any act or thing to be done contrary to law or the legal requirements, or which will invalidate or conflict with any provision of any liability, casualty or other insurance policies carried by Shareholder or for Shareholder's benefit. The Shareholder shall comply with all federal, state and local laws, and all legal requirements pertaining to the Work, including any such laws, rules and regulations pertaining to lead-based paint, asbestos and other hazardous material.
14. **Maintenance and Repair of the Work.** Notwithstanding anything to the contrary contained in the Lease and notwithstanding the consent by the Corporation of the Plans or the Work, the Shareholder 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 Corporation or the Shareholder in connection therewith. In the event the Corporation must undertake any repairs in the Building (which are, pursuant to the Lease, the responsibility of the Corporation), any restoration of the Work after such repairs shall be the sole responsibility of the Shareholder, notwithstanding any provision of the Lease. Furthermore, the Shareholder releases the Corporation, the Managing Agent, the Corporation's agents and employees from any liability for damage to the Work or any portion of the Apartment affected by the Work however arising.
15. **Shareholder's Deposits; Additional Rent Under Lease.** As security for the faithful performance and observance by Shareholder of the terms and conditions of this Agreement, the Shareholder has deposited the sums indicated in Paragraphs 1(b) and 1 (d) with the Corporation. The Shareholder agrees that the Corporation may use, apply or retain the whole or any part of the Security Deposit and the interest earned thereon, if any, to the extent required for the payment of any sums due to the Corporation under this Agreement. If either the Security Deposit or the Review Deposit is diminished by one-half of the original amount, the Shareholder shall replenish it to the full amount within (3) days after written demand. The Shareholder's failure to so replenish such deposits shall be a material breach of this Agreement and shall entitle the Corporation to stop the Work, and/or exercise any remedies it has hereunder. If the Shareholder shall comply with all of the terms and conditions of this Agreement, the Security Deposit, the Review Deposit, and interest or remaining balance thereof, if any, shall be returned to the Shareholder after completion of the Work. The Corporation's release of either the Security Deposit or the Review Deposit shall not constitute acceptance of the Work by the Corporation or a waiver of any of the Corporation's rights under this Agreement. Any sums due to the Corporation under this Agreement and not recovered by application of either of the deposits shall be chargeable as additional rent under the Lease.
16. **Acceptance of Responsibility by Shareholder.** The Shareholder releases the Corporation, the Managing Agent, the Board of Managers, Corporation's agents and employees, individually and as agents for all Shareholders, from any liability for damage to the portions of the Building or the Apartment affected by the Work which may occur in the performance of Building maintenance repairs. The Shareholder accepts sole responsibility for the Work and all costs arising out of or related to the maintenance, repair, restoration or replacement of any portions of the Apartment or the Building hereafter affected by the Work, and Shareholder acknowledges and agrees that such responsibility shall pass to the Shareholder's successor-in-interest, notwithstanding any provision in the Lease to the otherwise. For example, if the Work consists of the replacement of common areas pipes and plumbing, the Shareholder, and his successors, as opposed to the Corporation, shall thereafter have the obligation to keep and maintain such replaced pipes and plumbing in working

order and free of leaks. Moreover, Shareholder shall be responsible for any damage to the Building, or other apartments in the Building, that are caused by the Work.

17. **Assumption by Purchaser.** Shareholder or Shareholder's successor-in-interest (i) shall advise each subsequent successor in interest of Shareholder's interest in the Apartment of the Work undertaken by the Shareholder and the successor in interest's obligations under this Agreement; (ii) shall provide copies of the Plans and this Agreement to the successor in interest; (iii) shall waive any claim or cause of action against the Corporation, the Board of Managers both as individuals and as agents for all Shareholders or the Managing Agent, for advising a potential Purchaser or other successor in interest of the obligations of the owner of the Apartment under this Agreement, (iv) have the Assumption of Alteration Agreement, in substantially the same form annexed as Exhibit E, executed by any successor-in-interest.

The Shareholder hereby waives any claim against the Corporation on account of (a) the Corporation advising a potential Purchaser of the provisions of this Agreement, including this Paragraph 15, 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 Corporation an agreement in the form of Exhibit "E" hereto.

18. **Liens.** In case a mechanic's lien against the Building shall be filed purporting to be for labor or materials furnished or delivered at the Building or Apartment to or for the Shareholder, the Corporation shall have the right to cause such lien to be discharged by payment, bonding or otherwise at any time. If in addition to its other rights and remedies hereunder, the Corporation causes such lien to be discharged by payment, bonding or otherwise, with or without investigation as to the validity thereof or of any offsets or defenses thereto, the Corporation shall have the right to collect, as additional rent, all amounts so paid and all costs and expenses paid or incurred in connection therewith (including reasonable attorney's fees and disbursements) together with interest thereon from the time or times of payment. Notwithstanding the foregoing, the Corporation reserves all rights and remedies available to it with respect to any mechanic's lien filed by Shareholder's contractor(s), subcontractor(s) and vendor(s) and the Corporation may, at Shareholder's cost and expense, contest or otherwise challenge any such mechanic's lien.

19. **Miscellaneous.**

- a. This Agreement and the Lease represent the only agreements between the Corporation and the Shareholder relative to the subject matter hereto. This Agreement may not be changed orally. No amendment, revocation, supplement or change to this Agreement, nor any revisions to the Plans, nor any consents or waivers, may be made by anyone (including, but not limited to, the Corporation's superintendent or other employees), other than by (i) an officer of the Corporation, and (ii) an authorized employee of the Managing Agent, and in either case, only in writing.
- b. This Agreement shall be binding on legal representatives, successors and authorized assigns.
- c. Captions are for the purposes of convenience of reference only and are not to be considered in interpreting this Agreement.
- d. The Corporation and Shareholder waive trial by jury in any action or proceeding under this Agreement.
- e. This Agreement shall be governed by, and interpreted and enforced in accordance with the laws of the State of New York, and the parties hereto agree that jurisdiction to any controversy shall be with the courts of New York and determined in the county in which the Building is located.
- f. Any word or term in this Agreement that is used in the singular shall include the plural and vice versa. Any word or term of any gender shall include any other gender.

- g. If the Corporation asserts any claim or institutes any action or proceeding under this Agreement to enforce the provision hereof or based on a default or violation thereof by the Shareholder, then the Shareholder shall be responsible for all reasonable legal fees and costs of the Corporation in connection with such claim or in connection with any such action or proceeding in which the Corporation is the prevailing party. All amounts due from the Shareholder hereunder shall constitute additional rent under the Lease.
 - h. Each notice, request, consent, election, demand or other communication (collectively, “notice”) to be given or made hereunder by either party hereto shall be in writing and delivered to the address first above written, and shall either be delivered by hand delivery or by a nationally recognized next day delivery service (e.g. FedEx). Such notice shall be deemed given on the next business day after such hand delivery or the notice is placed in the possession of the delivery service.
 - i. All attachments and exhibits hereto are incorporated herein and made a part hereof.
20. **Shareholder’s Breach and Corporation’s Remedies**. Any breach by the Shareholder of any of the provisions of this Agreement shall constitute a breach of the Lease and shall entitle the Corporation to exercise all of the rights and remedies therein provided. In addition, the Corporation 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 require that the Apartment be restored to its former condition prior to the commencement of the Work, and/or (d) to exercise any of the rights and remedies provided for herein. The remedies provided for herein and in the Lease shall not be exclusive and the Corporation shall also be entitled to exercise any of the remedies provided by applicable law.

IN WITNESS WHEREOF, Shareholder and the Corporation have executed this Agreement.

The Bakery Inc. Cooperative

By: _____
 President

 Shareholder

 Shareholder

EXHIBIT "A"

**DETAILED LIST OF
SHAREHOLDER'S PLANS SUBMITTED WITH THIS
ALTERATION AGREEMENT**

PLANS:

DRAWINGS:

SPECIFICATIONS:

EXHIBIT "B"

CONSENT AND NOTICE TO PROCEED

**THE BAKERY INC.
521 WEST 47TH STREET
NEW YORK, NY 10036**

Date:

Shareholder Name / Address:

Re: Alteration in Apt. ____ (the "Apartment")

Dear Shareholder:

We have reviewed the Alteration Agreement dated _____ submitted by you in connection with your proposed alterations of the Apartment. All capitalized words or phrases in this letter shall have the same meaning as defined in the Alteration Agreement.

The Corporation hereby consents to the proposed work referenced in the Alteration Agreement and specified in Exhibit "A" thereto. All of the plans submitted by you and approved by the Corporation's Designated Engineer, which sets forth the Work, shall be initialed by you, the Corporation's Designated Engineer, and an officer of the Corporation. This consent is not effective until such Plans are fully initialed and have been delivered to the Corporation or its Managing Agent. Further, this consent is subject to all of the terms, conditions and provisions contained in the Lease and the Alteration Agreement,

This consent is also conditioned upon your commencement of the Work no later than _____, 20____, and the completion of the no later than _____, 20____ (the "Required Completion Date"), TIME BEING OF THE ESSENCE. This deadline is material to our consent, and we have relied upon this representation by you in giving you this consent to proceed.

This consent is not a consent to any alterations other than those included in the Plans. Any deviation from the Plans, or additional alterations or work, must be consented to in writing by an officer of the Corporation or an authorized employee of the Managing Agent. Please note that neither the Superintendent nor any employee of the Corporation shall have the authority to give any consent or otherwise bind the Corporation.

Reminder: you must be in compliance with all pre-conditions set forth in Paragraphs 3 and 4 of the Alteration Agreement between us, including, but not limited to, the insurance requirements prior to the commencement of the Work.

Very truly yours,
THE BAKERY INC.

By: _____

_____, President

EXHIBIT "C"

INSURANCE

Each of Shareholder'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 Corporation, licensed to do business in the State of New York, and all such policies shall name the Corporation, the Corporation's officers, directors and shareholders, the Corporation's Designated 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, (c) Contingent Liability Coverage, (d) Contractual Liability Coverage, (e) a Blanket Contractors endorsement and (f) Unintentional Errors and Omissions clause. The policy shall also include coverage with respect to asbestos exposure if the Work involves any asbestos-containing material, and shall not include a sunset clause without the Corporation's consent.

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

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

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

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

(a) to revoke permission to perform the work and to deny entry into the Building of all workers, except that if such workers are escorted by a member of the Building's staff, they shall be permitted to remove their tools and supplies, or

(b) (b) to take out and maintain the said insurance for and in the name of the Corporation, the Contractor or the Shareholder and, in such a case, the Shareholder agrees to pay the cost thereof and to furnish all information and consents necessary to permit the Corporation to take out and maintain such insurance for and in the name of the Corporation, the Contractor or the Shareholder.

Compliance with the foregoing requirements to carry insurance and furnish certificates shall not relieve the Shareholder 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 "B" shall constitute a waiver of or limitation of any other rights or remedies the Corporation may have for consequential damages or otherwise.

EXHIBIT "D"

WORK RULES

Work Days: Monday through Friday except Holidays. (List of Holidays available in Management office)

Work hours: 8:00 a.m. to 6:00 p.m. – this means all workmen must be out of the Building by 6:00 p.m.

Apartment Access: The apartment door is to remain closed but unlocked anytime workers are present.

Safety Equipment: Functioning fire extinguishers and smoke alarms will be maintained in the Apartment during the work.

Personal Protective Equipment: All workmen, supervisors, and persons entering the Apartment shall wear Personal Protective Equipment adequate for the task they are performing while at the building. All Equipment and power tools must have all the proper guards and safety devices in proper working order.

Noise: Objectionable noise cannot be made before 9:00 a.m. Notify the Building Manager in writing 48 hours in advance of any anticipated noisy work to allow management to alert the neighboring residents.

Tools: The use of Jack Hammers and other tools generating excessive sound and/or vibrations are strictly prohibited. In addition, cutting, chopping or channeling of the floor or ceiling slab is strictly prohibited.

Stains, Finishes, Solvents: Only water-based stain, paints, solvents, and water-based products are permitted. Petroleum/oil-based products are strictly prohibited.

Common Hallways and Staircases: At no time are any materials, tools and/or equipment to be left in the common hallways or staircases. All items should be brought into the apartment as soon as they arrive at the floor. Any items found in the common hallways or staircases will be discarded.

Air Quality: All doors are to be shut, sealed and curtained during work. The use of a HEPA filtered negative air pressure machine(s) piped to the exterior via a window is required at all times that work is taking place in the apartment which creates dust.

Exhaust Fans and HVAC Ducts: All exhaust fans will be covered and remain covered at all times during the project. HVAC ventilation ducts (existing or new) shall be covered at all ends to prevent migration or collection of dust.

Common Element Protection: Corrugated paper is to be placed on walls and around corners in the common areas during demolition and delivery days. All vents and doors leading to the common areas must be sealed with thick plastic and tape. For the duration of the alteration a Tack Mat is required at every entrance or exit of the apartment as well as the service elevator landing. Additionally, the common area hallway must be protected with masonite or Ram Board properly taped down from the service landing to the apartment and/or the service landing to the residential entrance (See Building Manager for details). Plastic or preferably high-quality building paper must be placed under the Masonite.

Clean Up: A vacuum, solely for the cleaning of the common areas is to be on-site at all times. Throughout the day and especially at the end of the workday the common hallway, walls, doors, and service elevator landing must be cleaned. The clean-up must include dusting of walls, frames, doors, mirrors and light fixtures, etc. The service hallway will be swept and mopped, before 12:00 p.m. and again at the end of each workday and as otherwise necessary. Following the removal of Rubbish or the delivery of any materials, any areas in or around the building soiled in the course of such removal shall be thoroughly cleaned.

Damage: Contractor is expected to address any damage to the common elements throughout the construction immediately.

Deliveries: All deliveries must be scheduled with the Building Manager at least two (2) workdays in advance.

Rubbish Removal: All trash/rubbish removal must be scheduled with the Building Manager at least two (2) workdays in advance (no exceptions).

Shutdowns: All domestic, condensate water line, HVAC or electric shutdown requests must be made in writing two (2) working days in advance to the Building Manager (No Exceptions). Your request for a shutdown does not guarantee that it will be performed. Please wait to receive confirmation from the Building Manager.

Breach: Failure to abide with the above by any contractor, sub-contractors, delivery person or anyone involved in the project will result in suspension of your project.

EXHIBIT "E"

PURCHASER'S ASSUMPTION OF ALTERATION AGREEMENT²

WHEREAS, simultaneously with its execution and delivery of this Assumption of Alteration Agreement, the undersigned is becoming the owner of the shares (the "**Shares**") in the _____ (the "**Lessor Corporation**") and the proprietary lease appurtenant thereto that relates to Apartment ____ (the "**Apartment**") in the building known as _____ (the "**Lease**"); and

WHEREAS, a prior owner of the Shares and Lease (the "**Shareholder**") and the Lessor Corporation 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 Shares and a Lease shall assume the obligations of the Shareholder under the Alteration Agreement and (2) authorizes the Corporation not to consent to or to register the transfer of such Shares and Lease to the Apartment to any person unless and until such person assumes the obligations of the Shareholder under the Alteration Agreement.

NOW, THEREFORE, in order to induce the Corporation to consent to, and register on the records of the Corporation, the transfer of the Shares and Lease 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 Shareholder thereunder (including the provisions of Paragraph 15 thereof pertaining to future transfers).

Henceforth, the term "Shareholder" as used in the Alteration Agreement shall mean the undersigned with the same force and effect as though the undersigned had been the original Shareholder thereunder. Any breach of this Assumption of the Alteration Agreement or of the Alteration Agreement shall constitute a breach of the Lease 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, New York _____

Date: _____

State of New York }
 }
County of New York } 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.

² To be executed by a purchaser where the apartment being acquired is the subject of an Alteration Agreement in the managing agent's files.

EXHIBIT "F"

CONTRACTORS/SUBCONTRACTORS/SERVICE PROVIDERS AGREEMENT

This Contract, made as of this _____ day of _____, 20____ between The Bakery, Inc. (the "Corporation") with an address c/o Atlas NYC Property Management, P.O. Box 150366, Brooklyn, NY 11215 (Managing Agent), _____ (the "Shareholder") having a mailing address of _____, and _____ (the "Contractor") having an address of _____.

Waiver of Subrogation

Contractor waives all rights against the Corporation and the Managing Agent and their respective agents, shareholders, partners, members, subsidiaries, divisions, representatives, officers, directors and employees (and each of their heirs, successors and assigns) for recovery of damages as covered by Commercial General Liability, Commercial Umbrella Liability and Workers' Compensation and Employers Liability insurance.

Indemnity Agreement

To the fullest extent permitted by law, Contractor agrees to indemnify, defend and hold harmless the Corporation and the Managing Agent and their respective members, partners, shareholders, subsidiaries, affiliates, directors and officers, agents, employees, successors and assigns (collectively "Indemnitees") from any and all claims, suits, damages, liabilities, professional fees, including attorney's fees, costs, court costs, expenses and disbursements related to death, personal injuries or property damage (including loss of use thereof) arising out of or in connection with the performance of the work of the Contractor, its members agents', servants, subcontractors or employees, or the use by contractor, its agents, servants, subcontractors or employees of facilities owned by the Shareholder. This agreement to indemnify specifically contemplates full indemnity in the event of liability imposed against the Corporation and/or the Managing Agent without negligence and solely by reason of statute, operation of law or otherwise, and partial indemnity in the event of any actual negligence on the part of Corporation and/or the Managing Agent either causing or contributing to the underlying claim. In that event, indemnification will be limited to any liability imposed over and above that percentage attributable to actual fault, whether by statute, by operation of law or otherwise.

Insurance Requirements

Contractor shall obtain and maintain at all times during the term of this agreement, at its sole cost and expense, at least the following insurance

1. Workers Compensation Insurance with statutory limits of \$100,000 each accident, \$500,000 disease policy limit, and \$100,000 disease each employee;
2. Commercial General Liability insurance with a minimum limit of \$1,000,000 per occurrence and \$2,000,000 in the aggregate, per project, which insurance shall cover the following: premises and operations liability, products/completed operations, broad form property damage, broad form contractual liability, personal injury and independent contractors' and sub-contractors' liability, with employee exclusion deleted; and
3. Automobile Liability insurance covering owned, hired and non-owned vehicles, with a minimum limit of liability of \$1,000,000, except where the contractor does not own a vehicle, in which case the contractor shall provide a notarized letter so stating.

The Corporation and the Managing Agent, their respective members, partners, shareholders, subsidiaries, affiliates, directors and officers, agents, employees, successors, and assigns shall be named as additional insureds (using endorsement CG 2010 11/85 or its equivalent for the primary liability policy) to the full limits of any such insurance. The coverage afforded to the additional insureds shall be primary to and non-contributory with other valid and collectible insurance available to the Corporation and/or the Managing Agent.

Such operations coverage will be maintained for a period of at least one year after the completion of all the Work.

The contractor must submit its liability policy for review, and coverage shall be of a form and with insurance carriers reasonably acceptable to the Corporation, and the Managing Agent. Please email a complete copy of the liability policy to info@AtlasNYC.com. Anticipate that the review can take five (5) to ten (10) business days.

Where Contractor's insurance policy states that a certificate of liability insurance holder is to be included as additional insured when required by written contract, such a written contract shall be provided.

Where Contractor's insurance policy requires that Indemnities be specifically listed on a schedule, such schedule will so list the Indemnitees.

Coverage shall be of a form and with insurance carriers reasonably acceptable to Corporation and Managing Agent.

Contractor: _____ Title: _____ Date: _____

Shareholder: _____ Date: _____

Corporation: The Bakery, Inc. Date: _____

By: _____, President